

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

5. Lease Serial No.
UTU-40736

6. If Indian, Allottee or Tribe Name

1a. Type of Work: DRILL REENTER

b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

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

8. Lease Name and Well No.
BONANZA 1023-1J

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

9. API Well No.
43-017-38302

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

10. Field and Pool, or Exploratory

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **NWSE 2258'FSL, 2083'FEL** *647493X 29-11-60-1*
At proposed prod. Zone *44269061 -109.273775*

11. Sec., T., R., M., or Blk. and Survey or Area
SEC 1, T10S, R23E

14. Distance in miles and direction from nearest town or post office*
32.1 MILES SOUTHEAST OF OURAY, UTAH

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

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **2083'**

16. No. of Acres in lease **642.36** 17. Spacing Unit dedicated to this well **40.00**

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. **REFER TO TOPO C**

19. Proposed Depth **7770'** 20. BLM/BIA Bond No. on file **BOND NO: WY-2357**

21. Elevations (Show whether DF, KDB, RT, GL, etc.) **5465'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:

- | | |
|---|--|
| <ul style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 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. | <ul style="list-style-type: none"> 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification. 6. Such other site specific information and/or plans as may be required by the authorized office. |
|---|--|

25. Signature: *[Signature]* Name (Printed/Typed): **SHEILA UPCHEGO** Date: **6/15/2006**
Title: **REGULATORY ANALYST**

Approved by (Signature): *[Signature]* Name (Printed/Typed): **BRADLEY G. HILL** Date: **07-10-06**
Title: **ENVIRONMENTAL MANAGER**

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

Conditions of approval, if any, are attached.

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

*(Instructions on reverse)

RECEIVED
JUN 20 2006

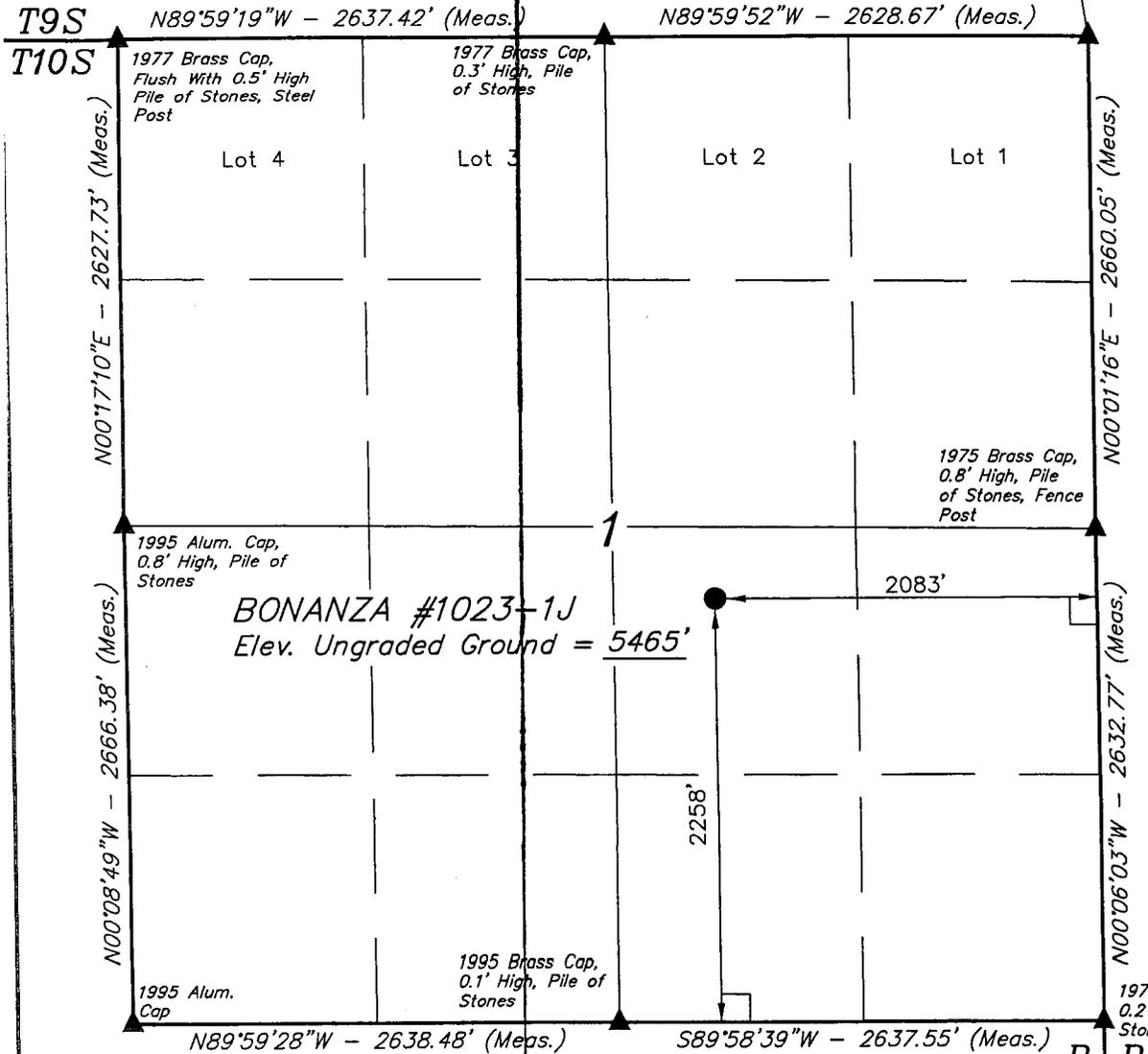
Federal Approval of this Application

DIV. OF OIL, GAS & MINING

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

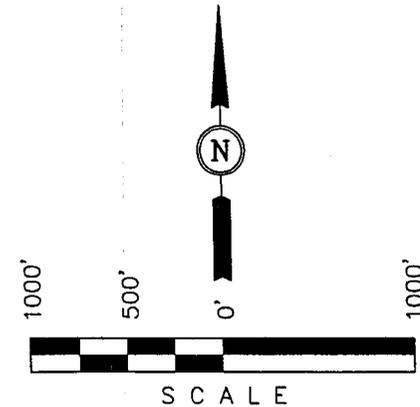
Kerr McGee Oil & Gas Onshore LP

Well location, BONANZA #1023-1J, located as shown in the NW 1/4 SE 1/4 of Section 1, 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.



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.

Robert H. King
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

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

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

(NAD 83)
LATITUDE = 39°58'36.69" (39.976858)
LONGITUDE = 109°16'24.45" (109.273458)
(NAD 27)
LATITUDE = 39°58'36.81" (39.976892)
LONGITUDE = 109°16'22.02" (109.272783)

R
23
E

R
24
E

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

SCALE 1" = 1000'	DATE SURVEYED: 02-20-06	DATE DRAWN: 02-23-06
PARTY J.R. L.M. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr McGee Oil & Gas Onshore LP	



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

June 29, 2006

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

RE: Bonanza 1023-1J
T10S-R23E
Section 1: NWSE
2,258' FSL, 2,083' FEL
Uintah County, Utah

Dear Ms. Whitney:

Kerr-McGee Oil & Gas Onshore LP 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 State Rule 179-12. The well location is less than 920' from the proposed Bonanza 1023-1K well. Both wells are located within the same E/2 spacing unit and the proximity between wells does not interfere with the correlative rights of the royalty and working interest owners.

Kerr-McGee requests your approval of this exception location. If you have any questions or require any additional information, please do not hesitate to call me at 720-264-2618.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Chris Latimer', written over a horizontal line.

W. Chris Latimer, CPL
Senior Landman

cc: Raleen Weddle

RECEIVED

JUL 03 2006

DIV. OF OIL, GAS & MINING

**BONANZA #1023-1J
NW/SE Sec. 1, T10S,R23E
UINTAH COUNTY, UTAH
UTU-40736**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	844'
Top of Birds Nest Water	1360'
Mahogany	1976'
Wasatch	3957'
Mesaverde	5880'
MVU2	6650'
MVL1	7187'
TD	7770'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	844'
	Top of Birds Nest Water	1360'
	Mahogany	1976'
	Wasatch	3957'
Gas	Mesaverde	5880'
Gas	MVU2	6650'
Gas	MVL1	7187'
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 7770' TD, approximately equals 4817 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3108 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE June 14, 2006
 WELL NAME BONANZA 1023-1J TD 7,770' MD/TVD _____
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,465' GL KB 5,480'
 SURFACE LOCATION NWSE SECTION 1, T10S, R23E 2258'FSL, 2083'FEL BHL Straight Hole
 Latitude: 39.976858 Longitude: 109.273458
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: BLM (SURF & MINERALS), UDOGM, Tri-County Health Dept.

GEOLOGICAL FORMATION		MECHANICAL			
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 3,957' <div style="margin-left: 100px;">Green River @ 0,844'</div> <div style="margin-left: 100px;">Top of Birds Nest Water @ 1360'</div> <div style="margin-left: 100px;">Preset f/ GL @ 1,860' MD</div>					
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
	Mahogany @	1,976'			Water/Fresh Water Mud
Mud logging program TBD Open hole logging program f/ TD - surf csg			7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	8.3-11.0 ppg
	Wasatch @	3,957'			
	Mverde @	5,880'			
	MVU2 @	6,650'			
	MVL1 @	7,187'			
	TD @	7,770'			Max anticipated Mud required 11.0 ppg



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1860	32.30	H-40	STC	0.83*****	1.57	4.83
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 7770	11.60	I-80	LTC	2.84	1.43	2.56

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
 (Burst Assumptions: TD = 11.0 ppg) .22 psi/ft = gradient for partially evac wellbore
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
 MASP 2735 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	3,450'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	380	60%	11.00	3.38
	TAIL	4,320'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1210	60%	14.30	1.31

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

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

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

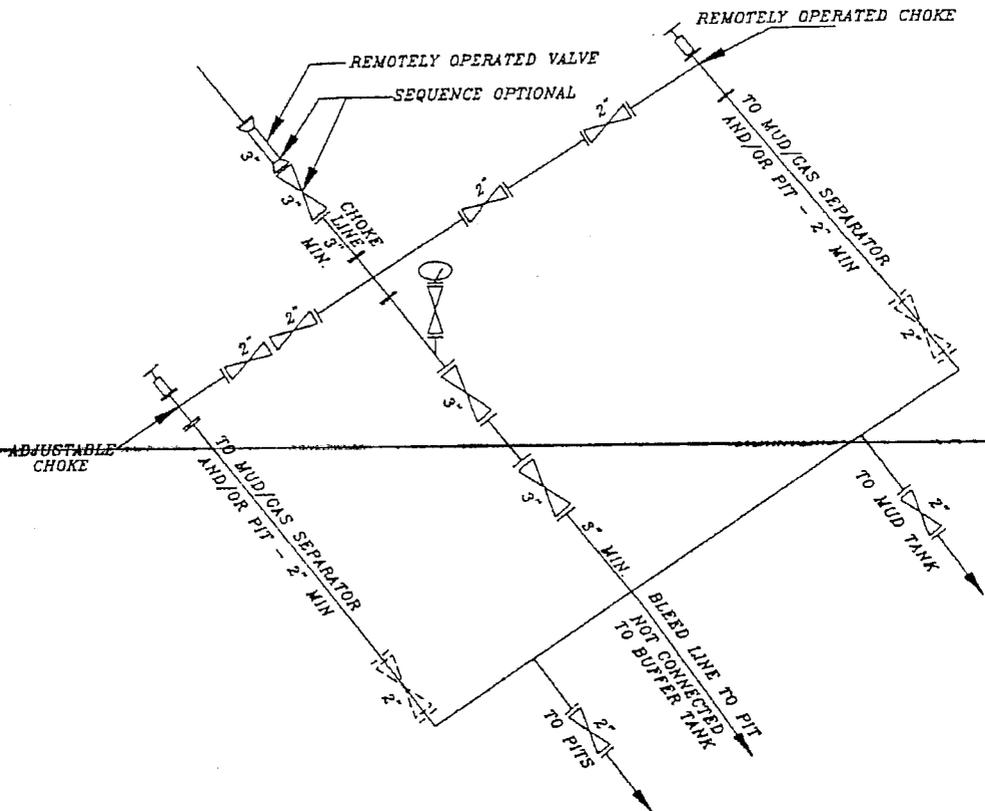
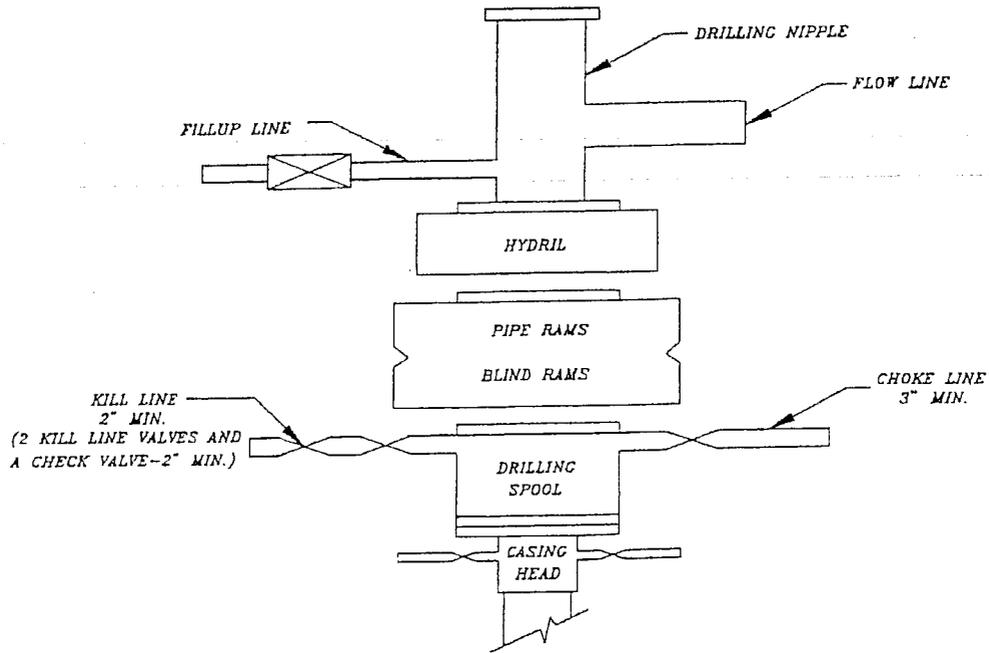
DRILLING ENGINEER: _____
 Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
 Randy Bayne

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**BONANZA 1023-1J
NW/SE SECTION 1, T10S, R23E
UINTAH COUNTY, UTAH
UTU-40736**

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 0.1 +/- miles of new access road is proposed. Refer to Top 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 300' of 4" high pressure and 600' of 4" low pressure steel pipeline is proposed to tie-in to an existing pipeline. 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).

