



Kerr-McGee Oil & Gas OnShore LP
1999 Broadway, Suite 3700, Denver, Colorado 80202
303-296-3600 • Fax 303-296-3601

April 10, 2006

Ms. Diana Whitney
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-6100

RE: Bonanza 1023-10G
T10S-R23E
Section 10: SWNE
1,427' FNL, 2,299' FEL
Uintah County, Utah

Dear Ms. Whitney:

Kerr-McGee Oil & Gas Onshore LP, formerly known as Westport Oil and Gas Company, L.P. has submitted a permit to drill the captioned well to test the Wasatch and Mesaverde formations. The well is located at an exception location to Spacing Order 179-12. The well location was moved for topographic reasons. Kerr-McGee owns 100% of the leasehold within 460 feet of the exception location of the offset lands and has no objection to the exception location.

Kerr-McGee requests your approval of this exception location. If you have any questions, call me at 720-264-2618. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Chris Latimer'.

W. Chris Latimer, CPL
Senior Landman

cc: Raleen Weddle

RECEIVED
APR 13 2006
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

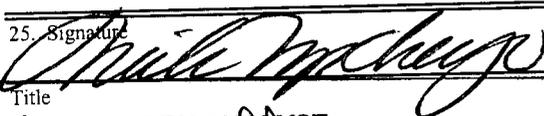
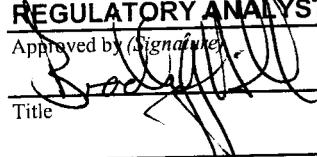
FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-38261
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. utul 0774
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	8. Lease Name and Well No. BONANZA 1023-10G
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE 1427'FNL, 2299'FEL 644 217 X 39. 966 842 At proposed prod. Zone 4425 232Y -109. 311386		9. API Well No. 43-047-38227
14. Distance in miles and direction from nearest town or post office* 39.9 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) 1427'	16. No. of Acres in lease 280.00	11. Sec., T., R., M., or Blk, and Survey or Area SECTION 10, T10S, R23E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 7960'	12. County or Parish UINTAH
20. BLM/BIA Bond No. on file BOND NO. 2971100-2533	17. Spacing Unit dedicated to this well 40.00	13. State UTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5399'GL	22. Approximate date work will start*	23. Estimated duration

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) SHEILA UPCHEGO	Date 5/31/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 06-15-06
Title ENVIRONMENTAL MANAGER	Office ENVIRONMENTAL MANAGER	

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

Conditions of approval, if any, are attached.

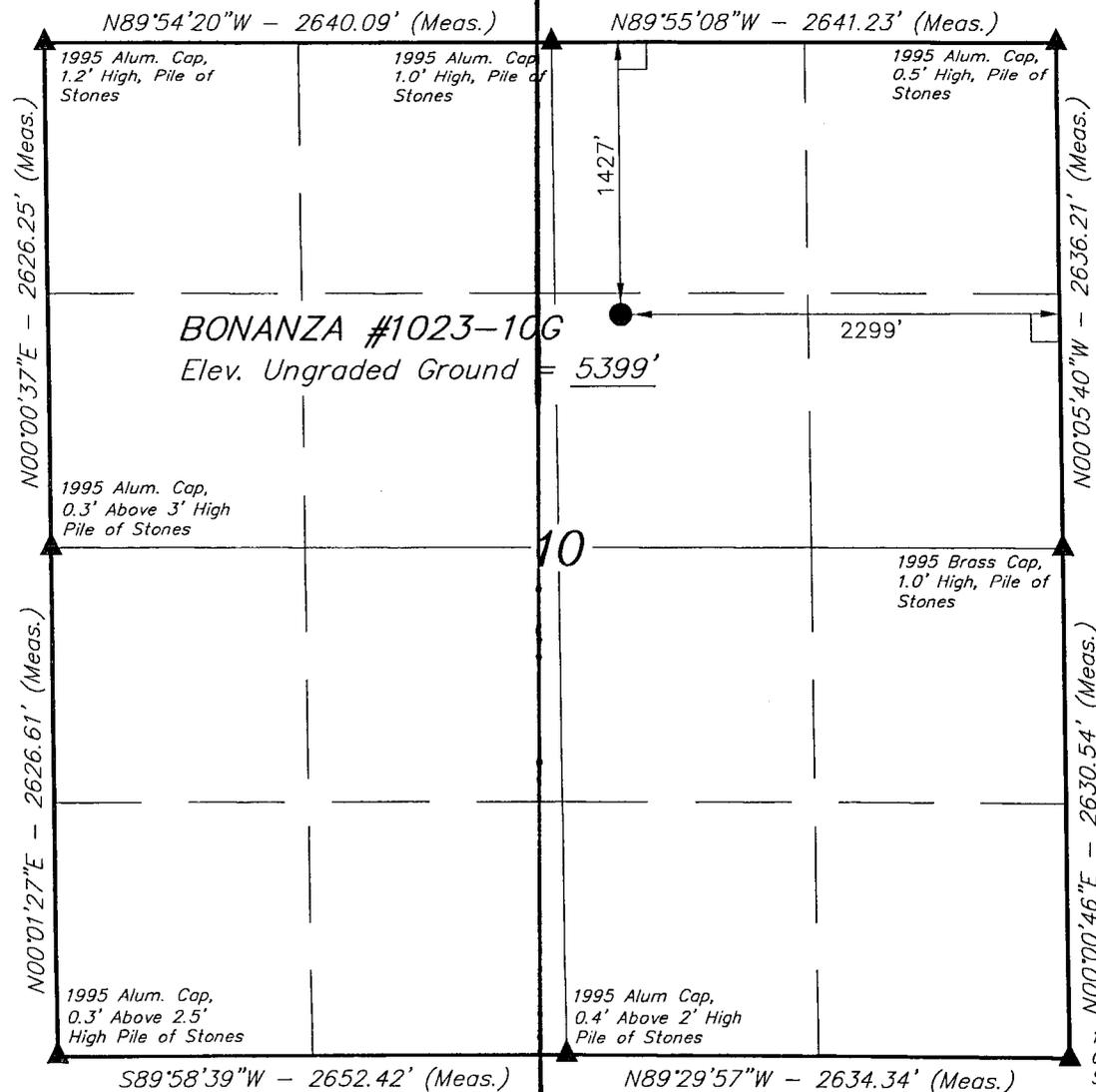
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Federal Approval of this
Action is Necessary

JUN 05 2006

T10S, R23E, S.L.B.&M.

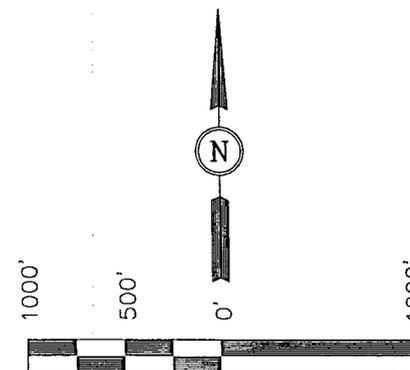


Kerr-McGee Oil & Gas Onshore LP

Well location, BONANZA #1023-10G, located as shown in the SW 1/4 NE 1/4 of Section 10, T10S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

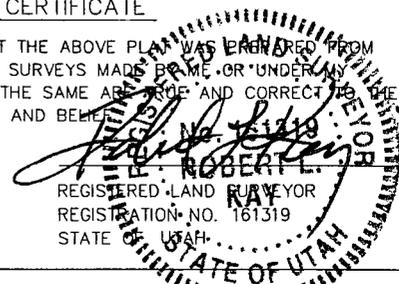
BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.



SCALE

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.



BASIS OF BEARINGS

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

(NAD 83)
 LATITUDE = 39°58'00.39" (39.966775)
 LONGITUDE = 109°18'42.68" (109.311856)
 (NAD 27)
 LATITUDE = 39°58'00.51" (39.966808)
 LONGITUDE = 109°18'40.24" (109.311178)

LEGEND:

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

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

SCALE 1" = 1000'	DATE SURVEYED: 02-23-06	DATE DRAWN: 03-01-06
PARTY B.H. J.T. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE WESTPORT OIL AND GAS COMPANY, L.P.	



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1850	32.30	H-40	STC	0.75*****	1.58	4.85
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 7960	11.60	I-80	LTC	2.59	1.33	2.49

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 3009 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	3,500'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	380	60%	11.00
	TAIL	4,460'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1250	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