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.
Galleta Grass	10 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 Report has been performed and completed on May 17, 2005, the Archaeological Report No. 05-117. Paleontological Reconnaissance will be submitted when report becomes available.~~

WILDLIFE STIPULATIONS:

MEXICAN SPOTTED OWL: The operator will be committed to perform a one year survey for the MSO in the buffer zone. After a one year survey is complete and no findings of the MSO is found, the operator will not commence any construction or drilling activities from **March 15th – June 15th**.

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 #WY-2357.

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

June 15, 2006
Date

Kerr-McGee Oil & Gas Onshore LP
BONANZA #1023-1J
SECTION 1, 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 SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY, THEN SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 3.4 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 6.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 320' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 63.5 MILES.

Kerr-McGee Oil & Gas Onshore LP
BONANZA #1023-1J
 LOCATED IN UTAH COUNTY, UTAH
 SECTION 1, T10S, R23E, S.L.B.&M.

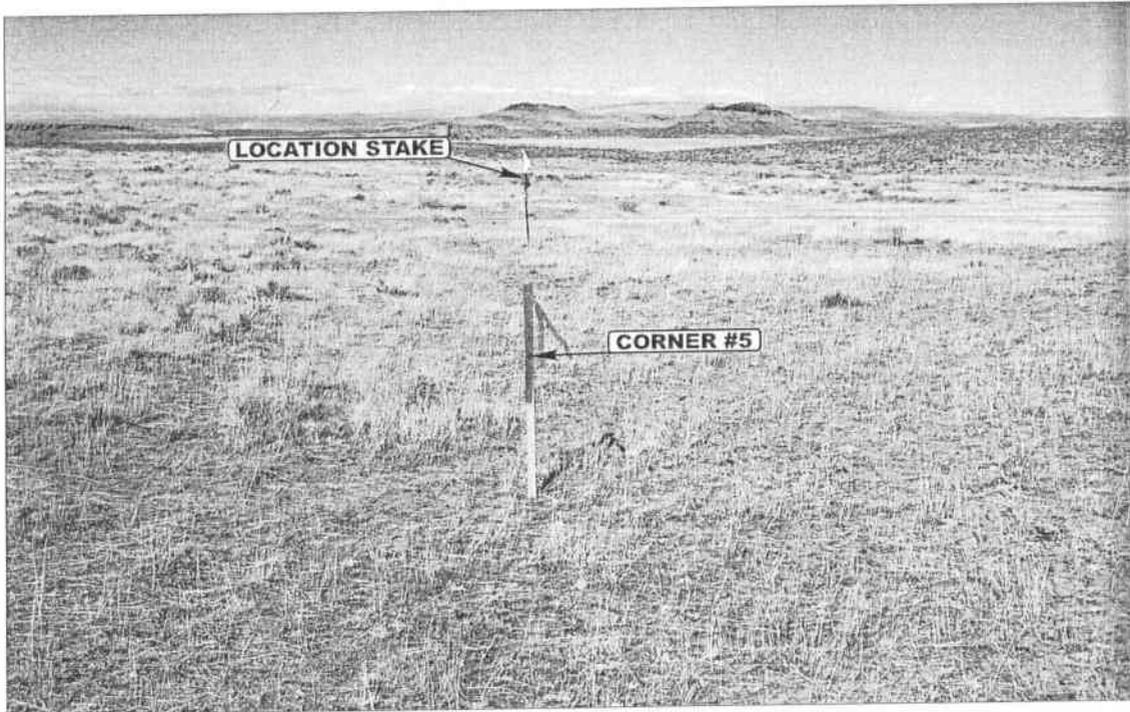


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

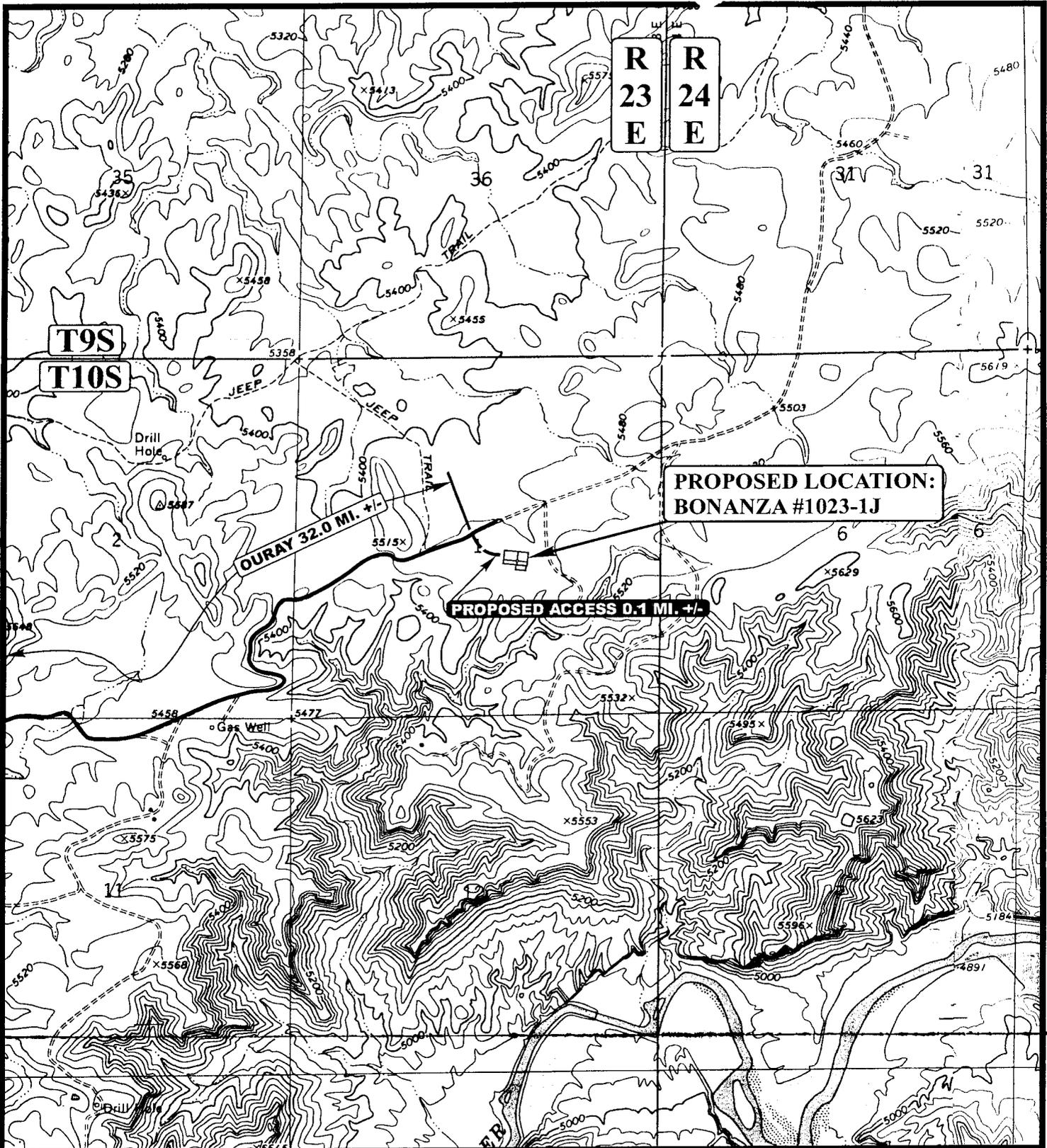
CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS			02	28	06	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: J.R.	DRAWN BY: C.P.	REVISED: 00-00-00				



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-1J

SECTION 1, T10S, R23E, S.L.B.&M.

2258' FSL 2083' FEL



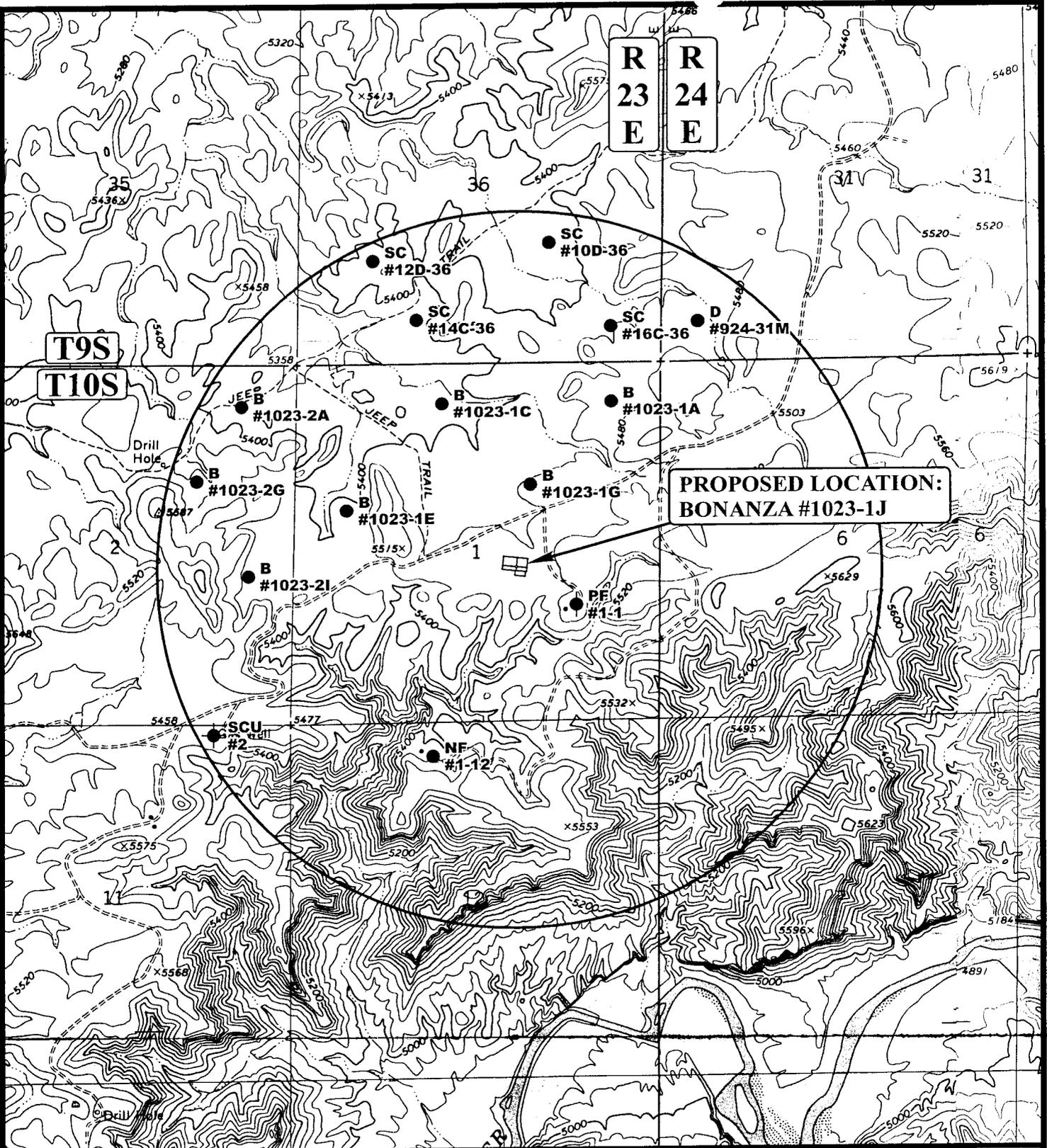
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

02	28	06
MONTH	DAY	YEAR



SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 06-08-06



LEGEND:

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

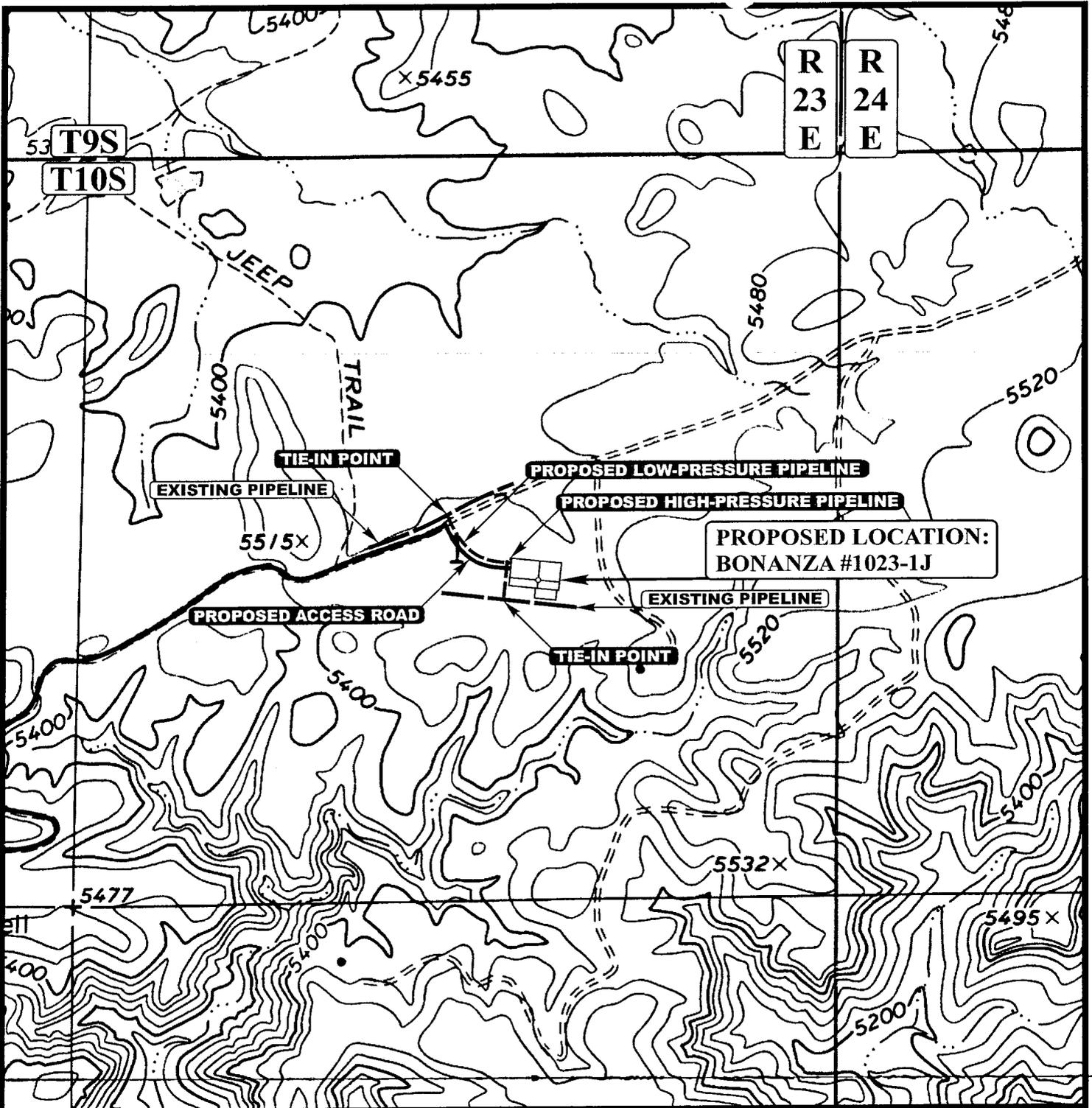
Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-1J
SECTION 1, T10S, R23E, S.L.B.&M.
2258' FSL 2083' FEL

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

TOPOGRAPHIC MAP 02 28 06
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

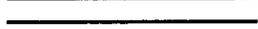




APPROXIMATE TOTAL HIGH-PRESSURE PIPELINE DISTANCE = 300' +/-

APPROXIMATE TOTAL LOW-PRESSURE PIPELINE DISTANCE = 600' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED LOW-PRESSURE PIPELINE
-  PROPOSED HIGH-PRESSURE PIPELINE



Kerr-McGee Oil & Gas Onshore LP

BONANZA #1023-1J
 SECTION 1, T10S, R23E, S.L.B.&M.
 2258' FSL 2083' FEL



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

TOPOGRAPHIC	02	28	06
MAP	MONTH	DAY	YEAR
SCALE: 1" = 1000'	DRAWN BY: C.P.		REVISED: 06-08-06



Kerr-McGee Oil & Gas Onshore LP
BONANZA #1023-1J
 PIPELINE ALIGNMENT
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 1, T10S, R23E, S.L.B.&M.

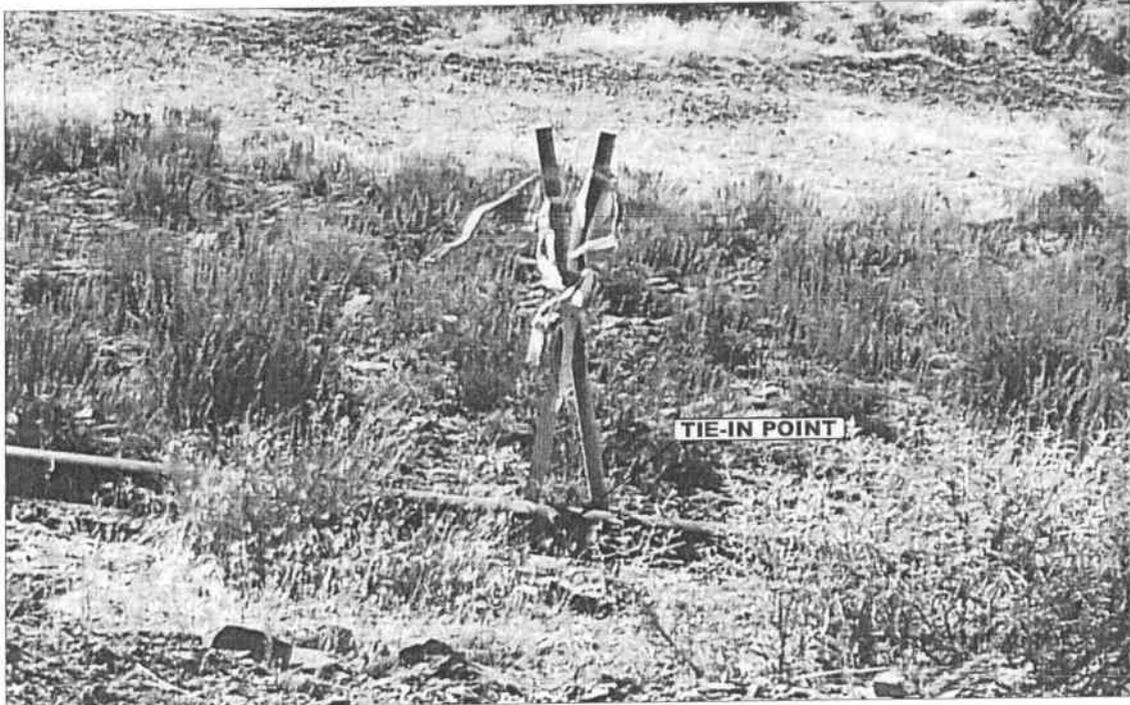


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHWESTERLY

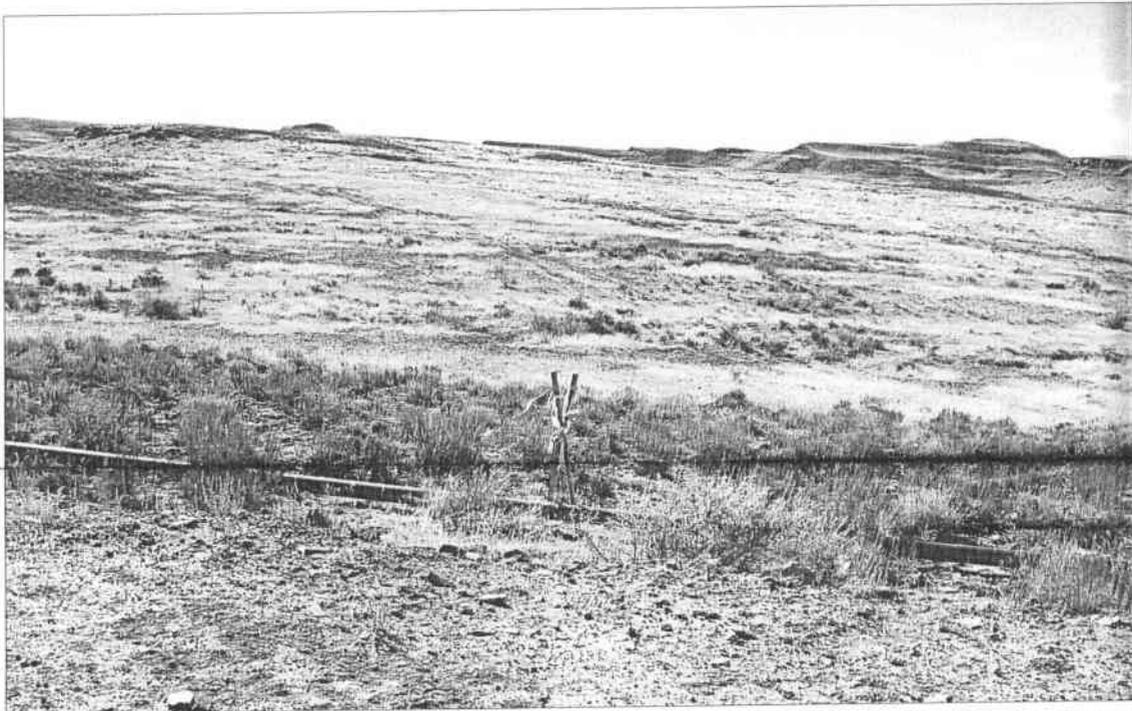


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

PIPELINE PHOTOS			02	28	06	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: J.R.	DRAWN BY: C.P.	REVISED: 00-00-00				

Kerr-McGee Oil & Gas Onshore LP

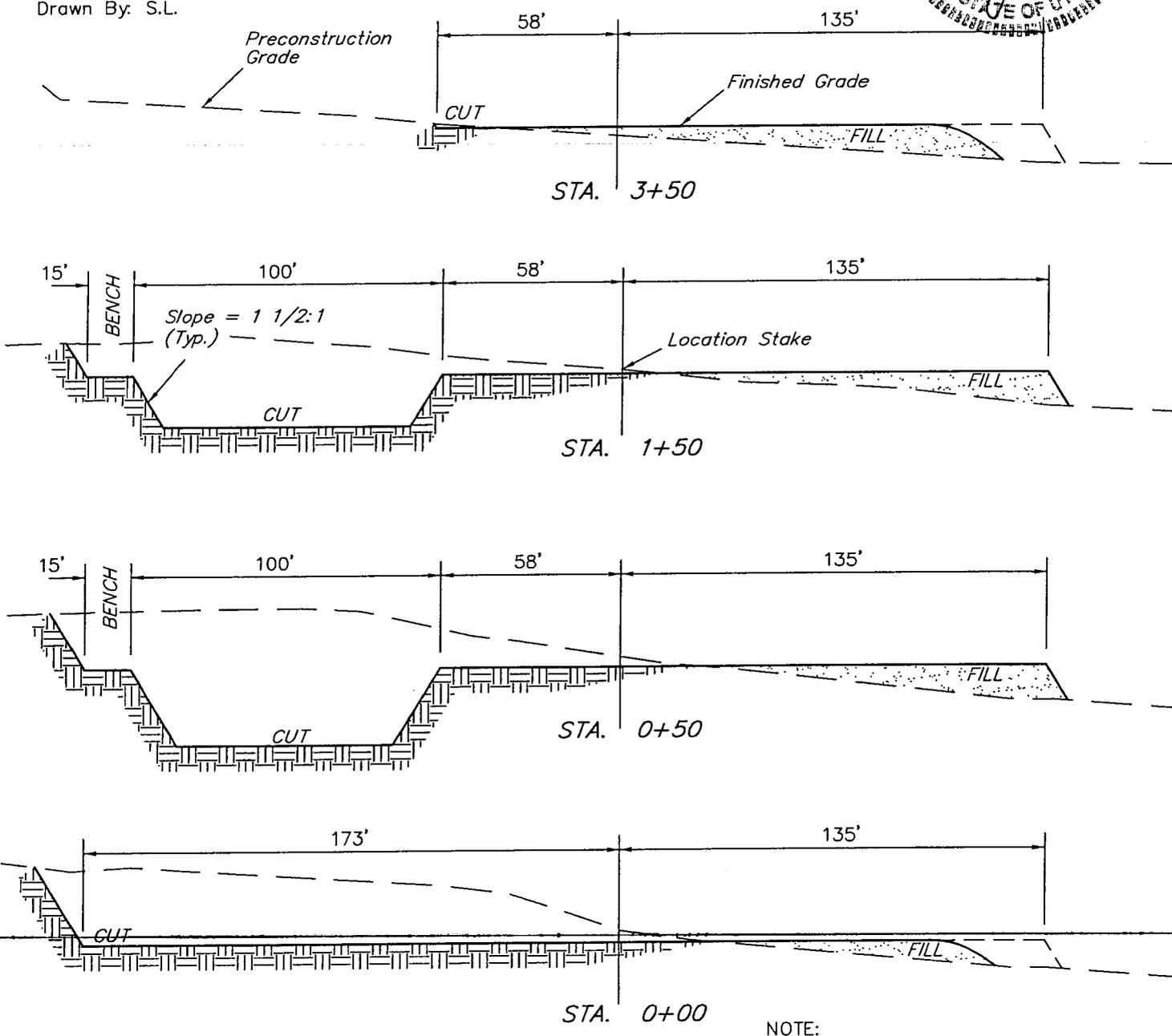
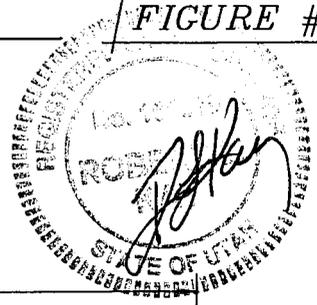
FIGURE #2

TYPICAL CROSS SECTIONS FOR

BONANZA #1023-1J
SECTION 1, T10S, R23E, S.L.B.&M.
2258' FSL 2083' FEL

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

DATE: 02-23-06
Drawn By: S.L.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

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

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,840 Cu. Yds.
Remaining Location	= 10,500 Cu. Yds.
TOTAL CUT	= 12,340 CU.YDS.
FILL	= 4,270 CU.YDS.