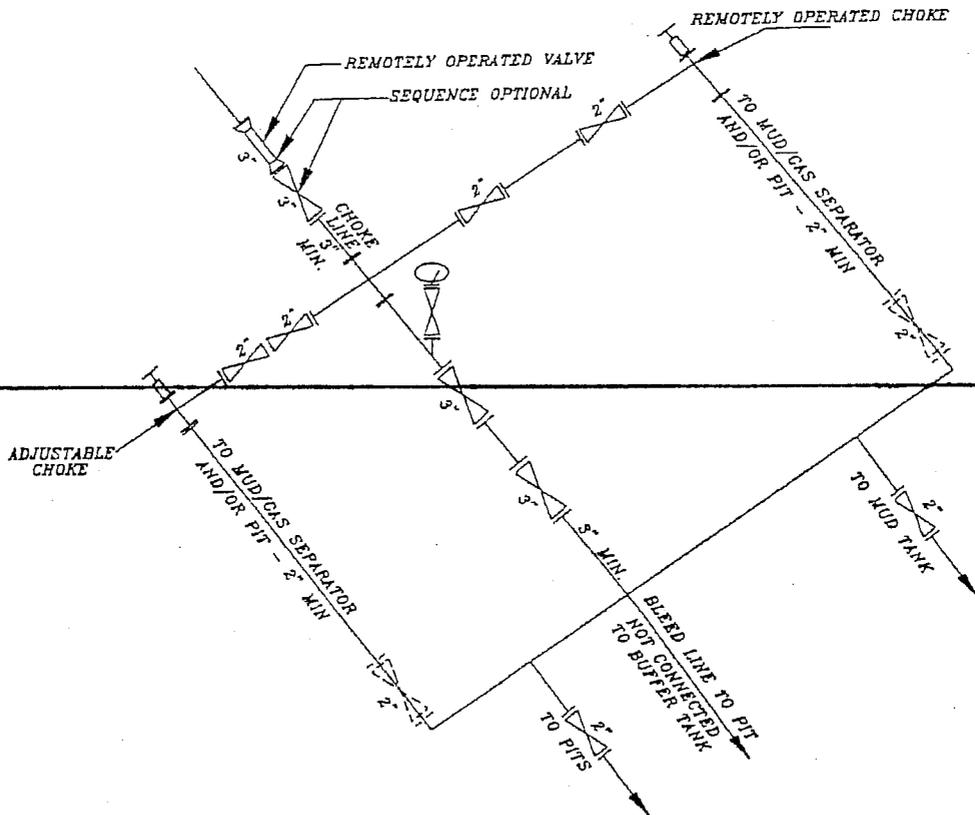
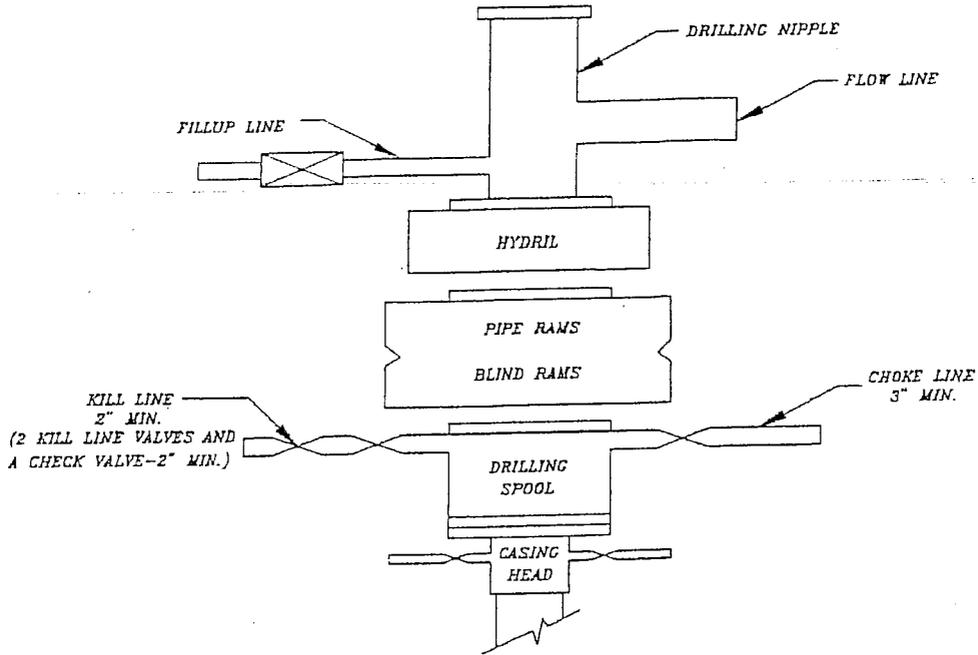
Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.
 BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & 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



**BONANZA 1023-10G
SW/NE SECTION 10, T10S, R23E
UINTAH COUNTY, UTAH
UTU-38261**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Directions to the proposed location are attached.

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

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

2. Planned Access Roads:

Approximately 290' +/- of new access roads is proposed. Refer to Topo Map B.

The access road will be crowned (2 to 3%), ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. ~~All traffic will be confined to the approved disturbed~~ surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing or shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities & Pipelines

The following guidelines will apply if the well is productive.

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

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

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

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5 Y 6/2) as determined during the on-site inspection.

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

Variances to Best Management Practices (BMP) Requests:

Approximately 950' of 4" and Approximately 950' of 4" steel pipeline is proposed. Please refer to the Topo Map D. The pipeline will be butt-welded together.

The pipeline shall be installed on surface within 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.

5. Location and Type of Water Supply:

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

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

No water well is to be drilled on this lease.

6. Source of Construction Materials

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

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials

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

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

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

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

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

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

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

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

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

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

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

8. Ancillary Facilities

None are anticipated.

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

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

Avoid spilling pit spoils over ledge push to end of pit. As discussed at the on-site inspection.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Dry Hole/Abandoned Location:

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

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

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 seeds are:

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

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

11. Surface Ownership:

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 has been performed and completed on May 17, 2005, the Archaeological Report No. 05-119.

A Paleontological survey has been performed and completed on May 26, 2006, the Paleontological Report No. ICP 06-89.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

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

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

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

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

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

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

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

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


Sheila Upchego

May 31, 2006

Date

**BONANZA #1023-10G
SW/NE Sec. 10, T10S,R23E
UINTAH COUNTY, UTAH
UTU-38261**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	997'
Top of Birds Nest Water	1341'
Mahogany	1957'
Wasatch	4007'
Mesaverde	6025'
MVU2	6841'
MVL1	7381'
TD	7960'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	997'
	Top of Birds Nest Water	1341'
	Mahogany	1957'
Gas	Wasatch	4007'
	Mesaverde	6025'
Gas	MVU2	6841'
Gas	MVL1	7381'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 7960' TD, approximately equals 4935 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3844 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.

Kerr-McGee Oil & Gas Onshore LP
BONANZA #1023-10G
SECTION 10, T10S, R23E, 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 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 5.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 3.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ROAD ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 290' TO THE PROPOSED LOCATION.

~~TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS~~
APPROXIMATELY 60.9 MILES.

Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-10G
LOCATED IN UINTAH COUNTY, UTAH
SECTION 10, T10S, R23E, S.L.B.&M.

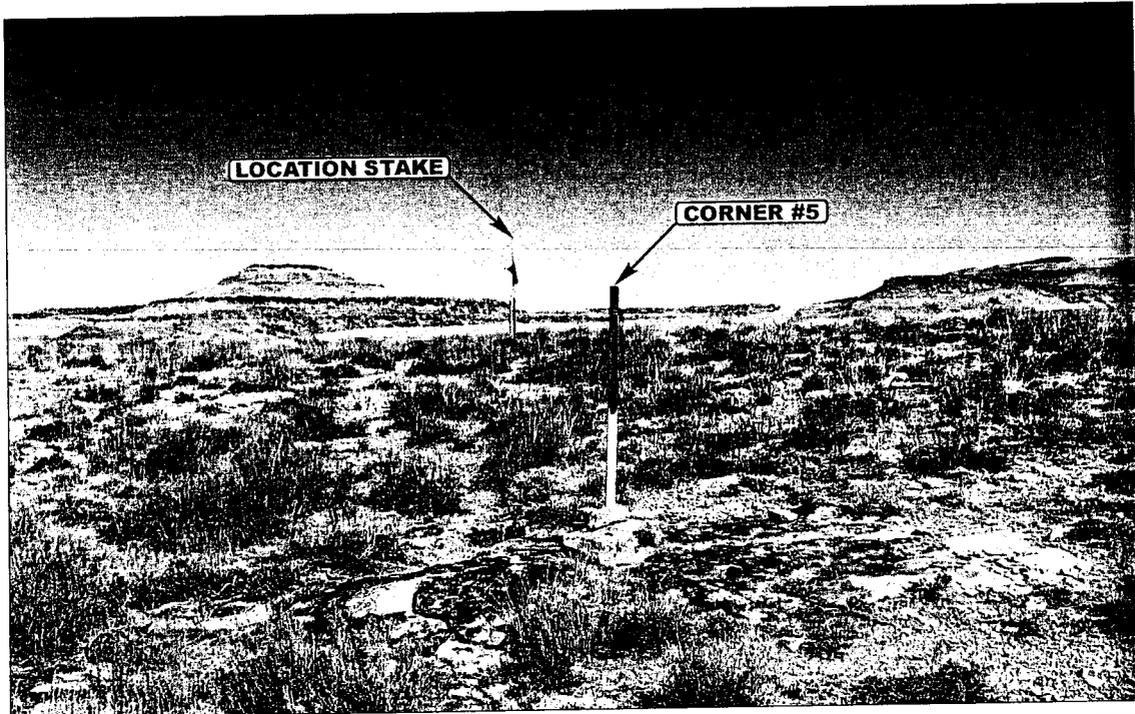


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

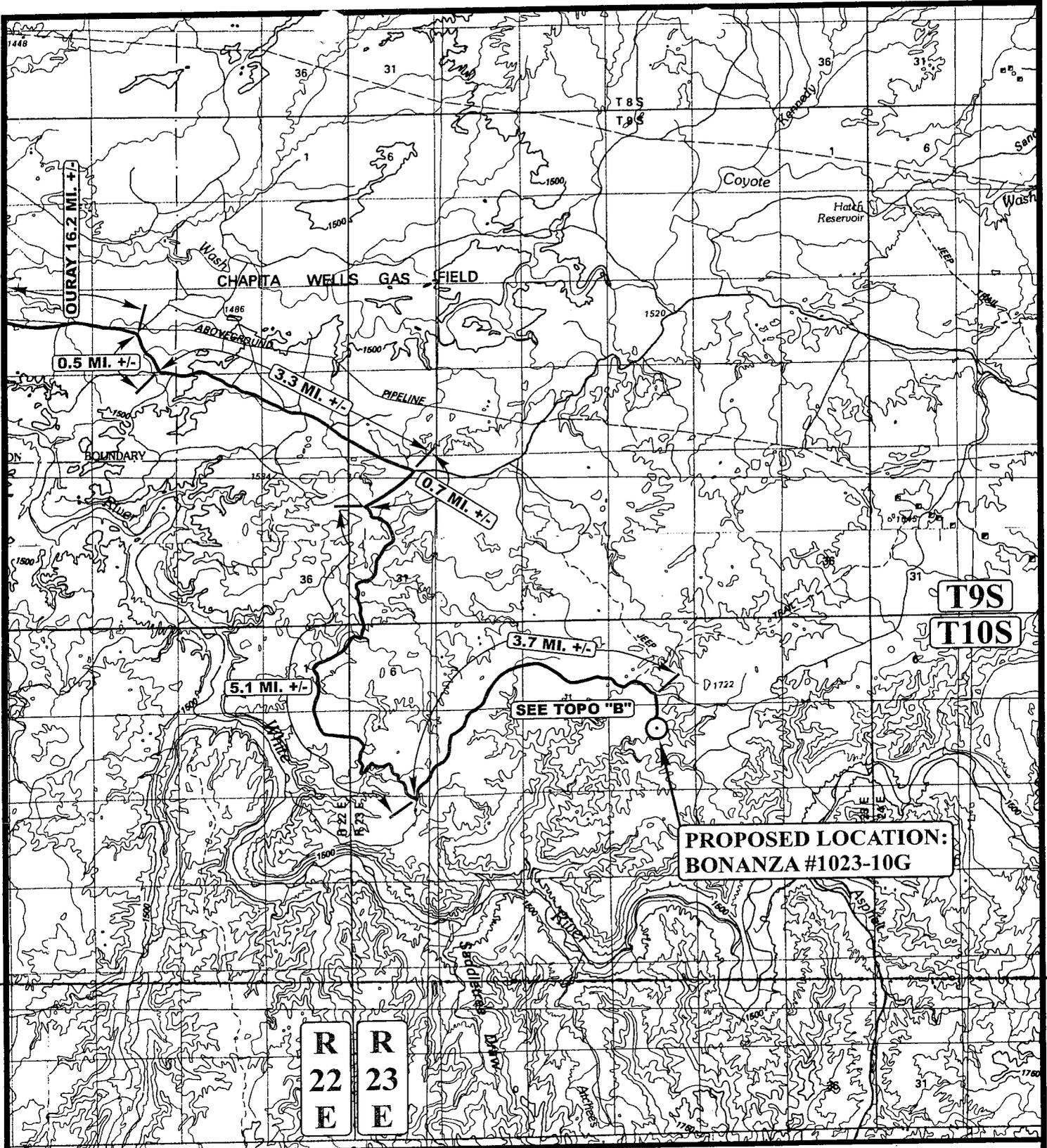
CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS	03	09	06	PHOTO
TAKEN BY: B.H.	MONTH	DAY	YEAR	
DRAWN BY: B.C.	REVISED: 00-00-00			