EXCESS MATERIAL	= 8,070 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,980 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 4,090 Cu. Yds.

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/20/2006

API NO. ASSIGNED: 43-047-38302

WELL NAME: BONANZA 1023-1J
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

NWSE 01 100S 230E
 SURFACE: 2258 FSL 2083 FEL
 BOTTOM: 2258 FSL 2083 FEL
 COUNTY: UINTAH
 LATITUDE: 39.97685 LONGITUDE: -109.2728
 UTM SURF EASTINGS: 647493 NORTHINGS: 4426406
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-40736
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

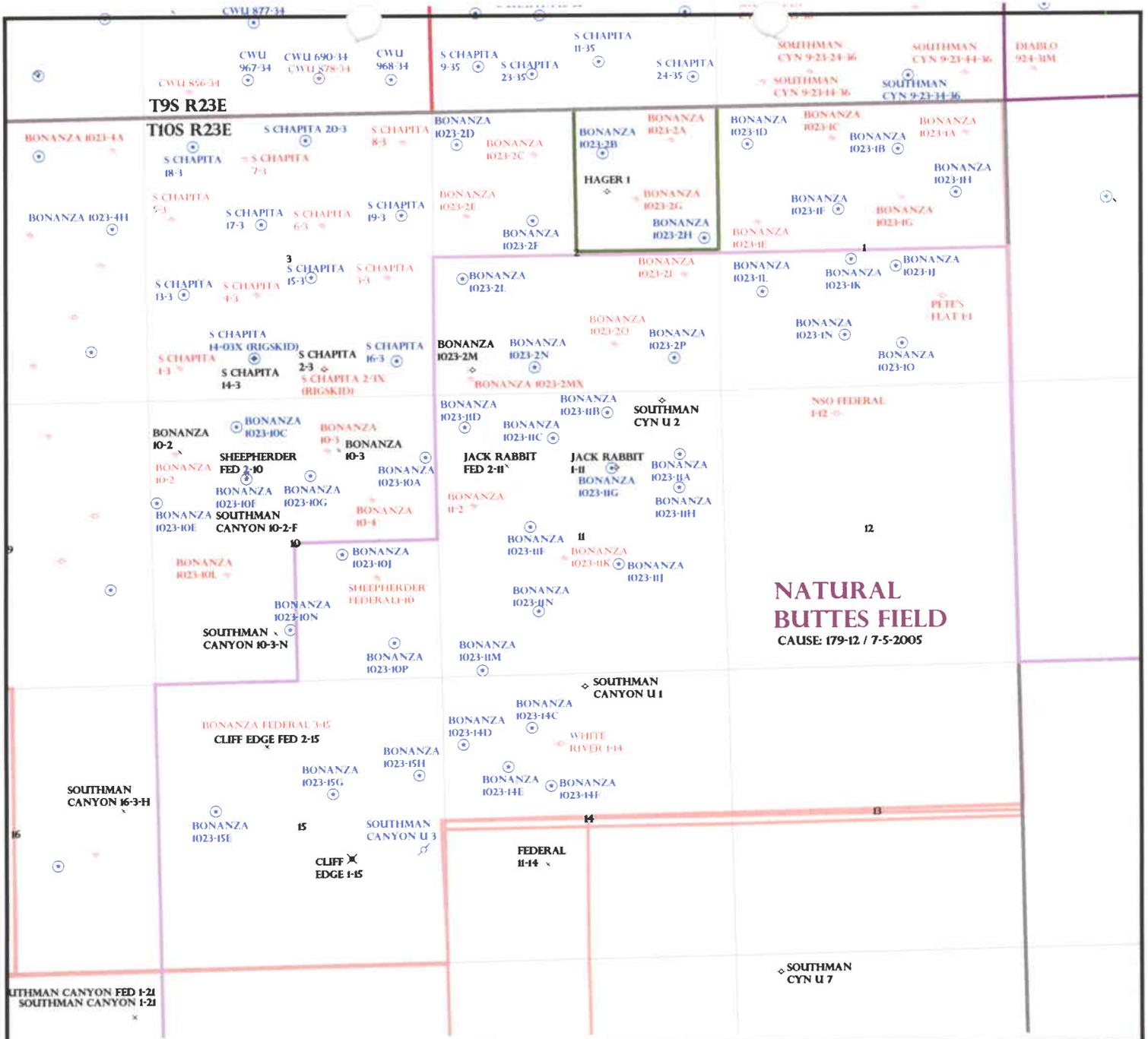
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WY-2357)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

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 From Qtr/Qtr & 920' Between Wells
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-landed approval



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 1,10,11,14,15 T. 10S R. 23E

FIELD: NATURAL BUTTES (630)

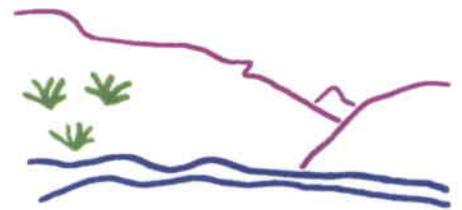
COUNTY: UINTAH

CAUSE: 179-12 / 7-5-2005

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

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

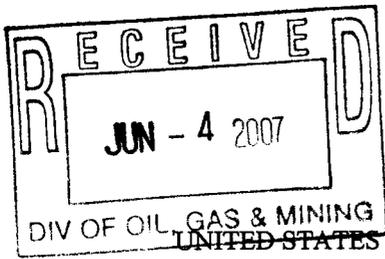
Wells Status	
	GAS INJECTION
	GAS STORAGE
	LOCATION ABANDONED
	NEW LOCATION
	PLUGGED & ABANDONED
	PRODUCING GAS
	PRODUCING OIL
	SHUT-IN GAS
	SHUT-IN OIL
	TEMP. ABANDONED
	TEST WELL
	WATER INJECTION
	WATER SUPPLY
	WATER DISPOSAL
	DRILLING



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY
DATE: 22-JUNE-2006



RECEIVED

JUN 21 2006

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

DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No. UTU-40736	
6. If Indian, Allottee or Tribe Name	
7. If Unit or CA Agreement, Name and No.	
8. Lease Name and Well No. BONANZA 1023-1J	
9. API Well No. 43-047-38302	
10. Field and Pool, or Exploratory	
11. Sec., T., R., M., or Blk, and Survey or Area SEC 1, T10S, R23E	
12. County or Parish UINTAH	13. State UTAH
1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER	
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	
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 (Report location clearly and in accordance with any State requirements. *) At surface NWSE 2258'FSL, 2083'FEL At proposed prod. Zone	
14. Distance in miles and direction from nearest town or post office* 32.1 MILES SOUTHEAST OF OURAY, UTAH	
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 2083'	16. No. of Acres in lease 642.36
17. Spacing Unit dedicated to this well 40.00	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	20. BLM/BIA Bond No. on file BOND NO: WY-2357 WYB000291
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5465'GL	22. Approximate date work will start* 5-18-2007
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 6/15/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) TERRY KENICKA	Date 5-18-2007
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

CONDITIONS OF APPROVAL ATTACHED

Conditions of approval, if any, are attached.

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

*(Instructions on reverse)

NOTICE OF APPROVAL

UDOGM

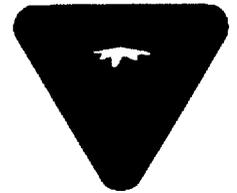
7/22/06 12:12:9A

NOS 03/17/06



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: NWSE, Sec 1, T10S, R23E
Well No: Bonanza 1023-1J Lease No: UTU-40736
API No: 43-047-38302 Agreement: N/A

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Petroleum Engineer:	Jim Ashley	Office: 435-781-4470	Cell: 435-828-7874
Petroleum Engineer:	Ryan Angus	Office: 435-781-4430	Cell: 435-828-7368
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Anna Figueroa	Office: 435-781-3407	
Natural Resource Specialist:	Chuck Macdonald	Office: 435-781-4441	
Natural Resource Specialist:	Darren Williams	Office: 435-781-4447	
Natural Resource Specialist:	Verlyn Pindell	Office: 435-781-3402	
		Fax: 435-781-4410	

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

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a 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 Holly Villa) - Forty-Eight (48) hours prior to construction of location and access roads.
- Location Completion (Notify Holly Villa) - Prior to moving on the drilling rig.
- Spud Notice (Notify Petroleum Engineer) - Twenty-Four (24) hours prior to spudding the well.
- Casing String & Cementing (Notify Jamie Sparger) - Twenty-Four (24) hours prior to running casing and cementing all casing strings.
- BOP & Related Equipment Tests (Notify Jamie Sparger) - Twenty-Four (24) hours prior to initiating pressure tests.
- First Production Notice (Notify Petroleum Engineer) - Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

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

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

Indian ricegrass	<i>Achnatherum hymenoides</i>	4lbs. /acre
Galleta grass	<i>Hilaria jamesii</i>	10lbs. /acre
Crested wheatgrass	<i>Agropyron cristatum</i>	4lbs. /acre

 - All pounds are in pure live seed.
 - Reseeding may be required if first seeding is not successful.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be recontoured and the topsoil respread, and the area shall be seeded in the same manner as the location topsoil.
- Once the location is plugged and abandoned, it shall be recontoured to natural contours, topsoil respread where appropriate, and the entire location seeded with the recommended seed mix. Seeding shall take place by broadcasting the seed and walking it into the soil with a dozer immediately after the dirt work is completed.
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- Operator shall notify any active gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

DOWNHOLE CONDITIONS OF APPROVAL

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

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. A surface casing shoe integrity test shall be performed.
2. Production casing cement top shall be at a minimum of 200' above the surface casing shoe.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

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

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

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

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

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

Cement baskets shall not be run on surface casing.

5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).

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

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

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

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

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

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

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

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

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

12. Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/4¹/₄, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

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



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

July 10, 2006

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

Re: Bonanza 1023-1J Well, 2258' FSL, 2083' FEL, NW SE, Sec. 1, 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 43-047-38302.

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 1023-1J
API Number: 43-047-38302
Lease: UTU-40736

Location: NW SE **Sec.** 1 **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-40736

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
BONANZA 1023-1J

9. API Well No.
4304738302

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)
**2258' FSL, 2083' FEL
NWSE, SEC 1-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"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other APD EXTENSION
			DOGM

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

THE OPERATOR REQUESTS AUTHORIZATION 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 JULY 10, 2006.

Approved by the
Utah Division of
Oil, Gas and Mining

RECEIVED
JUN 10 2007

Date: 06-20-07
By: [Signature]

6-21-07
RM
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) **RAMEY HOOPES** Title **LAND SPECIALIST I**

Signature [Signature] Date **June 11, 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: 4304738302
Well Name: BONANZA 1023-1J
Location: NWSE, SEC 1-T10S-R23E
Company Permit Issued to: KERR-MCGEE OIL AND GAS ONSHORE LP
Date Original Permit Issued: 7/10/2006

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 Hayes
Signature

6/11/2007
Date

Title: LAND SPECIALIST I

Representing: KERR-MCGEE OIL AND GAS ONSHORE L

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: Kerr-McGee Oil & Gas Onshore, LP

Well Name: Bonanza 1023-1J

API No: 43-047-38302 Lease Type: Federal

Section 01 Township 10S Range 23E County Uintah

Drilling Contractor Pete Martin Drilling Rig # Bucket

SPUDDED:

Date 5-17-08

Time 8:00 AM

How Dry

Drilling will Commence: _____

Reported by Lou Weldon

Telephone # 435-828-7035

Date 5-19-08 Signed RM

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-40736

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
BONANZA 1023-1J

9. API Well No.
4304738302

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NW/SE SEC. 1, T10S, R23E 2258'FSL, 2083'FEL

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

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

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

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

SPUD WELL LOCATION ON 05/17/2008 AT 0800 HRS.

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date May 20, 2008

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

RECEIVED
MAY 21 2008
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE – Other instructions on reverse side		5. Lease Serial No. UTU-40736
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		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/or No.
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	8. Well Name and No. BONANZA 1023-1J
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NW/SE SEC. 1, T10S, R23E 2258'FSL, 2083'FEL		9. API Well No. 4304738302
		10. Field and Pool, or Exploratory Area NATURAL BUTTES
		11. County or Parish, State UINTAH COUNTY, UTAH

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

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

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

MIRU PROPETRO AIR RIG ON 05/18/2008. DRILLED 12 1/4" SURFACE HOLE TO 1980'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/225 SX PREM CLASS G @15.8 PPG 1.15 YIELD. TAILED CMT W/ 100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT 50 PSI LIFT. TOP OUT W/ 125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE. 2ND TOP OUT W/225 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT SURFACE HOLE STAYED FULL

WORT.

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date May 22, 2008

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

RECEIVED

MAY 27 2008

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
4304738302	BONANZA 1023-1J		NWSE	1	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A</i>	99999	<i>16871</i>	5/17/2008			<i>5/29/08</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 05/17/2008 AT 0800 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737379	BONANZA 1023-1F		SENW	1	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A</i>	99999	<i>16872</i>	5/19/2008			<i>5/29/08</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 05/19/2008 AT 1100 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)

[Handwritten Signature]

Signature

SENIOR LAND SPECIALIST

5/20/2008

Title

Date

RECEIVED

MAY 28 2008

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-40736

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

BONANZA 1023-1J

9. API Well No.

4304738302

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

NW/SE SEC. 1, T10S, R23E 2258'FSL, 2083'FEL

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

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

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

FINISHED DRILLING FROM 1980' TO 7800' ON 07/07/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/295 SX PREM LITE II @11.3 PPG 3.02 YIELD. TAILED CMT W/1100 SX 50/50 POZ @ 14.3 PPG 1.31 YIELD. DISPLACE W/122 BBLS CLAY TREAT WATER. BUMP PLUG @2200 FLOATS HELD. LAND CASING @60K TEST HANGER NIPPLE DOWN CLEAN PITS.

RELEASED PIONEER RIG 69 ON 07/08/2008 AT 2000 HRS.

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

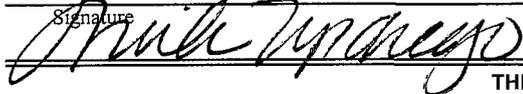
Name (Printed/Typed)

SHEILA UPCHEGO

Title

REGULATORY ANALYST

Signature



Date

July 10, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

RECEIVED

JUL 15 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.

UTU-40736

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

BONANZA 1023-1J

9. API Well No.

4304738302

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

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

NW/SE SEC. 1, T10S, R23E 2258'FSL, 2083'FEL

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

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

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 08/14/2008 AT 8:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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AUG 19 2008

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

REGULATORY ANALYST

Signature

Date

August 14, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

Wins No.: 95553

BONANZA 1023-1J

Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME BONANZA	SPUD DATE 05/17/2008	GL 5,465	KB 5483	ROUTE
API 4304738302	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.97686 / -109.27346	Q-Q/Sect/Town/Range: NWSE / 1 / 10S / 23E	Footages: 2,258.00' FSL 2,083.00' FEL			

Wellbore: BONANZA 1023-1J

MTD 5,483	TVD 5,474	PBMD 5,483	PBTVD 5,483
EVENT INFORMATION:	EVENT ACTIVITY: DRILLING	START DATE: 5/17/2008	AFE NO.: 2020734
	OBJECTIVE: DEVELOPMENT	END DATE: 7/8/2008	
	OBJECTIVE 2: ORIGINAL	DATE WELL STARTED PROD.:	
	REASON: SURF FACILITIES	Event End Status: COMPLETE	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 69 / 69	06/27/2008	06/27/2008	06/26/2008	06/29/2008	07/07/2008	07/08/2008	07/09/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subco de	P/U	Operation	MD:
5/17/2008	SUPERVISOR: LEW WELDON							58
	8:00 - 13:00	5.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 0800 HR 5/17/08 DRILL AND SET 40' CONDUCTOR DRILL RODENT HOLES FOR RIG 69 BLM AND STATE NOTIFIED OF SPUD	
5/18/2008	SUPERVISOR: LEW WELDON							1,260
	1:30 - 12:00	10.50	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 0130 HR 5/18/08 DA AT REPORT TIME 810'	
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1260'	
5/19/2008	SUPERVISOR: LEW WELDON							1,920
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD HIT TRONA WATER @ 1500' DA AT REPORT TIME 1530'	
	12:00 - 0:00	12.00	DRLSUR	02		Z	DRILL TO 1920' TWIST OFF DRILL COLLARS TOOH AND WAIT ON FISHING TOOLS	
5/20/2008	SUPERVISOR: LEW WELDON							1,980
	0:00 - 7:00	7.00	DRLSUR	16		Z	RIH WITH FISHING TOOLS RETRIVE FISH AND TOOH	
	7:00 - 12:00	5.00	DRLSUR	02		P	RIG T/D @ 1980' CONDITION HOLE 1 HR	
	12:00 - 15:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE	
	15:00 - 18:00	3.00	DRLSUR	11		P	RUN 1939' OF 9 5/8 CSG RIG DOWN AIR RIG	
	18:00 - 19:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 225 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK NO RETURNS TO PIT 50 PSI LIFT	

Wins No.:	BONANZA 1023-1J					API No.:
95553	10:15 - 17:30	7.25	COMP	36	P	WHP = 250 PSI. MIRU BJ SERVICES. P/T SURFACE EQUIP. TO 8500 PSI.
						<p>STG 1) BRK DWN PERFS 4.2 BPM @ 3944 PSI. ISIP = 2360 PSI, FG = 0.75. PMP 136 BBL W/10/1000 SCALE INHIB. PMP 130 BBLS @ 52.6 BPM @ 5600 PSI. 25/40 PERFS OPEN. 65%. SCREENED OUT W/10.1 BBLS FLUSH TO GO. FLOW BACK WELL & C/O SND. PMP 2 BBL HCL & REFLUSH TO TOP PERF. 8 BPM @ 3560 PSI. MP 7447 PSI, MR 53.4 BPM, AP 5554 PSI, AR 53.1 BPM, ISIP = 2100 PSI, FG = 0.72, NPI = (-260) PSI. PMPD 1075 BBLS SLK WTR, 29,705 LBS OTTOWA SAND, 2,304 LBS TLC SAND - (1990 LBS IN PERFS, 32,009 LBS TOTAL SAND. 140 GAL SCALE INHIB.</p> <p>STG 2) P/U 3 3/8" EXP GNS, 23 GRM, 0.36 HOLE, 90 DEG PHSG. RIH & SET BAKER 8K CBP @ 7604'. PERF THE M.V. @ 7568' - 74', 3 SPF, 7482; - 88', 3 SPF, 7434' - 36', 3 SPF, 40 HOLES.</p> <p>STG 2) BRK DWN PERFS 3.5 BPM @ 3751 PSI. ISIP = 2175 PSI, FG = 0.73. PMP 150 BBLS @ 51.0 BPM @ 4600 PSI. 40/40 PERFS OPEN. 100%. MP 5374 PSI, MR 55.3 BPM, AP 4411 PSI, AR 51.4 BPM, ISIP = 2300 PSI, FG = 0.75, NPI = 125 PSI. PMPD 3199 BBLS SLK WTR, 116,270 LBS OTTOWA SAND, 5,076 LBS TLC SAND, 121,346 LBS TOTAL SAND. 246 GAL SCALE INHIB.</p> <p>STG 3-A) P/U 3 3/8" EXP GNS, 23 GRM, 0.36 HOLE, 90 & 120 DEG PHSG. RIH & SET BAKER 8K CBP @ 7260'. PERF THE M.V. @ 7222' - 30', 4 SPF, 7122; - 25', 2 SPF, 7060' - 63', 2 SPF, 44 HOLES.</p> <p>STG 3-A) BRK DWN PERFS 3.8 BBPM @ 4230 PSI. ISIP = 2165 PSI, FG = 0.75. PMP 450 BBLS @ 40.5 BPM @ 6800 PSI. 10/44 PERFS OPEN. 23%. 870 BBLS - 46.3 BPM @ 7039 PSI. 1100 BBLS - 53.9 BPM @ 6393 PSI. 1350 BBLS - 56.3 BPM @ 6235 PSI. 1500 BBLS - 57.9 BPM @ 6082 PSI. SHARP INCR. IN PSI. SPIKED TO 7350 PSI. 1624 BBLS - 49 BPM @ 6423 PSI. 1898 BBL PRESSURED OUT TO 7500 PSI. SD. FLOW WELL BACK OVERNIGHT. MP 7485 PSI, MR 57.9 BPM, AP 7072 PSI, AR 48.5 BPM, ISIP = 0000 PSI, FG = 0.00, NPI = 0000 PSI. PMPD 1870 BBLS SLK WTR, 34,370 LBS OTTOWA SAND, (30,470 LBS IN PERFS) 0 LBS TLC SAND, 34,370 LBS TOTAL SAND. ORDER OUT 500 GAL 15% HCL FOR SPEARHEADING ON ZONE IN MORNING TO ATTEMPT TO CONT. FRAC.</p> <p>17:30 SD FLOW WELL OVERNIGHT. PREP TO RE-FRAC ZONE IN AM.</p>
8/7/2008	SUPERVISOR: GARTH McCONKIE					MD:
	6:45 - 7:00	0.25	COMP	48	P	DAY 4 - JSA & SM #4

7:00 - 18:00 11:00 COMP 36 P SICIP = 1200 PSI.

STG #3-B) P/U WEIGHT BAR & CCL & RIH ON WIRELINE & TAG FILL @ 7231'. PERFS FROM 7060' - 7230'. ALL PERFS CLEAR OF SAND. POOH W/WIRELINE TOOLS & L/D.

WHP = 1321 PSI. BRK DWN PERFS 3.6 BPM @ 2954 PSI. ISIP = 2190 PSI. FG = 0.75. EST. INJ. RATE - 27.5 BPM @ 6830 PSI. PMPD 70 BBLS SLK WTR.

PMP 500 GAL 15% HCL & FLUSH W/150 BBLS KCL WTR. FINAL INJ. RATE 20.5 BPM @ 7100 PSI.

STG 3-B) RE-PERFORATE. P/U 3 3/8" EXP GNS, 23 GRM, 0.36 HOLE, 120 DEG PHSG. PERF THE M.V. @ 722' - 30', 4 SPF, 7122; - 25', 2 SPF, 7060' - 63', 2 SPF, 44 HOLES. TAG FILL @ 7202'. POOH W/TOOLS & L/D BTM SET OF GUNS. P/U 3 3/8" EXP GNS, 23 GRM, 0.36 HOLE, 120 DEG PHSG. PERF THE M.V. @ 7122; - 25', 2 SPF, 7060' - 63', 2 SPF, 12 HOLES.

STG 3-B) PMP 6 BBLS 15% HCL & BRK DWN PERFS 5.2 BPM @ 5545 PSI. ISIP 2240 PSI, FG 0.76. PMP 250 BBLS, 50.5 BPM @ 5550 PSI. 21/44 PERFS OPEN, 48%. MP 6685 PSI, MR 50.9 BPM, AP 5801 PSI, AR 50.8 BPM, ISIP = 2280 PSI, FG = 0.76, NPI = 40 PSI. PMPD 1468 BBLS SLK WTR, 44,037 LBS OTTOWA SAND, 0 LBS TLC SAND, 44,037 LBS TOTAL SAND. 297 GAL SCALE INHIB.

STG 4) P/U 3 3/8" EXP GNS, 23 GRM, 0.36 HOLE, 120 DEG PHSG. RIH & SET BAKER 8K CBP @ 6860'. PERF THE M.V. @ 6820' - 30', 3 SPF, 6713; - 18', 3 SPF, 45 HOLES.

STG 4) BRK DWN PERFS 4.7 BPM @ 4115 PSI. ISIP = 1340 PSI, FG = 0.64. PMP 150 BBLS @ 51.1 BPM @ 3500 PSI. 45/45 PERFS OPEN. 100%. MP 5374 PSI, MR 55.3 BPM, AP 4411 PSI, AR 51.4 BPM, ISIP = 2300 PSI, FG = 0.75, NPI = 125 PSI. PMPD 3199 BBLS SLK WTR, 116,270 LBS OTTOWA SAND, 5,076 LBS TLC SAND, 121,346 LBS TOTAL SAND. 262 GAL SCALE INHIB.

KILL PLUG) RIH SET BAKER 8K CBP @ 6680'. POOH & LD WIRELINE TOOLS. RDMO CUTTERS & BJ PUMPING SERVICES.

ND FRAC VALVES, NUBOP. 18:00 SW - SDFN. PREP WELL TO DRLG 4 CBP's IN AM.