**PROPOSED LOCATION:
BONANZA #1023-10G**

LEGEND:

○ PROPOSED LOCATION

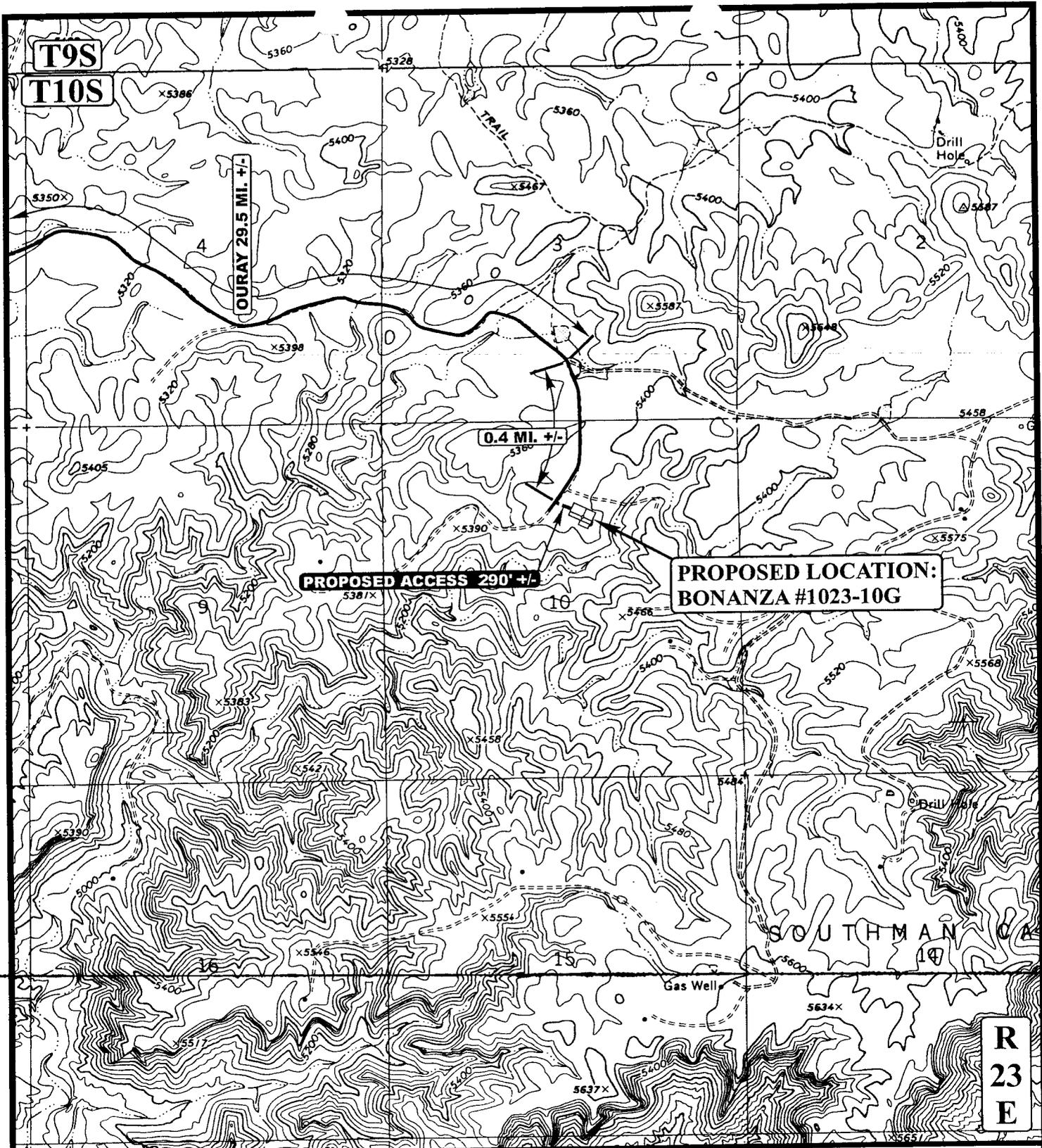
Kerr-McGee Oil & Gas Onshore LP

**BONANZA #1023-10G
SECTION 10, T10S, R23E, S.L.B.&M.
1427' FNL 2299' FEL**

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



TOPOGRAPHIC	03	09	06	A
MAP	MONTH	DAY	YEAR	
SCALE: 1:100,000	DRAWN BY: B.C.		REVISED: 00-00-00	TOPO



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



Kerr-McGee Oil & Gas Onshore LP

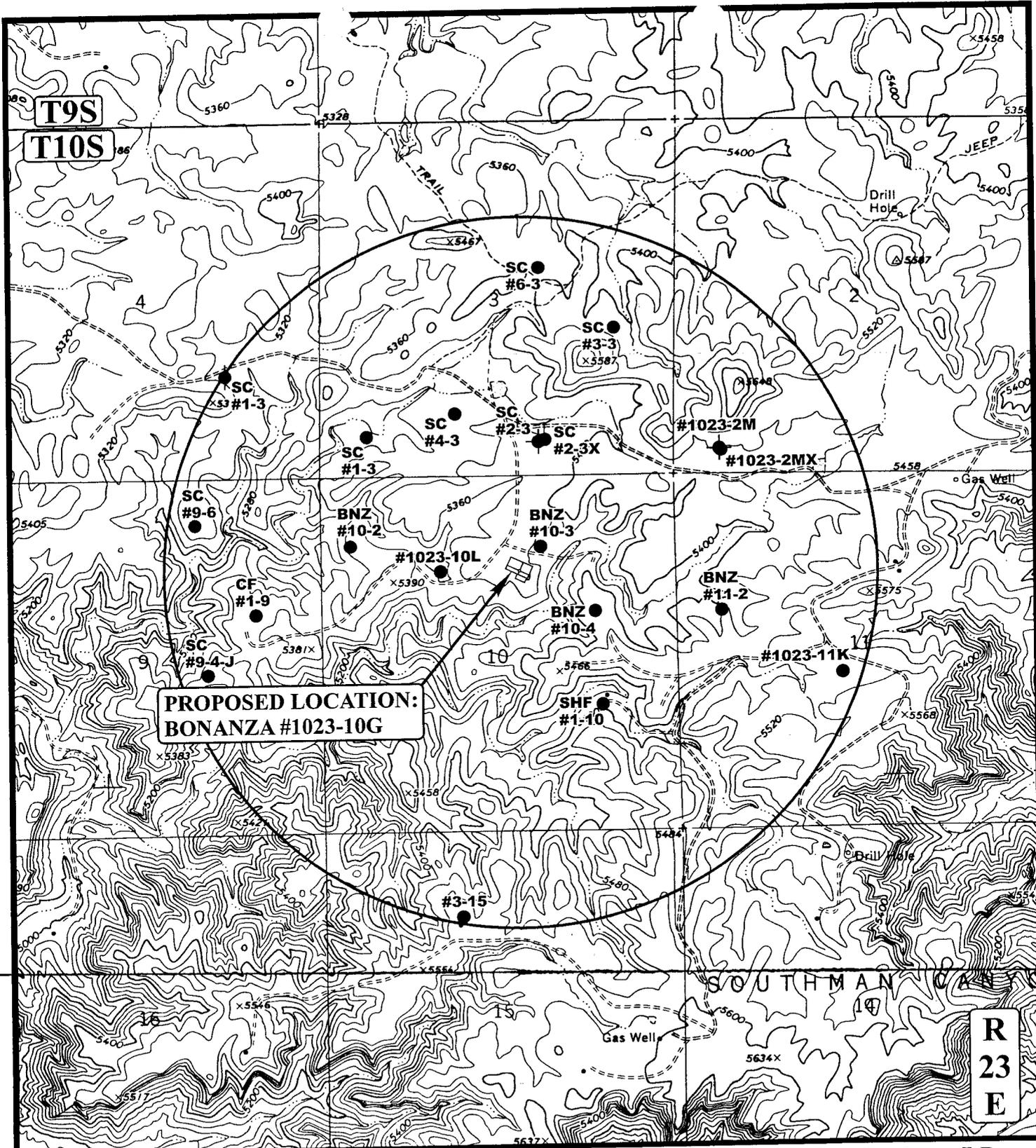
BONANZA #1023-10G
SECTION 10, T10S, R23E, S.L.B.&M.
1427' FNL 2299' FEL