8/8/2008

SUPERVISOR: GARTH McCONKIE

MD:

7:00 - 7:15 0.25 COMP 48 P DAY 5 - JSA & SM #5

7:15 - 7:15 0.00 COMP 44 B P WHP = 0 PSI.

R/U TBG EQUIP. P/U 3 7/8" BIT, POBS & XN NIPPLE. RIH ON 210 JTS (6607) NEW 2 3/8" J55 TBG. R/U PWR SWVL & PMP. EST. CIRC. & P/T BOP TO 3000 PSI. TAG FILL @ 6663'. C/O 17' OF SAND TO CBP @ 6680'. FCP = 0 PSI.

CBP #1) DRLB OUT BAKER 8K CBP @ 6680' IN 8 MIN. 300 LBS DIFF. RIH & TAG SAND @ 6770'. C/O 90' OF SAND. FCP = 150 PSI.

CBP #2) DRLB OUT BAKER 8K CBP @ 6860' IN 10 MIN. 200 LBS DIFF. RIH & TAG SAND @ 7200'. C/O 60' OF SAND. FCP = 200 PSI.

CBP #3) DRLB OUT BAKER 8K CBP @ 7260' IN 8 MIN. 300 LBS DIFF. RIH & TAG SAND @ 7564'. C/O 40' OF SAND. FCP = 200 PSI.

CBP #4) DRLB OUT BAKER 8K CBP @ 7604' IN 8 MIN. 100 LBS DIFF. RIH & TAG SAND @ 7701'. C/O 40' OF SAND. FCP = 200 PSI. PBTD @ 7741'. CIRC WELL CLEAN. R/D PWR SWVL. POOH & L/D 11 JTS ON FLOAT. (20 JTS TOTAL).

LAND TBG ON HANGER W/235 JTS NEW 2 3/8" J55 TBG. EOT @ 7393.70'. POBS & XN NIPPLE @ 7414.73'. AVG 9 MIN/PLUG. C/O 247' OF SAND. R/D FLOOR & TBG EQUIP. NDBOP, DROP BALL, NUWH. PMP OF BIT @ 1800 PSI. WAIT 30 FOR BIT TO FALL TO BTM. SICP = 1050 PSI. FTP = 000 PSI
TURN WELL TO F.B.C. 11400 BBLS LTR.

RDMO LOC. ROAD RIG TO NBU 1023-2J. SPOT EQUIP.
13:30 SDFN.

8/9/2008	<u>SUPERVISOR:</u> GARTH McCONKIE					<u>MD:</u>
	7:00 -	33	A			7 AM FLBK REPORT: CP 1000#, TP 1150#, 18/64" CK, 45 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 3000 BBLS LEFT TO RECOVER: 10450
8/10/2008	<u>SUPERVISOR:</u> GARTH McCONKIE					<u>MD:</u>
	7:00 -	33	A			7 AM FLBK REPORT: CP 950#, TP 1250#, 18/64" CK, 35 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 3915 BBLS LEFT TO RECOVER: 9535
8/11/2008	<u>SUPERVISOR:</u> GARTH McCONKIE					<u>MD:</u>
	7:00 -	33	A			7 AM FLBK REPORT: CP 650#, TP 1200#, 18/64" CK, 33 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 4727 BBLS LEFT TO RECOVER: 8723
8/12/2008	<u>SUPERVISOR:</u> GARTH McCONKIE					<u>MD:</u>
	7:00 -	33	A			7 AM FLBK REPORT: CP 400#, TP 1100#, 20/64" CK, 25 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 5449 BBLS LEFT TO RECOVER: 8001
8/13/2008	<u>SUPERVISOR:</u> GARTH McCONKIE					<u>MD:</u>
	7:00 -	33	A			7 AM FLBK REPORT: CP 2000#, TP 1100#, 20/64" CK, 23 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 6027 BBLS LEFT TO RECOVER: 7423
8/14/2008	<u>SUPERVISOR:</u> GARTH McCONKIE					<u>MD:</u>
	7:00 -	33	A			7 AM FLBK REPORT: CP 2325#, TP 1200#, 20/64" CK, 27 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 6712 BBLS LEFT TO RECOVER: 6738

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU-40736

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

6. If Indian, Allottee or Tribe Name

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

7. Unit or CA Agreement Name and No.

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

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

8. Lease Name and Well No.
BONANZA 1023-1J

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

At surface **NW/SE 2258'FSL, 2083'FEL**

9. API Well No.
4304738302

At top prod. interval reported below

10. Field and Pool, or Exploratory
NATURAL BUTTES

At total depth

11. Sec., T., R., M., or Block and Survey or Area **SEC. 1, T10S, R23E**

14. Date Spudded **05/17/08**

15. Date T.D. Reached **07/07/08**

16. Date Completed D & A Ready to Prod.
08/14/08

12. County or Parish **UINTAH**

13. State **UTAH**

17. Elevations (DF, RKB, RT, GL)*
5465'GL

18. Total Depth: MD **7800'**
TVD

19. Plug Back T.D.: MD **7741'**
TVD

20. Depth Bridge Plug Set: MD
TVD

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

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 Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	36#		1980'		675 SX			
7 7/8"	4 1/2"	11.6#		7800'		1395 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"	7394'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6713'	7686'	6713'-7686'	0.36	208	OPEN
B)						
C)						
D)						

26. Perforation Record

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

Depth Interval	Amount and type of Material
6713'-7686'	PMP 13,269 BBLs SLICK H2O & 334,785# 30/50 OTTOWA SD

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
08/14/08	08/18/08	24	→	0	848	500			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1178# SI	Csg. Press. 1970#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
18/64			→	0	848	500			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
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
			→						

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DIV. OF OIL, GAS & MINING

(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

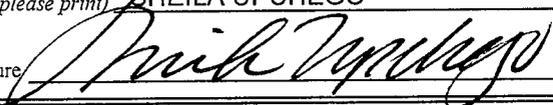
Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER MAHOGANY WASATCH MESAVERDE	1229' 1961' 4227' 6381'	6066' 8484'			

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 REGULATORY ANALYST
 Signature  Date 09/08/08

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.

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: P.O. Box 173779
city DENVER
state CO zip 80217 Phone Number: (720) 929-6029

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
See Atchmt	See Atchmt						
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
	99999	18519				5/11/2012	
Comments: Please see attachment with list of Wells in the Ponderosa Unit. <u>W5MVD</u>							5/30/2012

Well 2

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

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)

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MAY 21 2012

Div. of Oil, Gas & Mining

Cara Mahler

Name (Please Print)

Signature

REGULATORY ANALYST

5/21/2012

Title

Date

well_name	sec	twp	rng	api	entity	lease	well	stat	qtr_qtr	bhl	surf	zone	a_stat	l_num	op_no
SOUTHMAN CANYON 31-3	31	090S	230E	4304734726	13717	1	GW	P	SENW		1	WSMVD	P	U-33433	N2995
SOUTHMAN CANYON 31-4	31	090S	230E	4304734727	13742	1	GW	S	SESW		1	WSMVD	S	UTU-33433	N2995
SOUTHMAN CYN 31-2X (RIG SKID)	31	090S	230E	4304734898	13755	1	GW	P	NWNW		1	WSMVD	P	U-33433	N2995
SOUTHMAN CYN 923-31J	31	090S	230E	4304735149	13994	1	GW	P	NWSE		1	MVRD	P	U-33433	N2995
SOUTHMAN CYN 923-31B	31	090S	230E	4304735150	13953	1	GW	P	NWNE		1	MVRD	P	U-33433	N2995
SOUTHMAN CYN 923-31P	31	090S	230E	4304735288	14037	1	GW	P	SESE		1	WSMVD	P	UTU-33433	N2995
SOUTHMAN CYN 923-31H	31	090S	230E	4304735336	14157	1	GW	P	SENE		1	WSMVD	P	U-33433	N2995
SOUTHMAN CYN 923-31O	31	090S	230E	4304737205	16827	1	GW	P	SWSE		1	MVRD	P	UTU-33433	N2995
SOUTHMAN CYN 923-31K	31	090S	230E	4304737206	16503	1	GW	P	NESW		1	WSMVD	P	UTU-33433	N2995
SOUTHMAN CYN 923-31G	31	090S	230E	4304737208	16313	1	GW	P	SWNE		1	WSMVD	P	UTU-33433	N2995
SOUTHMAN CYN 923-31E	31	090S	230E	4304737209	16521	1	GW	P	SWNW		1	WSMVD	P	UTU-33433	N2995
SOUTHMAN CYN 923-31A	31	090S	230E	4304737210	16472	1	GW	P	NENE		1	WSMVD	P	UTU-33433	N2995
SOUTHMAN CYN 923-31C	31	090S	230E	4304737227	16522	1	GW	P	NENW		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-1G	01	100S	230E	4304735512	14458	1	GW	P	SWNE		1	WSMVD	P	U-40736	N2995
BONANZA 1023-1A	01	100S	230E	4304735717	14526	1	GW	P	NENE		1	WSMVD	P	U-40736	N2995
BONANZA 1023-1E	01	100S	230E	4304735745	14524	1	GW	P	SWNW		1	WSMVD	P	U-40736	N2995
BONANZA 1023-1C	01	100S	230E	4304735754	14684	1	GW	P	NENW		1	MVRD	P	U-40736	N2995
BONANZA 1023-1K	01	100S	230E	4304735755	15403	1	GW	P	NESW		1	MVRD	P	U-38423	N2995
BONANZA 1023-1F	01	100S	230E	4304737379	16872	1	GW	P	SENW		1	MVRD	P	UTU-40736	N2995
BONANZA 1023-1B	01	100S	230E	4304737380	16733	1	GW	P	NWNE		1	MVRD	P	UTU-40736	N2995
BONANZA 1023-1D	01	100S	230E	4304737381	16873	1	GW	P	NWNW		1	MVRD	P	UTU-40736	N2995
BONANZA 1023-1H	01	100S	230E	4304737430	16901	1	GW	P	SENE		1	MVRD	P	UTU-40736	N2995
BONANZA 1023-1L	01	100S	230E	4304738300	16735	1	GW	P	NWSW		1	MVRD	P	UTU-38423	N2995
BONANZA 1023-1J	01	100S	230E	4304738302	16871	1	GW	P	NWSE		1	MVRD	P	UTU-40736	N2995
BONANZA 1023-1I	01	100S	230E	4304738810	16750	1	GW	P	NESE		1	MVRD	P	UTU-40736	N2995
BONANZA 1023-2E	02	100S	230E	4304735345	14085	3	GW	P	SWNW		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2C	02	100S	230E	4304735346	14084	3	GW	P	NENW		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2A	02	100S	230E	4304735347	14068	3	GW	P	NENE		3	MVRD	P	ML-47062	N2995
BONANZA 1023-2G	02	100S	230E	4304735661	14291	3	GW	P	SWNE		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2O	02	100S	230E	4304735662	14289	3	GW	P	SWSE		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2I	02	100S	230E	4304735663	14290	3	GW	S	NESE		3	WSMVD	S	ML-47062	N2995
BONANZA 1023-2MX	02	100S	230E	4304736092	14730	3	GW	P	SWSW		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2H	02	100S	230E	4304737093	16004	3	GW	P	SENE		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2D	02	100S	230E	4304737094	15460	3	GW	P	NWNW		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2B	02	100S	230E	4304737095	15783	3	GW	P	NWNE		3	MVRD	P	ML-47062	N2995
BONANZA 1023-2P	02	100S	230E	4304737223	15970	3	GW	P	SESE		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2N	02	100S	230E	4304737224	15887	3	GW	P	SESW		3	MVRD	P	ML-47062	N2995
BONANZA 1023-2L	02	100S	230E	4304737225	15833	3	GW	P	NWSW		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2F	02	100S	230E	4304737226	15386	3	GW	P	SENW		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2D-4	02	100S	230E	4304738761	16033	3	GW	P	NWNW		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2O-1	02	100S	230E	4304738762	16013	3	GW	P	SWSE		3	WSMVD	P	ML-47062	N2995
BONANZA 1023-2H3CS	02	100S	230E	4304750344	17426	3	GW	P	NWNE	D	3	MVRD	P	ML 47062	N2995
BONANZA 1023-2G3BS	02	100S	230E	4304750345	17428	3	GW	P	NWNE	D	3	MVRD	P	ML 47062	N2995
BONANZA 1023-2G2CS	02	100S	230E	4304750346	17429	3	GW	P	NWNE	D	3	MVRD	P	ML 47062	N2995
BONANZA 1023-2G1BS	02	100S	230E	4304750347	17427	3	GW	P	NWNE	D	3	MVRD	P	ML 47062	N2995