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

TOPOGRAPHIC 03 09 06
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: B.C. REVISED: 00-00-00





**PROPOSED LOCATION:
BONANZA #1023-10G**

LEGEND:

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

Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-10G
SECTION 10, T10S, R23E, S.L.B.&M.
1427' FNL 2299' FEL

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



TOPOGRAPHIC MAP

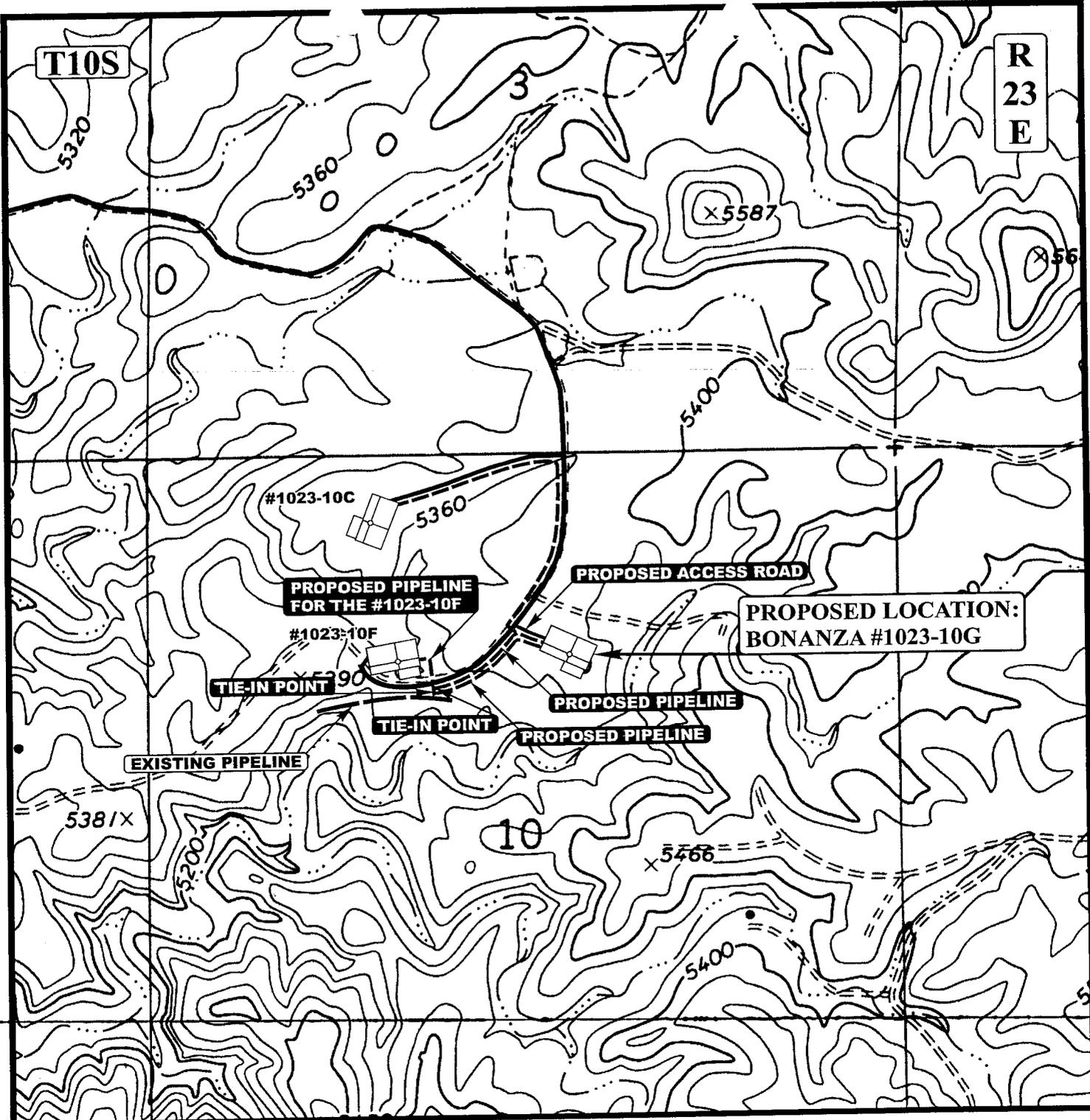
03	09	06
MONTH	DAY	YEAR

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

C
TOPO

T10S

R
23
E



APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 950' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED PIPELINE (SERVICING OTHER WELLS)

Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-10G
 SECTION 10, T10S, R23E, S.L.B.&M.
 1427' FNL 2299' FEL



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

TOPOGRAPHIC MAP
 MONTH: 03 DAY: 09 YEAR: 06
 SCALE: 1" = 1000' DRAWN BY: B.C. REVISED: 05-23-06C.P.



Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-10G

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 10, T10S, R23E, S.L.B.&M.

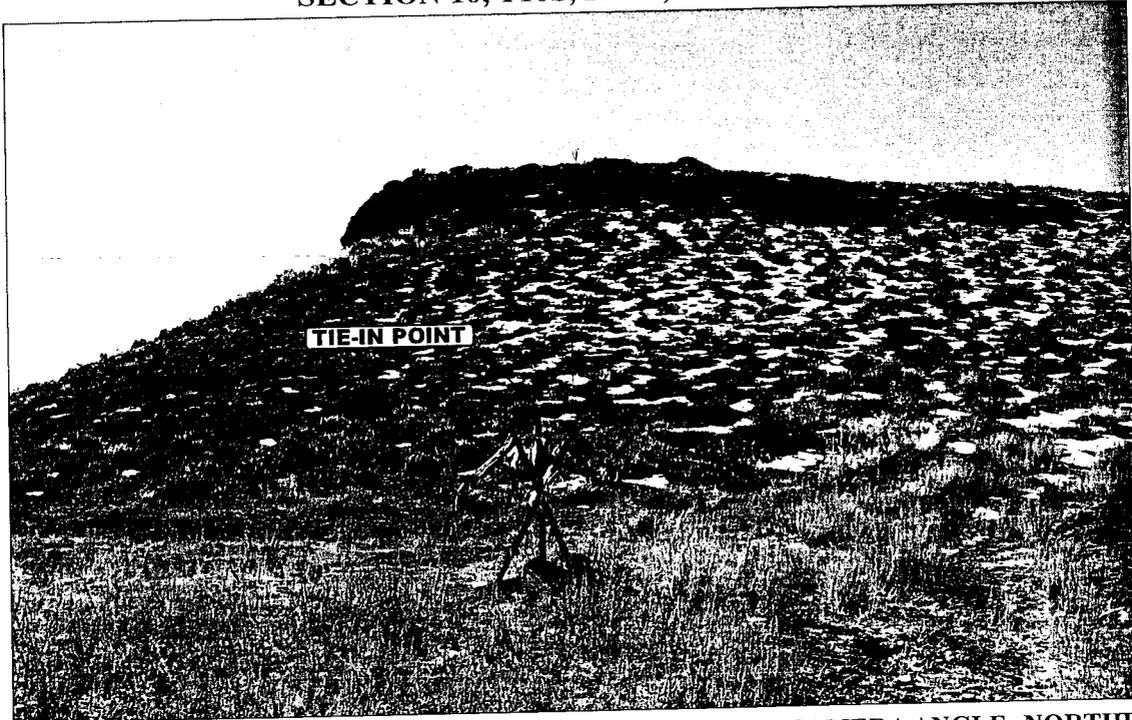


PHOTO: VIEW OF TIE-IN POINT

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

EIS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

03 09 06
MONTH DAY YEAR

PHOTO

TAKEN BY: B.H.

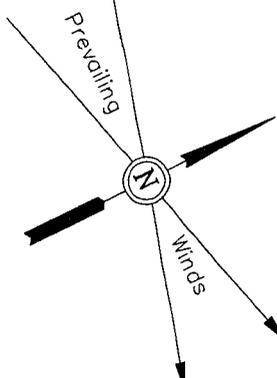
DRAWN BY: B.C.

REVISED: 00-00-00

Kerr-McGee Oil & Gas Onshore LP

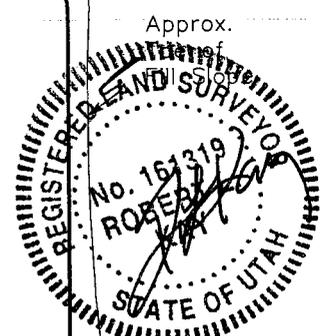
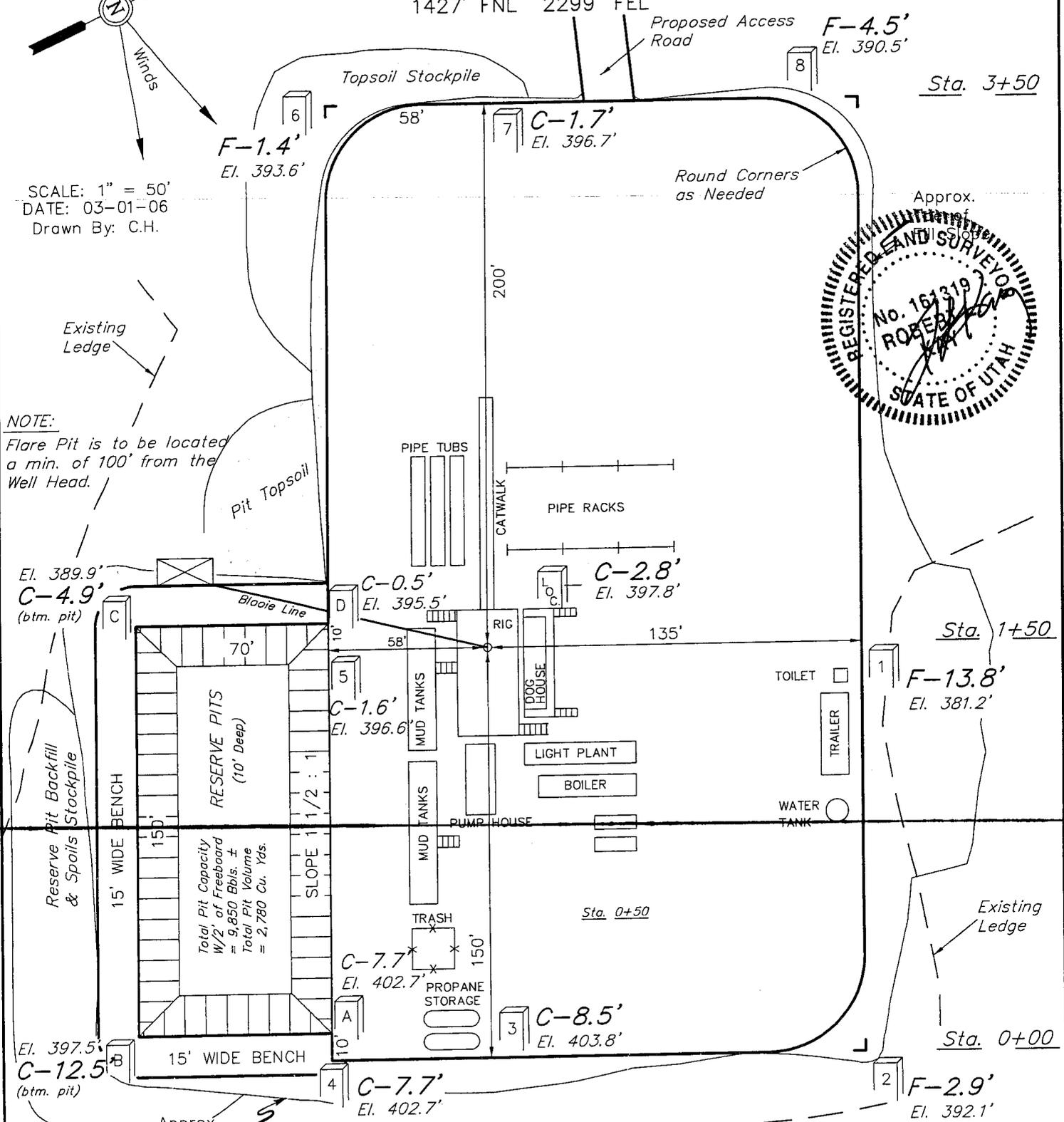
LOCATION LAYOUT FOR

BONANZA #1023-10G
SECTION 10, T10S, R23E, S.L.B.&M.
1427' FNL 2299' FEL



SCALE: 1" = 50'
DATE: 03-01-06
Drawn By: C.H.

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



NOTES:
Elev. Ungraded Ground At Loc. Stake = 5398.9'
FINISHED GRADE ELEV. AT LOC. STAKE = 5395.0'

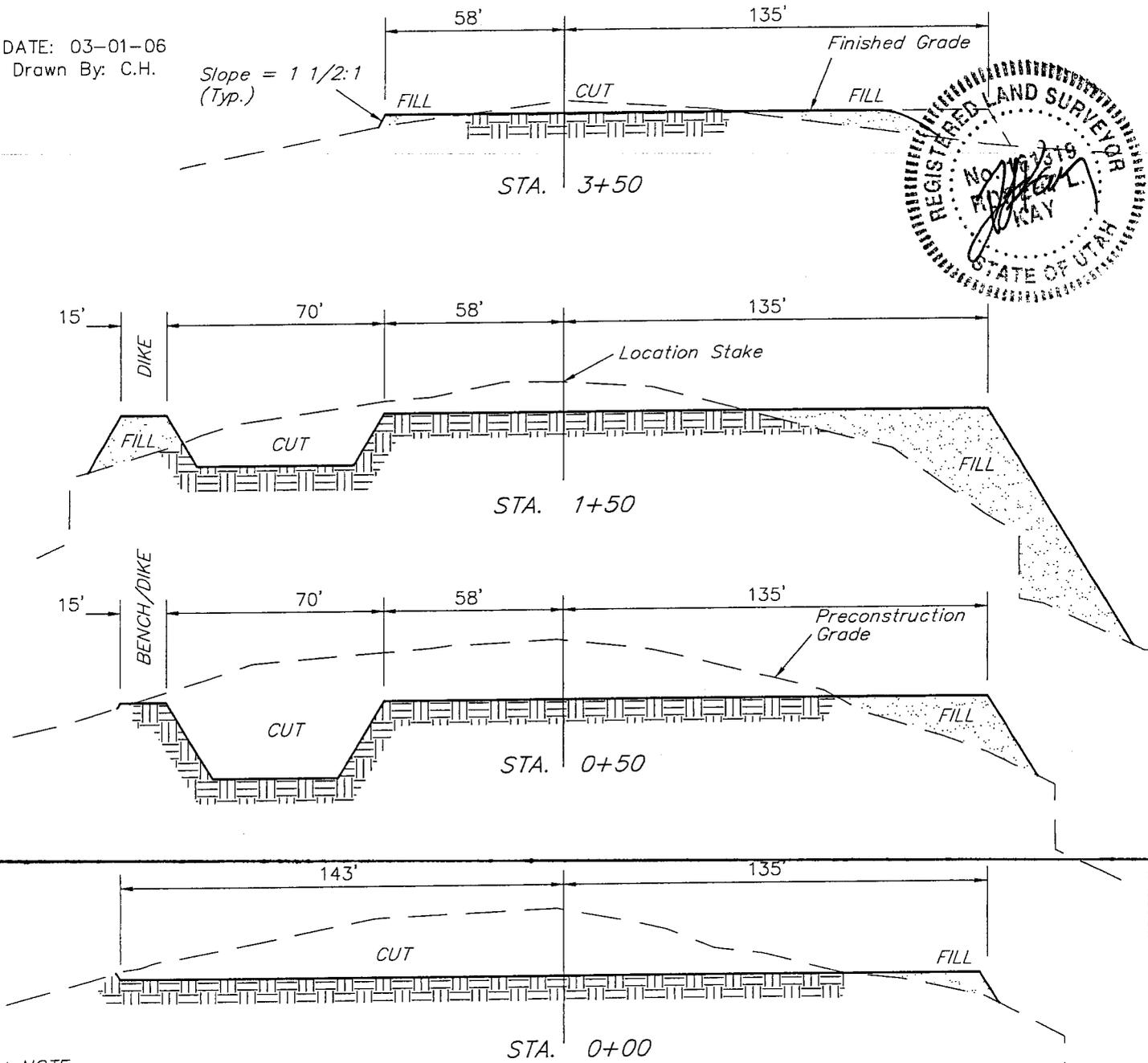
FIGURE #1

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

TYPICAL CROSS SECTIONS FOR
BONANZA #1023-10G
SECTION 10, T10S, R23E, S.L.B.&M.
1427' FNL 2299' FEL

DATE: 03-01-06
Drawn By: C.H.

Slope = 1 1/2:1
(Typ.)



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	1,810 Cu. Yds.
Remaining Location	=	8,050 Cu. Yds.
TOTAL CUT	=	9,860 CU.YDS.
FILL	=	6,660 CU.YDS.

EXCESS MATERIAL	=	3,200 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,200 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/05/2006

API NO. ASSIGNED: 43-047-38227

WELL NAME: BONANZA 1023-10G
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SWNE 10 100S 230E
 SURFACE: 1427 FNL 2299 FEL
 BOTTOM: 1427 FNL 2299 FEL
 COUNTY: UINTAH
 LATITUDE: 39.96684 LONGITUDE: -109.3114
 UTM SURF EASTINGS: 644217 NORTHINGS: 4425232
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-38261
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

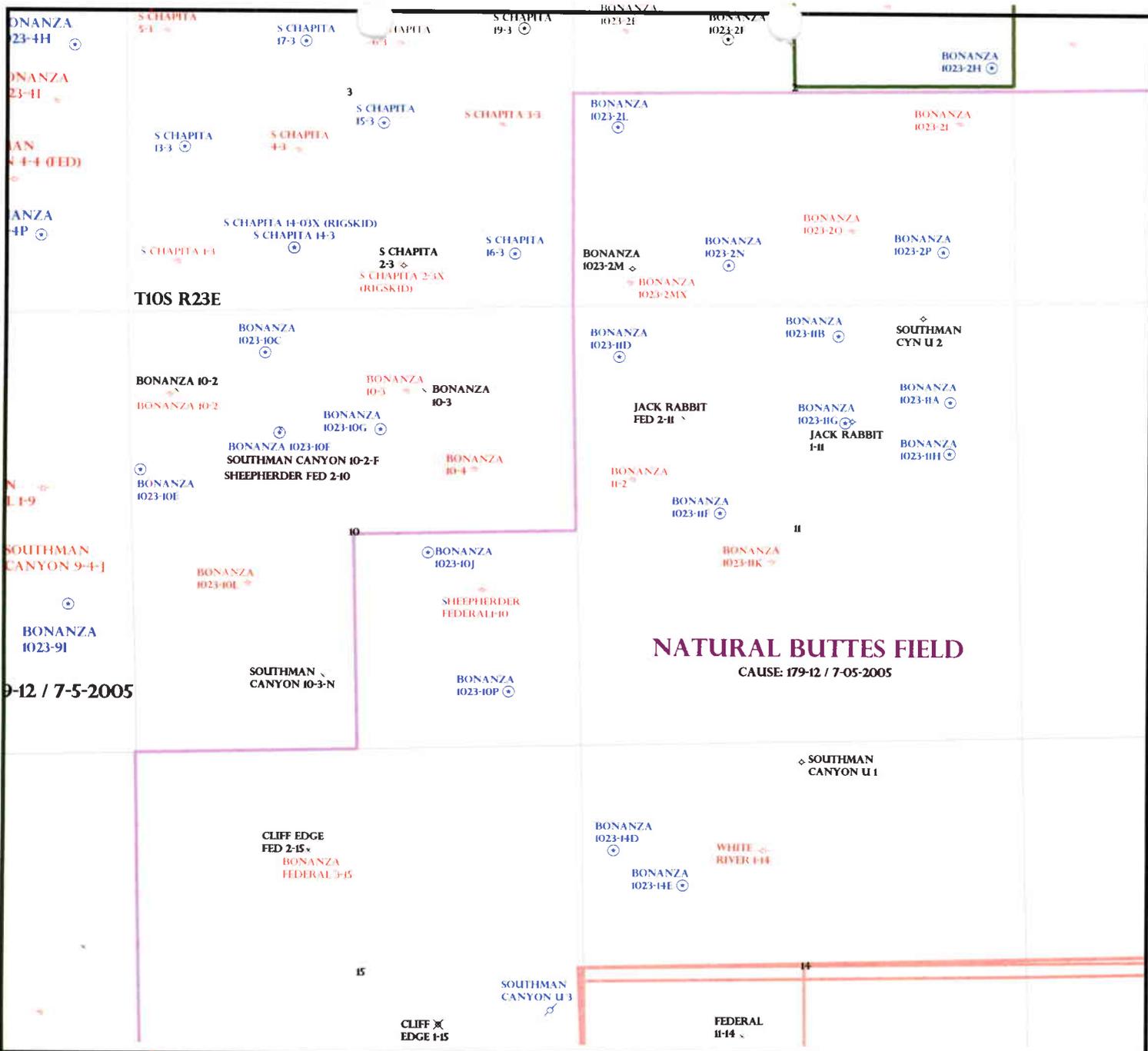
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. 2971100-2533)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
Unit: _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 179-12
Eff Date: 7-5-05
Siting: 460' fr center of ldr, 920' fr other wells.
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1 - Federal Approval