BONANZA 1023-2M1S	02	100S	230E	4304750379	17443	3	GW	P	SENW	D	3	MVRD	P	ML 47062	N2995
BONANZA 1023-2L2S	02	100S	230E	4304750380	17444	3	GW	P	SENW	D	3	MVRD	P	ML 47062	N2995
BONANZA 1023-2K4S	02	100S	230E	4304750381	17446	3	GW	P	SENW	D	3	MVRD	P	ML 47062	N2995
BONANZA 1023-2K1S	02	100S	230E	4304750382	17445	3	GW	P	SENW	D	3	WSMVD	P	ML 47062	N2995
BONANZA 4-6 *	04	100S	230E	4304734751	13841	1	GW	P	NESW		1	MNCS	P	UTU-33433	N2995
BONANZA 1023-4A	04	100S	230E	4304735360	14261	1	GW	P	NENE		1	WSMVD	P	U-33433	N2995
BONANZA 1023-4E	04	100S	230E	4304735392	14155	1	GW	P	SWNW		1	WSMVD	P	U-33433	N2995
BONANZA 1023-4C	04	100S	230E	4304735437	14252	1	GW	P	NENW		1	WSMVD	P	U-33433	N2995
BONANZA 1023-4M	04	100S	230E	4304735629	14930	1	GW	P	SWSW		1	WSMVD	P	U-33433	N2995
BONANZA 1023-4O	04	100S	230E	4304735688	15111	1	GW	P	SWSE		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-4I	04	100S	230E	4304735689	14446	1	GW	P	NESE		1	MVRD	P	UTU-33433	N2995
BONANZA 1023-4G	04	100S	230E	4304735746	14445	1	GW	P	SWNE		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-4D	04	100S	230E	4304737315	16352	1	GW	P	NWNW		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-4H	04	100S	230E	4304737317	16318	1	GW	P	SENE		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-4B	04	100S	230E	4304737328	16351	1	GW	P	NWNE		1	MVRD	P	UTU-33433	N2995
BONANZA 1023-4L	04	100S	230E	4304738211	16393	1	GW	P	NWSW		1	MVRD	P	UTU-33433	N2995
BONANZA 1023-4P	04	100S	230E	4304738212	16442	1	GW	P	SESE		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-4N	04	100S	230E	4304738303	16395	1	GW	P	SESW		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-4FX (RIGSKID)	04	100S	230E	4304739918	16356	1	GW	P	SENW		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-5O	05	100S	230E	4304735438	14297	1	GW	P	SWSE		1	WSMVD	P	U-33433	N2995
BONANZA 1023-5AX (RIGSKID)	05	100S	230E	4304735809	14243	1	GW	P	NENE		1	WSMVD	P	U-33433	N2995
BONANZA 1023-5C	05	100S	230E	4304736176	14729	1	GW	P	NENW		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-5G	05	100S	230E	4304736177	14700	1	GW	P	SWNE		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-5M	05	100S	230E	4304736178	14699	1	GW	P	SWSW		1	WSMVD	P	UTU-73450	N2995
BONANZA 1023-5K	05	100S	230E	4304736741	15922	1	GW	P	NESW		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-5B	05	100S	230E	4304737318	16904	1	GW	P	NWNE		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-5E	05	100S	230E	4304737319	16824	1	GW	P	SWNW		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-5H	05	100S	230E	4304737320	16793	1	GW	P	SENE		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-5N	05	100S	230E	4304737321	16732	1	GW	P	SESW		1	WSMVD	P	UTU-73450	N2995
BONANZA 1023-5L	05	100S	230E	4304737322	16825	1	GW	P	NWSW		1	MVRD	P	UTU-33433	N2995
BONANZA 1023-5J	05	100S	230E	4304737428	17055	1	GW	P	NWSE		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-5P	05	100S	230E	4304738213	16795	1	GW	P	SESE		1	MVRD	P	UTU-33433	N2995
BONANZA 1023-5N-1	05	100S	230E	4304738911	17060	1	GW	P	SESW		1	WSMVD	P	UTU-73450	N2995
BONANZA 1023-5PS	05	100S	230E	4304750169	17323	1	GW	P	NESE	D	1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-5G2AS	05	100S	230E	4304750486	17459	1	GW	P	SWNE	D	1	MVRD	P	UTU 33433	N2995
BONANZA 1023-5G2CS	05	100S	230E	4304750487	17462	1	GW	P	SWNE	D	1	MVRD	P	UTU 33433	N2995
BONANZA 1023-5G3BS	05	100S	230E	4304750488	17461	1	GW	P	SWNE	D	1	MVRD	P	UTU 33433	N2995
BONANZA 1023-5G3CS	05	100S	230E	4304750489	17460	1	GW	P	SWNE	D	1	MVRD	P	UTU 33433	N2995
BONANZA 1023-5N4AS	05	100S	230E	4304752080	18484	1	GW	DRL	SWSW	D	1	WSMVD	DRL	UTU73450	N2995
BONANZA 1023-8C2DS	05	100S	230E	4304752081	18507	1	GW	DRL	SWSW	D	1	WSMVD	DRL	UTU37355	N2995
BONANZA 6-2	06	100S	230E	4304734843	13796	1	GW	TA	NESW		1	WSMVD	TA	UTU-38419	N2995
BONANZA 1023-6C	06	100S	230E	4304735153	13951	1	GW	P	NENW		1	MVRD	P	U-38419	N2995
BONANZA 1023-6E	06	100S	230E	4304735358	14170	1	GW	P	SWNW		1	MVRD	P	U-38419	N2995
BONANZA 1023-6M	06	100S	230E	4304735359	14233	1	GW	P	SWSW		1	WSMVD	P	U-38419	N2995
BONANZA 1023-6G	06	100S	230E	4304735439	14221	1	GW	P	SWNE		1	WSMVD	P	UTU-38419	N2995
BONANZA 1023-6O	06	100S	230E	4304735630	14425	1	GW	TA	SWSE		1	WSMVD	TA	U-38419	N2995

* not moved in unit

BONANZA 1023-6A	06	100S	230E	4304736067	14775			1	GW	P	NENE		1	WSMVD	P	U-33433	N2995
BONANZA 1023-6N	06	100S	230E	4304737211	15672			1	GW	P	SESW		1	WSMVD	P	UTU-38419	N2995
BONANZA 1023-6L	06	100S	230E	4304737212	15673			1	GW	P	NWSW		1	WSMVD	P	UTU-38419	N2995
BONANZA 1023-6J	06	100S	230E	4304737213	15620			1	GW	P	NWSE		1	WSMVD	P	UTU-38419	N2995
BONANZA 1023-6F	06	100S	230E	4304737214	15576			1	GW	TA	SENW		1	WSMVD	TA	UTU-38419	N2995
BONANZA 1023-6P	06	100S	230E	4304737323	16794			1	GW	P	SESE		1	WSMVD	P	UTU-38419	N2995
BONANZA 1023-6H	06	100S	230E	4304737324	16798			1	GW	S	SENE		1	WSMVD	S	UTU-33433	N2995
BONANZA 1023-6D	06	100S	230E	4304737429	17020			1	GW	P	NWNW		1	WSMVD	P	UTU-38419	N2995
BONANZA 1023-6B	06	100S	230E	4304740398	18291			1	GW	P	NWNE		1	WSMVD	P	UTU-33433	N2995
BONANZA 1023-6M1BS	06	100S	230E	4304750452	17578			1	GW	P	NWSW	D	1	WSMVD	P	UTU 38419	N2995
BONANZA 1023-6N1AS	06	100S	230E	4304750453	17581			1	GW	P	NWSW	D	1	WSMVD	P	UTU 38419	N2995
BONANZA 1023-6N1CS	06	100S	230E	4304750454	17580			1	GW	P	NWSW	D	1	WSMVD	P	UTU 38419	N2995
BONANZA 1023-6N4BS	06	100S	230E	4304750455	17579			1	GW	P	NWSW	D	1	WSMVD	P	UTU 38419	N2995
BONANZA 1023-6I2S	06	100S	230E	4304750457	17790			1	GW	P	NESE	D	1	WSMVD	P	UTU 38419	N2995
BONANZA 1023-6I4S	06	100S	230E	4304750458	17792			1	GW	P	NESE	D	1	WSMVD	P	UTU 38419	N2995
BONANZA 1023-6J3S	06	100S	230E	4304750459	17791			1	GW	P	NESE	D	1	WSMVD	P	UTU 38419	N2995
BONANZA 1023-6P1S	06	100S	230E	4304750460	17793			1	GW	P	NESE	D	1	WSMVD	P	UTU 38419	N2995
BONANZA 1023-6A2CS	06	100S	230E	4304751430	18292			1	GW	P	NWNE	D	1	WSMVD	P	UTU33433	N2995
BONANZA 1023-6B4BS	06	100S	230E	4304751431	18293			1	GW	P	NWNE	D	1	WSMVD	P	UTU33433	N2995
BONANZA 1023-6B4CS	06	100S	230E	4304751432	18294			1	GW	P	NWNE	D	1	WSMVD	P	UTU33433	N2995
BONANZA 1023-6C4BS	06	100S	230E	4304751449	18318			1	GW	P	NENW	D	1	WSMVD	P	UTU38419	N2995
BONANZA 1023-6D1DS	06	100S	230E	4304751451	18316			1	GW	P	NENW	D	1	WSMVD	P	UTU38419	N2995
FLAT MESA FEDERAL 2-7	07	100S	230E	4304730545	18244			1	GW	S	NENW		1	WSMVD	S	U-38420	N2995
BONANZA 1023-7B	07	100S	230E	4304735172	13943			1	GW	P	NWNE		1	MVRD	P	U-38420	N2995
BONANZA 1023-7L	07	100S	230E	4304735289	14054			1	GW	P	NWSW		1	WSMVD	P	U-38420	N2995
BONANZA 1023-7D	07	100S	230E	4304735393	14171			1	GW	P	NWNW		1	WSMVD	P	U-38420	N2995
BONANZA 1023-7P	07	100S	230E	4304735510	14296			1	GW	P	SESE		1	WSMVD	P	U-38420	N2995
BONANZA 1023-7H	07	100S	230E	4304736742	15921			1	GW	P	SENE		1	WSMVD	P	UTU-38420	N2995
BONANZA 1023-7NX (RIGSKID)	07	100S	230E	4304736932	15923			1	GW	P	SESW		1	WSMVD	P	UTU-38420	N2995
BONANZA 1023-7M	07	100S	230E	4304737215	16715			1	GW	P	SWSW		1	WSMVD	P	UTU-38420	N2995
BONANZA 1023-7K	07	100S	230E	4304737216	16714			1	GW	P	NESW		1	WSMVD	P	UTU-38420	N2995
BONANZA 1023-7E	07	100S	230E	4304737217	16870			1	GW	P	SWNW		1	WSMVD	P	UTU-38420	N2995
BONANZA 1023-7G	07	100S	230E	4304737326	16765			1	GW	P	SWNE		1	WSMVD	P	UTU-38420	N2995
BONANZA 1023-7A	07	100S	230E	4304737327	16796			1	GW	P	NENE		1	WSMVD	P	UTU-38420	N2995
BONANZA 1023-7O	07	100S	230E	4304738304	16713			1	GW	P	SWSE		1	MVRD	P	UTU-38420	N2995
BONANZA 1023-7B-3	07	100S	230E	4304738912	17016			1	GW	P	NWNE		1	WSMVD	P	UTU-38420	N2995
BONANZA 1023-07JT	07	100S	230E	4304739390	16869			1	GW	P	NWSE		1	WSMVD	P	UTU-38420	N2995
BONANZA 1023-7J2AS	07	100S	230E	4304750474	17494			1	GW	P	NWSE	D	1	WSMVD	P	UTU 38420	N2995
BONANZA 1023-7J2DS	07	100S	230E	4304750475	17495			1	GW	P	NWSE	D	1	WSMVD	P	UTU 38420	N2995
BONANZA 1023-7L3DS	07	100S	230E	4304750476	17939			1	GW	P	NWSW	D	1	WSMVD	P	UTU 38420	N2995
BONANZA 1023-7M2AS	07	100S	230E	4304750477	17942			1	GW	P	NWSW	D	1	WSMVD	P	UTU 38420	N2995
BONANZA 1023-7N2AS	07	100S	230E	4304750478	17940			1	GW	P	NWSW	D	1	WSMVD	P	UTU 38420	N2995
BONANZA 1023-7N2DS	07	100S	230E	4304750479	17941			1	GW	P	NWSW	D	1	WSMVD	P	UTU 38420	N2995
BONANZA 1023-7O4S	07	100S	230E	4304750480	17918			1	GW	P	SESE	D	1	WSMVD	P	UTU 38420	N2995
BONANZA 1023-7P2S	07	100S	230E	4304750482	17919			1	GW	P	SESE	D	1	WSMVD	P	UTU 38420	N2995
BONANZA 8-2	08	100S	230E	4304734087	13851			1	GW	P	SESE		1	MVRD	P	U-37355	N2995