NATURAL BUTTES FIELD

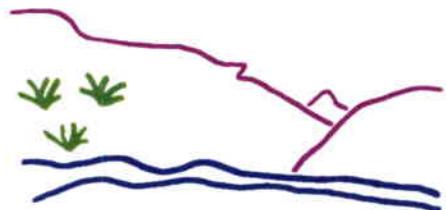
CAUSE: 179-12 / 7-05-2005

OPERATOR: KERR MCGEE O&G (N2995)
 SEC: 10,11 T. 10S R. 23E
 FIELD: NATURAL BUTTES (630)
 COUNTY: Uintah
 CAUSE: 179-12 / 7-5-2005

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

Wells Status

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



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
 DATE: 14-JUNE-2006



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 15, 2006

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

Re: Bonanza 1023-10G Well, 1427' FNL, 2299' FEL, SW NE, Sec. 10, T. 10 South,
R. 23 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-047-38227.

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 Bonanza 1023-10G

API Number: 43-047-38227

Lease: UTU-38261

Location: SW NE Sec. 10 T. 10 South R. 23 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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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-38261

6. If Indian, Allottee or Tribe Name

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

UTU60774

8. Well Name and No.

BONANZA 1023-10G

9. API Well No.

4304738227

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)

1427' FNL, 2299' FEL
SWNE, SEC 10-T10S-R23E

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

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

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

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 15, 2006.

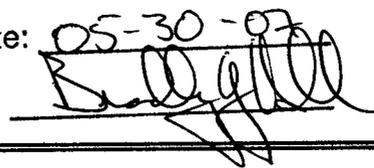
Approved by the
Utah Division of
Oil, Gas and Mining

331.07
RM

RECEIVED

Date: 05-30-07

MAY 29 2007

By: 

DIV. OF OIL, GAS & MINING

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

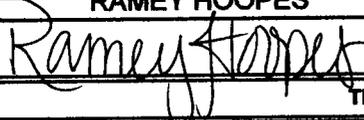
Name (Printed/Typed)

RAMEY HOOPES

Title

REGULATORY CLERK

Signature



Date

May 22, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

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

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

API: 4304738227
Well Name: BONANZA 1023-10G
Location: SWNE, SEC 10-T10S-R23E
Company Permit Issued to: KERR-MCGEE OIL AND GAS ONSHORE LP
Date Original Permit Issued: 6/15/2006

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

Ramey Hoopes
Signature

5/22/2007
Date

Title: REGULATORY CLERK

Representing: KERR-MCGEE OIL AND GAS ONSHORE L

RECEIVED
MAY 29 2007
DIV. OF OIL, GAS & MINING

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

JUN 01 2006

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-38261
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. ce-5
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	8. Lease Name and Well No. BONANZA 1023-10G
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE 1427'FNL, 2299'FEL At proposed prod. Zone		9. API Well No. 43.047.38227
14. Distance in miles and direction from nearest town or post office* 39.9 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) 1427'	16. No. of Acres in lease 280.00	11. Sec., T., R., M., or Blk, and Survey or Area SECTION 10, T10S, R23E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 7960'	12. County or Parish UINTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5399'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 BOND NO. 2974100-2533 WYB000291		
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. |

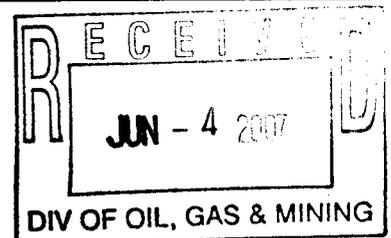
25. Signature 	Name (Printed/Typed) SHEILA UPCHEGO	Date 5/31/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) JERRY KAUCEKA	Date 5-30-2007
Title Assistant Field Manager Lands & Mineral Resources	Office	

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

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

*(Instructions on reverse)

NOTICE OF APPROVAL



06BM1369A NOS 3/21/06



**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:	SWNE, Sec. 10, T10S, R23E
Well No:	Bonanza 1023-10G	Lease No:	UTU-38261
API No:	43-047-38227	Agreement:	CA CR-5

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

Fax: (435) 781-4410

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

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

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	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 Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	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)***

General Surface COA

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

Site Specific Surface Conditions of Approval

- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be re-contoured and the topsoil re-spread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be re-contoured to natural contours, topsoil re-spread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- As discussed on the onsite no fill or excess material shall be pushed over the ledge.

DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- A surface casing shoe integrity test shall be performed.
- Production casing cement top shall be at a minimum of 200' above the surface casing shoe.
- Communitization Agreement Number CR-5, (E1/2, Section 10, T10S, R 23E) was approved to include only production from the Mesaverde Formation. Prior to well completion, approval by this office shall be required before production is established from any other formation(s).

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

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

OPERATING REQUIREMENT REMINDERS:

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
UTU-38261

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
UTU60774

8. Well Name and No.
BONANZA 1023-10G

9. API Well No.
4304738227

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1427' FNL, 2299' FEL
SWNE, SEC 10-T10S-R23E**

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 WELL SPUD
	<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.

MIRU-PETE MARTIN DRILLING. DRILL 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SK READY MIX.

SPUD WELL @ 1200 HRS ON 8/15/2007.

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature <i>Sheila Upchego</i>	Date August 16, 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.

RECEIVED

AUG 20 2007

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
4304738227	BONANZA 1023-10G		SWNE	10	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A</i>	99999	<i>16315</i>	8/15/2007			<i>8/28/07</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSTMVD</i> SPUD WELL LOCATION ON 08/15/2007 AT 1200 HRS							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43047: <i>39030</i>	NBU 1022-18A		NENE	18	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>B</i>	99999	<i>2900</i>	8/15/2007			<i>8/28/07</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSTMVD</i> SPUD WELL LOCATION ON 08/15/2007 AT 1000 HRS							

Well 3

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

ACTION CODES:

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

SHEILA UPCHEGO

Name (Please Print)

Sheila Upchego

Signature

SENIOR LAND SPECIALIST

8/16/2007

Title

Date

RECEIVED

AUG 16 2007

(5/2000)

DIV. OF OIL, GAS & MINING



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

CHRONOLOGICAL WELL HISTORY

BONANZA 1023-10G

SWNE SEC.10, T10S, R23E
UINTAH COUNTY, UT

09/03/07	TD: 4410'	Csg. 9 5/8" @ 2049'	MW: 10.0	SD: 9/1/07	DSS: 2
	RDRT and move to Bonanza 1023-10G. Spot rig and RURT. NU and test BOPE. PUDS and drill FE. Rotary spud @ 2330 hrs 9/1/07. Drill from 2050'-4410'. DA.				
09/04/07	TD: 5673'	Csg. 9 5/8" @ 2049'	MW: 10.0	SD: 9/1/07	DSS: 3
	Drill from 4410'-5673'. TFNB @ report time.				
09/05/07	TD: 6356'	Csg. 9 5/8" @ 2049'	MW: 10.6	SD: 9/1/07	DSS: 4
	TFNB. Drill from 5673'-6356'. DA.				
09/06/07	TD: 7341'	Csg. 9 5/8" @ 2049'	MW: 11.0	SD: 9/1/07	DSS: 5
	Drill from 6356'-7341. Slug pipe and prepare to TFNB.				
09/07/07	TD: 7900'	Csg. 9 5/8" @ 2049'	MW: 11.5	SD: 9/1/07	DSS: 6
	Finish TFNB. Drill f/ 7341'-7900'. Short trip and prep to LDDP @ report time.				
09/10/07	TD: 7900'	Csg. 9 5/8" @ 2049'	MW: 11.5	SD: 9/1/07	DSS: 8
	LDDS. RU and run logs to TD. Run and cmt 4.5" prod csg. Land hanger, ND, clean pits, and rls rig @ 1330 hrs on 9/8/07. Moved to Bonanza 1023-4H.				
12/13/07	MIRU				
	Days On Completion: 1				
	Remarks: 7AM [DAY 1] J.S.A.#1 RDMO NBU 1022-5D-4T. ROAD RIG TO BONANZA 1023-10G. MIRU, SPOT EQUIPMENT. NDWH, NUBOP. R/U FLOOR & TBG EQUIPMENT. P/U 3-7/8" MILL & 147 JTS NEW 2-3/8" J-55 TBG & RIH. [SLM] TBG WAS DRIFTED. EOT @ 4500'. CUTTERS RAN A CBL-CCL-GR LOG PRYOR TO MIRU. 5:30 PM SWI-SDFN. PREP TO C/O--P.T.-- PERF-- & DFIT IN AM.				
12/14/07	defit				
	Days On Completion: 2				
	Remarks: 7:AM HJSA. OPEN WELL. 0 PSI. FINISH PU & RIH W/ 23/8" J-55 TBG. 252 JTS. TAG @ 7837'. BROKE REV CIR, & CIR WELL W/ 80 BBLs. POOH W/ 252 JTS TBG. ND BOP, NU FRAC VALVES. FILL & TEST TO 7500 PSI. BLED PRES. RU CUTTERS. RIH W/ 33/8" GUN. PERF 7806-7811. 4SPF, 20 HOLES. RU DELSCO. RIH W/ DOWNHOLE GAUGES, SET @ 7796'. RU HALLIBURTON FOR DEFIT.				
12/15/07	defit				
	Days On Completion: 3				
	Remarks: 9:AM HJA. RU HALLIBURTON. OPEN WELL. 50 PSI ON WELL. PUMP DEFIT. BROKE @ 4690. PUMPED 5 BBLs MIN. ISIP 2650. F.G. .77, 5 MIN 1902, 10 MIN 1865, 15 MIN 1835. SDFN. PULL GAUGES IN AM.				
12/17/07	FRAC				
	Days on Completion: 5				

Remarks: 6AM [DAY 4] MIRU HLBRTN & CUTTERS. HL'D HLBRTN J.S.A.
[STG#1] DELSCO POOH W/ D.H. GAUGE YESTERDAY. WE-SICP=1300#. RIH W/ PERF GUN & PERF THE REMAINING M.V. @ 7710'-7715' USING 3-3/8" EXP GUN, 23 GM, 0.36, 90* PHS, 4 SPF, [20 HLS] WHP AFTER 2ND SHOOT= 900#. HLBRTN HAD FROZEN EQUIPMENT. BRK DN PERFS @ 2708 # 5 BPM. ISIP 2024 #, FG .70 PUMP 3BBLs 15% HCL AHEAD OF INJ. CALE 32/40 PREF OPEN. PUMP 879 BBLs SLK WTR & 24,200# 30/50 SD. ISIP = 2142, F.G. = .72, NPI = 118, MP = 7394, MR = 52, AP = 5648, AR =36 BPM.

[STG#2] RIH W/ BAKER 8K CBP & PERF GUN. SET CBP @ 7646'. PERF THE M.V. @ 6500'-7504', 7526'-7528' & 7612'-7616' USING 3-3/8" EXP GUN, 23 GM, 0.36, 90* PHS, 4 SPF, [40 HLS] WHP=1900#. BRK DN PERFS @ 2696# @ 5 BPM. ISIP=2215, F.G.=.73. CALC ALL PERFS OPEN. PMP'D 1526 BBLs SLK WTR & 53,300# 30/50 SAND. ISIP=2470, F.G.=.77, NPI=255, MP=5804, MR=50, AP=4040, AR=50 BPM. NO ACID IN FLUSH DUE TO DFIT TEST W/ SLK LINE IN HOLE.

[STG#3] RIH W/ BAKER 8K CBP & PERF GUN. SET CBP @ 7326'. PERF THE M.V. @ 7252'-7255' USING 3-3/8" EXP GUN, 23 GM, 0.36, 90* PHS, 4 SPF, [12 HLS] POOH & L/D WIRELINE TOOLS. MIRU DELSCO SLK LINE. RIH, W/ D.H. PSI GAUGE & SET GAUGE @ 7242'. HAD HLBRTN PERFORM DFIT TEST. BRK DN PERFS @ 3922# @ 5.6 BPM. PMP'D 24.43 BBLs RECYCLED WTR @ 2599# @ 5.7 BPM. ISIP=2115, F.G.=.72. 5 MIN=1648, 10 MIN=1528, 15 MIN=1424#. LEAVE D.H. GAUGE IN WELL OVERNIGHT TO MONITOR PSI.

12/18/07

FRAC

Days on Completion: 6

Remarks: 6 AM, (DAY 5), HELD HALLIBURTON JSA.

(STG # 3) : SICP = 1100 #. POOH W/ DH PSI GAUGE, LD GAUGE. CUTTERS HAD STARTER PROBLEMS W/ WIRELINE TRUCK. RIH W/PERF GUN,-- PERF GUN SET DOWN AT 7280'. WORK WIRELINE WHILE PUMPING 25 BBLs AT 4 BPM AT 2530 #, NO LUCK. TOOH W/ WIRELINE. BLOW WELL BACK. FOR 30 MIN. RECOVERED 10 BBLs TO PIT, WELL DIED. R/D CUTTERS & HALLIBURTON LINES. N/D TOP FRAC VALVE. NU/BOP. R/U FLOOR & TBG EQUIP. P/U 3 7/8 BIT, POBS W/ BIG R NIPPLE, RIH OUT OF DERRICK WITH 2 3/8" J-55 TBG. TAG FILL @ 7270'. R/U SWVL & RIG PUMP. ESTABLISH CIRCULATION W/ 2% KCL WTR. DRILL & C/O 56' OF FRAC SAND TO CBP @ 7326'. CIRCULATE WELL CLEAN. POOH STDG BACK TBG. L/D BHA. R/D FLOOR & TBG EQUIPMENT.NDBOP, N/U FRAC VALVE. R/U FLOOR. N/U FRAC HEAD. R/U CUTTERS & HLBRTN LINES & EQUIPMENT. RIH W/ PERF GUN & PERF THE REMAINING M.V. @ 7157'-7159', 4 SPF, 90* PHS, 7218'-7221', 3 SPF, 120* PHS & 7292'-7296', 4 SPF, 90* PHS USING 3-3/8" EXP GUN, 23 GM, 0.36, [33 HLS] WHP=50#. POOH W/ WIRELINE. L/D WIRELINE TOOLS. FREEZE PROTECT WELL HEAD & EQUIPMENT.
9 PM SWI-SDFN. PREP TO FRAC STG'S 3 TO 7 IN AM.

12/19/07

Frac

Days on Completion: 3

Remarks: 7:AM HSM. RIGLESS FRAC. RU HALLIBURTON & CUTTERS. TEST.

STAGE 1# OPEN WELL. PERFS 7990-8205'. 0 PSI . BROKE @ 4463, IR 50, IP 4650, ISIP 2920, FG .80, MP 6695, MR 50.3, AP 4491, AR 50.1, FG .79, ISIP 2723, NPI -197, CLEAN 1520 BBLs, SAND 55,000#. 45 GAL SANDWEDGE.

STAGE #2. RIH SET CBP @ 7948'. 33/8" GUNS, PERF 7740-42, 3SPF, 7830-32, 4SPF, 7850-53, 4SPF, 7881-82, 4SPF, 7914-18, 4SPF. 46 HOLES. BROKE @ 4325, IR 50.5, IP 4570, ISIP 2689, FG .79, MP 5815, MR 54.5, AP 4595, AR 53.4, FG .79, ISIP 2732, NPI 43, CLEAN 3190 BBLs, SAND 127,000#, 72 GAL SANDWEDGE.

STAGE #3 RIH SET CBP @ 7508', 3 3/8" GUNS, PERF 7458-68, 4SPF, 40 HOLES. BROKE @ 4860 PSI, IR 40.3, IP 3270 PSI, ISIP 2689 PSI, FG .70, MP 4860 PSI, MR 42.5 BPM, AP 3091 PSI, AR 40.3 BPM, FG .74, ISIP 2543 PSI, NPI 483 PSI, CLEAN 1665 BBLs, SAND 62,410#, 35 GAL SANDWEDGE.

STAGE #4. RIH SET CBP @ 7269', 3 3/8" GUNS, PERF @ 6999'-7002', 4 SPF, 7051'-7052', 4 SPF, 7120'-7122', 3 SPF, 7160'-7162', 4 SPF, 7235'-7239', 4 SPF, 46 HOLES. BROKE @ 3545 PSI, IR 50 BPM, IP 4600 PSI, ISIP 2704 PSI, FG .82, MP 4950 PSI, MR 50.3 BPM, AP 4212 PSI, AR 50.2 BPM, FG .83, ISIP 2790 PSI, NPI 86 PSI, CLEAN 2070 BBLs, SAND 81,750#, 52 GAL SANDWEDGE.

STAGE #5. RIH SET CBP @ 6032', 3 3/8" GUNS, PERF @ 5940'-5946', 4 SPF, 5978'-5982', 4 SPF, 40 HOLES. BROKE @ 5230 PSI, IR 48 BPM, IP 4400 PSI, ISIP 2622 PSI, FG .88, MP 4950 PSI, MR 50.3 BPM, AP 4335 PSI, AR 53.6 BPM, FG .88, ISIP 2600 PSI, NPI -22 PSI, CLEAN 675 BBL, SAND 25,300#, 11 GAL SANDWEDGE.

12/20/07

Drill CBP & Land

Days on Completion: 8

Remarks: (DAY 7) 7 AM. JSA # 5 THAW OUT FRAC VALVE.N/D FRAC VALVE, N/U BOP. RU FLOOR &TGB EQUIP. P/U 3 7/8" BIT, POB'S W/ BIG R NIPPLE & RIH ON 2 3/8" J-55 TBG. TAG CBP #1 @ 4667' R/U SWIVEL & RIG PUMP. ESTB CIRC W/ 2 % KCL WTR. P.T. BOP TO 3000 # (HELD GOOD)

(DRLG CBP # 1) 4667', DRILL OUT BAKER 8 K CBP IN 4 MIN, 50 # DIFT. RIH, TAG SAND @ 4667' C/O 0' SD. FCP 50 # (DRLG CBP # 2) 4806', DRILL OUT BAKER 8 K CBP IN 4 MIN, 50 # DIFF. RIH TAG SAND @ 4776', C/O 30' SD. FCP 75 #. (DRLG CBP # 3) 5551', DRILL OUT BAKER 8 K CBP IN 4 MIN. 75 # DIFF. RIH TAG SAND @ 5521', C/O 30' SD. FCP 75#. (DRLG CBP # 4) 6689', DRILL OUT BAKER 8 K CBP IN 5 MIN, 100 # DIFF. RIH TAG SAND @ 6659', C/O 30' SD. FCP 50 #. (DRLG CBP # 5) 7009', DRILL OUT BAKER 8 K CBP IN 6 MIN, 0 # DIFF. RIH TAG SAND @ 6974', C/O 35' SD. FCP 75#. (DRLG CBP # 6) 7326', DRILL OUT BAKER 8 K CBP IN 6 MIN. 50# DIFF. RIH TAG SAND @ 7306', C/O 20' SD. FCP 100 #. (DRLG CBP # 7) 7646' DRILL OUT BAKER 8 K CBP IN 6 MIN. 50 # DIFF. RIH TAG SAND @ 7826', C/O 20' SD. TO PBSD @ 7846'. CIRC WELL CLEAN. R/D SWIVEL. POOH W/ L/D 36 JTS ON FLOAT. LANDED TBG ON HANGER W 216 JTS. EOT @ 6751.26'. POBS W/ BIG R @ 6749.06'. AVG. 5 1/2 MIN / PLUG & C/O 160' SAND. R/D FLOOR & TBG EQUIP. FCP = 350 #. ND/BOP, NU/WH. DROP BALL DN TBG & PUMP OFF THE BIT @ 1600 #. WAIT 30 MIN FOR BIT TO FALL TO BTM. OPEN WELL TO FBT ON 20/64 CHOKE. FTP = 1100 #, SICP = 1400 #. 7:00 PM. TURN WELL OVER TO FBC LTR @ 6:30 PM = 7528 BBLs. RACK EQUIP. DRAIN PUMP LINES.

271 JTS DELV.

216 JTS LANDED

55 JTS RETUNED

12/23/07 **FLOWBACK REPORT:** CP 1850#, TP 1375#, CK 20/64", 33 BWPH, LOAD REC'D 2861 BBLs, TTL LOAD REC'D 4667 BBLs

12/24/07 **FLOWBACK REPORT:** CP 2400#, TP 1400#, CK 20/64", 26 BWPH, LOAD REC'D 3574 BBLs, TTL LOAD REC'D 3954 BBLs

12/25/07 **FLOWBACK REPORT:** CP 2200#, TP 1300#, CK 20/64", 19 BWPH, LOAD REC'D 4104 BBLs, TTL LOAD REC'D 3424 BBLs

12/26/07 **FLOWBACK REPORT:** CP 1750#, TP 1300#, CK 20/64", 14 BWPH, LOAD REC'D 4509 BBLs, TTL LOAD REC'D 3019 BBLs

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

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

5. Lease Serial No.
UTU-38261

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

6. If Indian, Allottee or Tribe Name

3. Address **1368 SOUTH 1200 EAST, VERNAL, UTAH 84078**
 3a. Phone No. (include area code) **(435) 781-7024**

7. Unit or CA Agreement Name and No.
CR-5

4. Location of Well (Report locations clearly and in accordance with Federal requirements)*
 At surface **SW/NE 1427'FNL, 2299'FEL**

8. Lease Name and Well No.
BONANZA 1023-10G

At top prod. interval reported below

9. API Well No.
4304738227

At total depth

10. Field and Pool, or Exploratory
NATURAL BUTTES

14. Date Spudded **08/15/07**
 15. Date T.D. Reached **09/07/07**
 16. Date Completed D & A Ready to Prod. **12/22/07**

11. Sec., T., R., M., or Block and Survey or Area **SEC. 10, T10S, R23E**

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

17. Elevations (DF, RKB, RT, GL)*
5399'GL

18. Total Depth: MD **7900'** TVD
 19. Plug Back T.D.: MD **7846'** TVD

20. Depth Bridge Plug Set: MD **TVD**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CBL-CCL-GR SD, DSN, HRI

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3#		2070'		650 SX			
7 7/8"	4 1/2"	11.6#		7900'		1365 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"	6751'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	4767'	5521'	4767'-5521'	0.34	72	OPEN
B) MESAVERDE	6587'	7811'	6587'-7811'	0.36	205	OPEN
C)						
D)						

26. Perforation Record

Depth Interval	Amount and type of Material
4767'-5521'	PMP 1536 BBLs SLICK H2O & 52,200# 30/50 SD
6587'-7811'	PMP 7672 BBLs SLICK H2O & 262,200# 30/50 SD

RECEIVED
JAN 28 2008

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

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
12/22/07	12/28/07	24	→	0	1,988	336			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1300#	Csg. Press. 1750#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	1750#	→	0	1988	336			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
12/22/07	12/28/07	24	→	0	1988	336			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1300#	Csg. Press. 1750#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	1750#	→	0	1988	336			PRODUCING GAS WELL

(See instructions and spaces for additional data on reverse side)

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	4010' 5946'	5946'			

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 01/15/08

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.

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-38261

6. If Indian, Allottee or Tribe Name

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

CR-5

8. Well Name and No.

BONANZA 1023-10G

9. API Well No.

4304738227

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)

SW/NE SEC. 10, T10S, R23E 1427'FNL, 2299'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"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other COMMINGLE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	WASATCH AND
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	MESAVERDE

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

THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE WASATCH AND MESAVERDE FORMATIONS. THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 12/12/2007

COPY SENT TO OPERATOR

Date: 5.28.2008

Initials: KS

RECEIVED

APR 15 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

April 7, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Accepted by the

Date

Federal Approval Of This

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

Utah Division of
Oil, Gas and Mining

Action is Necessary

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.

By: [Signature]

* Cause No - 179-12

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-38261
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		8. WELL NAME and NUMBER: BONANZA 1023-10G
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		9. API NUMBER: 43047382270000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1427 FNL 2299 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 10 Township: 10.0S Range: 23.0E Meridian: S		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/14/2014 <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 checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER
		<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input 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 BONANZA 1023-10G WAS SI AND RETURNED TO PRODUCTION ON 10/05/2014. THANK YOU.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY October 15, 2014		
NAME (PLEASE PRINT) Kay E. Kelly	PHONE NUMBER 720 929 6582	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 10/14/2014	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-38261
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:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: BONANZA 1023-10G	
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047382270000	
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6100	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1427 FNL 2299 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 10 Township: 10.0S Range: 23.0E Meridian: S	COUNTY: UINTAH	
	STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/10/2014 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input checked="" type="checkbox"/> OTHER	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. <p style="text-align: center;">A WORKOVER WELLBORE CLEANOUT HAS BEEN COMPLETED ON THE BONANZA 1023-10G. SEE THE ATTACHED OPERATIONS SUMMARY REPORT.</p> <div style="text-align: right; font-weight: bold; font-size: small;"> Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY February 03, 2015 </div>		
NAME (PLEASE PRINT) Doreen Green	PHONE NUMBER 435 781-9758	TITLE Regulatory Analyst II
SIGNATURE N/A	DATE 1/26/2015	

US ROCKIES REGION
Operation Summary Report

Well: BONANZA 1023-10G

Spud date: 9/1/2007

Project: UTAH-UINTAH

Site: BONANZA 1023-10G

Rig name no.: MILES 2/2

Event: WELL WORK EXPENSE

Start date: 10/7/2014

End date: 10/10/2014

Active datum: RKB @5,416.99usft (above Mean Sea Level)

UWI: BONANZA 1023-10G

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
10/7/2014	10:00 - 12:30	2.50	MAINT	30		P		MIRU F/ BON 1023-8P2BS.
	12:30 - 13:30	1.00	MAINT	30	E	P		RU PUMPED 18 BBLs T-MAC DWN TBG, PRESSURED UP TO 1,000 PSI, CONTROL CSG W/ 40 BBLs T-MAC.
	13:30 - 14:30	1.00	MAINT	30	F	P		ND WH, UNLAND TBG NOT STUCK, RELAND NU BOPS & RU FLOOR & TBG EQUIP.
	14:30 - 16:30	2.00	MAINT	31	I	P		TALLY & PU 30 JTS 23/8 J-55, TAG @ 7678', BTM PERF @ 7811', PBTD @ 7846', L/D 30 JTS, SWI, PREP TO RU WL & TBG PUNCH TBG, MOVE TBG TRAILORS. SDFN
10/8/2014	7:00 - 7:30	0.50	MAINT	48		P		HSM, WORKING W/ SCAN TECH.
	7:30 - 8:30	1.00	MAINT	34	H	P		SICP 500, OPEN TBG FB TNK, RU CUTTERS RIH TAG @ 5812' PU SHOT TBG @ 5790', POOH RD WL.
	8:30 - 13:00	4.50	MAINT	45	A	P		RU SCAN TECH SCAN & TALLY OUT W/ 216 JTS 23/8 J-55 HAD 83 YB, 58 BB, 75 RED.MEDIUM INTRENAL SCALE JTS 177-185, 212-216, HEAVEY INTERNAL SCALE JTS 186-211, PERF HLS IN JT 186, PLUNGER WAS STUCK IN TOP JT 189, 186,187, 188, 189 PLUGGED, SPRING IN X/N. RD SCAN TECH.
	13:00 - 17:00	4.00	MAINT	31	I	P		PU RIH W/ 37/8 SLAUGH MILL, 141 JTS 23/8 J-55 F/ WELL. PU 75 JTS 23/8 J-55 YELLOW. TAG @ 6813', BTM PERF @ 7811', PBTD @ 7846', PUMP DWN TBG MAKE SURE ITS NOT PLUGGED, RU DRLG EQUIP, PREP TO C/O IN AM SWI SDFN.
10/9/2014	7:00 - 7:30	0.50	MAINT	48		P		HSM, WORKING W/ FOAM UNIT.
	7:30 - 14:30	7.00	MAINT	44	D	P		RU BROKE CIRC W/ AIR/FOAM, C/O SCALE F/ 6813'-7167', PULL TSF, RIH, C/O SCALE F/ 7167'-7198' FELL FREE TO 7546', KILL TBG PULL TSF, RIH TO 7546 INSTALL TSF, C/O 7546 TO 7831', CIRC CLN.
	14:30 - 17:00	2.50	MAINT	31	I	P		KILL TBG, L/D 9 JTS REM TSF, L/D 25 MORE JTS, POOH W/ 180 JTS 23/8 J-55, EOT @ 1073'. SWI SDFN.
10/10/2014	7:00 - 7:30	0.50	MAINT	48		P		HSM, TRIPPING TBG FROM DERICK & BROACHING W/ SAND LINE.
	7:30 - 17:00	9.50	MAINT	31	I	P		SICP & SITP , CONTROL WELL, POOH W/ REM 34 JTS 23/8 J-55 L/D MILL, RIH W/ 1.875 X/N & 214 JTS 23/8 J-55 BROACHING. LAND TBG, ND BOPS NU WH SWI. RDMOL, MOVE TO BON 1023-16J & RIGGED UP. SDFWE
								KB 18' HANGER = .83' 214 JTS 23/8 J-55 = 6738.53' 1.875 X/N = 1.05' EOT @ 6758.41'