BONANZA 8-3	08	100S	230E	4304734770	13843			1	GW	P	NWNW			1	MVRD	P	U-37355	N2995
BONANZA 1023-8A	08	100S	230E	4304735718	14932			1	GW	P	NENE			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8L	08	100S	230E	4304735719	14876			1	GW	P	NWSW			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8N	08	100S	230E	4304735720	15104			1	GW	P	SESW			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8F	08	100S	230E	4304735989	14877			1	GW	S	SESW			1	WSMVD	S	UTU-37355	N2995
BONANZA 1023-8I	08	100S	230E	4304738215	16358			1	GW	P	NESE			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8K	08	100S	230E	4304738216	16354			1	GW	P	NESW			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8M	08	100S	230E	4304738217	16564			1	GW	P	SWSW			1	MVRD	P	UTU-37355	N2995
BONANZA 1023-8G	08	100S	230E	4304738218	16903			1	GW	P	SWNE			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8E	08	100S	230E	4304738219	16397			1	GW	P	SWNW			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8C	08	100S	230E	4304738220	16355			1	GW	P	NENW			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8B	08	100S	230E	4304738221	16292			1	GW	P	NWNE			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8H	08	100S	230E	4304738222	16353			1	GW	P	SENE			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8O	08	100S	230E	4304738305	16392			1	GW	P	SWSE			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8B-4	08	100S	230E	4304738914	17019			1	GW	P	NWNE			1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-8A1DS	08	100S	230E	4304750481	17518			1	GW	P	NENE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8A4BS	08	100S	230E	4304750483	17519			1	GW	P	NENE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8B1AS	08	100S	230E	4304750484	17520			1	GW	P	NENE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8B2AS	08	100S	230E	4304750485	17521			1	GW	P	NENE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8O2S	08	100S	230E	4304750495	17511			1	GW	P	NWSE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8J1S	08	100S	230E	4304750496	17509			1	GW	P	NWSE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8O3S	08	100S	230E	4304750497	17512			1	GW	P	NWSE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8J3	08	100S	230E	4304750498	17510			1	GW	P	NWSE			1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8C4CS	08	100S	230E	4304750499	17544			1	GW	P	NENW	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8D2DS	08	100S	230E	4304750500	17546			1	GW	P	NENW	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8D3DS	08	100S	230E	4304750501	17545			1	GW	P	NENW	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8F3DS	08	100S	230E	4304750502	17543			1	GW	P	NENW	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8A4CS	08	100S	230E	4304751131	18169			1	GW	P	NWNE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8B3BS	08	100S	230E	4304751132	18167			1	GW	P	NWNE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8C1AS	08	100S	230E	4304751133	18166			1	GW	P	NWNE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8G3AS	08	100S	230E	4304751134	18168			1	GW	P	NWNE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8E2AS	08	100S	230E	4304751135	18227			1	GW	P	SESW	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8F3BS	08	100S	230E	4304751136	18227			1	GW	P	SESW	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8F4AS	08	100S	230E	4304751137	18224			1	GW	P	SESW	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8F4DS	08	100S	230E	4304751138	18225			1	GW	P	SESW	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8J2CS	08	100S	230E	4304751139	18226			1	GW	P	SESW	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8G4DS	08	100S	230E	4304751140	18144			1	GW	P	NESE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8H2DS	08	100S	230E	4304751141	18142			1	GW	P	NESE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8H3DS	08	100S	230E	4304751142	18143			1	GW	P	NESE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8H4DS	08	100S	230E	4304751143	18141			1	GW	P	NESE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8I4BS	08	100S	230E	4304751144	18155			1	GW	P	NESE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8J4BS	08	100S	230E	4304751145	18154			1	GW	P	NESE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8P1AS	08	100S	230E	4304751146	18156			1	GW	P	NESE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8P2BS	08	100S	230E	4304751147	18153			1	GW	P	NESE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8P4AS	08	100S	230E	4304751148	18157			1	GW	P	NESE	D		1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8E2DS	08	100S	230E	4304751149	18201			1	GW	P	NWSW	D		1	WSMVD	P	UTU 37355	N2995

BONANZA 1023-8E3DS	08	100S	230E	4304751150	18200			1	GW	P	NWSW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8K1CS	08	100S	230E	4304751151	18199			1	GW	P	NWSW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8K4CS	08	100S	230E	4304751152	18198			1	GW	P	NWSW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8L3DS	08	100S	230E	4304751153	18197			1	GW	P	NWSW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8M2AS	08	100S	230E	4304751154	18217			1	GW	P	SWSW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8M2DS	08	100S	230E	4304751155	18216			1	GW	P	SWSW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8N2BS	08	100S	230E	4304751156	18218			1	GW	P	SWSW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8O3CS	08	100S	230E	4304751157	18254			1	GW	P	SWSE	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8N3DS	08	100S	230E	4304751158	18215			1	GW	P	SWSW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8O4AS	08	100S	230E	4304751159	18252			1	GW	P	SWSE	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8P2CS	08	100S	230E	4304751160	18251			1	GW	P	SWSE	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-8P3CS	08	100S	230E	4304751161	18253			1	GW	P	SWSE	D	1	WSMVD	P	UTU 37355	N2995
CANYON FEDERAL 2-9	09	100S	230E	4304731504	1468			1	GW	P	NENW		1	MVRD	P	U-37355	N2995
SOUTHMAN CANYON 9-3-M	09	100S	230E	4304732540	11767			1	GW	S	SWSW		1	MVRD	S	UTU-37355	N2995
SOUTHMAN CANYON 9-4-J	09	100S	230E	4304732541	11685			1	GW	S	NWSE		1	MVRD	S	UTU-37355	N2995
BONANZA 9-6	09	100S	230E	4304734771	13852			1	GW	P	NWNE		1	MVRD	P	U-37355	N2995
BONANZA 9-5	09	100S	230E	4304734866	13892			1	GW	P	SESW		1	MVRD	P	U-37355	N2995
BONANZA 1023-9E	09	100S	230E	4304735620	14931			1	GW	P	SWNW		1	WSMVD	P	U-37355	N2995
BONANZA 1023-9I	09	100S	230E	4304738223	16766			1	GW	P	NESE		1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-9D	09	100S	230E	4304738306	16398			1	GW	P	NWNW		1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-9J	09	100S	230E	4304738811	16989			1	GW	P	NWSE		1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-9B3BS	09	100S	230E	4304750503	17965			1	GW	P	SENE	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-9B3CS	09	100S	230E	4304750504	17968			1	GW	P	SENE	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-9H2BS	09	100S	230E	4304750505	17966			1	GW	P	SENE	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-9H2CS	09	100S	230E	4304750506	17967			1	GW	P	SENE	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 10-2	10	100S	230E	4304734704	13782			1	GW	P	NWNW		1	MVRD	P	U-72028	N2995
BONANZA 1023-10L	10	100S	230E	4304735660	15164			1	GW	P	NWSW		1	WSMVD	P	U-38261	N2995
BONANZA 1023-10E	10	100S	230E	4304738224	16501			1	GW	P	SWNW		1	MVRD	P	UTU-72028	N2995
BONANZA 1023-10C	10	100S	230E	4304738228	16500			1	GW	P	NENW		1	MVRD	P	UTU-72028	N2995
BONANZA 1023-10C-4	10	100S	230E	4304738915	17015			1	GW	P	NENW		1	MVRD	P	UTU-72028	N2995
BONANZA 11-2 ★	11	100S	230E	4304734773	13768			1	GW	P	SWNW		1	MVMCS	P	UTU-38425	N2995
BONANZA 1023-11K	11	100S	230E	4304735631	15132			1	GW	P	NESW		1	WSMVD	P	UTU-38425	N2995
BONANZA 1023-11B	11	100S	230E	4304738230	16764			1	GW	P	NWNE		1	MVRD	P	UTU-38425	N2995
BONANZA 1023-11F	11	100S	230E	4304738232	16797			1	GW	P	SENW		1	MVRD	P	UTU-38425	N2995
BONANZA 1023-11D	11	100S	230E	4304738233	16711			1	GW	P	NWNW		1	MVRD	P	UTU-38425	N2995
BONANZA 1023-11G	11	100S	230E	4304738235	16826			1	GW	P	SWNE		1	MVRD	P	UTU-38425	N2995
BONANZA 1023-11C	11	100S	230E	4304738309	16736			1	GW	P	NENW		1	MVRD	P	UTU-38425	N2995
BONANZA 1023-11J	11	100S	230E	4304738310	16839			1	GW	P	NWSE		1	WSMVD	P	UTU-38424	N2995
BONANZA 1023-11N	11	100S	230E	4304738311	16646			1	GW	P	SESW		1	MVRD	P	UTU-38424	N2995
BONANZA 1023-11M	11	100S	230E	4304738312	16687			1	GW	P	SWSW		1	MVRD	P	UTU-38424	N2995
BONANZA 1023-11L	11	100S	230E	4304738812	16987			1	GW	P	NWSW		1	WSMVD	P	UTU-38424	N2995
NSO FEDERAL 1-12	12	100S	230E	4304730560	1480			1	GW	P	NENW		1	MVRD	P	UTU-38423	N2995
WHITE RIVER 1-14	14	100S	230E	4304730481	1500			1	GW	S	NENW		1	MVRD	S	U-38427	N2995
BONANZA 1023-14D	14	100S	230E	4304737030	16799			1	GW	P	NWNW		1	MVRD	P	UTU-38427	N2995
BONANZA 1023-14C	14	100S	230E	4304738299	16623			1	GW	P	NENW		1	MVRD	P	UTU-38427	N2995
BONANZA FEDERAL 3-15	15	100S	230E	4304731278	8406			1	GW	P	NENW		1	MVRD	P	U-38428	N2995

★ not moved into unit

BONANZA 1023-15H	15	100S	230E	4304738316	16688		1	GW	P	SENE		1	MVRD	P	UTU-38427	N2995
BONANZA 1023-15J	15	100S	230E	4304738817	16988		1	GW	P	NWSE		1	MVRD	P	UTU-38427	N2995
BONANZA 1023-15H4CS	15	100S	230E	4304750741	17492		1	GW	P	NESE	D	1	MVRD	P	UTU 38427	N2995
BONANZA 1023-15I2AS	15	100S	230E	4304750742	17493		1	GW	P	NESE	D	1	WSMVD	P	UTU 38427	N2995
BONANZA 1023-15I4BS	15	100S	230E	4304750743	17490		1	GW	P	NESE	D	1	WSMVD	P	UTU 38427	N2995
BONANZA 1023-15P1BS	15	100S	230E	4304750744	17491		1	GW	P	NESE	D	1	WSMVD	P	UTU 38427	N2995
LOOKOUT POINT STATE 1-16	16	100S	230E	4304730544	1495		3	GW	P	NESE		3	WSMVD	P	ML-22186-A	N2995
BONANZA 1023-16J	16	100S	230E	4304737092	15987		3	GW	OPS	NWSE		3	WSMVD	OPS	ML-22186-A	N2995
BONANZA 1023-17B	17	100S	230E	4304735747	15165		1	GW	P	NWNE		1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-17C	17	100S	230E	4304738237	16585		1	GW	P	NENW		1	WSMVD	P	UTU-37355	N2995
BONANZA 1023-17D3S	17	100S	230E	4304750511	17943		1	GW	P	NENW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-17E2S	17	100S	230E	4304750512	17944		1	GW	P	NENW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-17E3AS	17	100S	230E	4304750513	17945		1	GW	P	NENW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-17E3CS	17	100S	230E	4304750514	17946		1	GW	P	NENW	D	1	WSMVD	P	UTU 37355	N2995
BONANZA 1023-18G	18	100S	230E	4304735621	14410		1	GW	P	SWNE		1	WSMVD	P	U-38241	N2995
BONANZA 1023-18B	18	100S	230E	4304735721	14395		1	GW	P	NWNE		1	WSMVD	P	U-38421	N2995
BONANZA 1023-18DX (RIGSKID)	18	100S	230E	4304736218	14668		1	GW	P	NWNW		1	WSMVD	P	U-38241	N2995
BONANZA 1023-18A	18	100S	230E	4304738243	16625		1	GW	P	NENE		1	WSMVD	P	UTU-38421	N2995
BONANZA 1023-18F	18	100S	230E	4304738244	16624		1	GW	P	SENW		1	WSMVD	P	UTU-38421	N2995
BONANZA 1023-18E	18	100S	230E	4304738245	16645		1	GW	P	SWNW		1	MVRD	P	UTU-38421	N2995
BONANZA 1023-18C	18	100S	230E	4304738246	16734		1	GW	P	NENW		1	MVRD	P	UTU-38421	N2995
BONANZA 1023-18G-1	18	100S	230E	4304738916	17135		1	GW	P	SWNE		1	WSMVD	P	UTU-38421	N2995
BONANZA 1023-18D3AS	18	100S	230E	4304750448	17498		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18D3DS	18	100S	230E	4304750449	17499		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18E2DS	18	100S	230E	4304750450	17497		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18E3AS	18	100S	230E	4304750451	17496		1	GW	P	SENW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18L2S	18	100S	230E	4304750520	18111		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18L3S	18	100S	230E	4304750521	18110		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18K3AS	18	100S	230E	4304751061	18112		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18K3BS	18	100S	230E	4304751063	18113		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18M2AS	18	100S	230E	4304751064	18117		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18M2DS	18	100S	230E	4304751065	18116		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18N2AS	18	100S	230E	4304751066	18114		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-18N2DS	18	100S	230E	4304751067	18115		1	GW	P	SWNW	D	1	WSMVD	P	UTU 38421	N2995
BONANZA 1023-10F	10	100S	230E	4304738225	16565			GW	P	SENW			MVRD	P	UTU 72028	N2995
BONANZA 1023-6D1AS	6	100S	230E	4304751450	18320			GW	P	NENW	D		WSMVD	P	UTU 38419	N2995
BONANZA 1023-6C1CS	6	100S	230E	4304751448	18319			GW	P	NENW	D			P	UTU 38419	N2995
BONANZA 1023-6D3AS	6	100S	230E	4304751452	18317			GW	P	NENW	D		WSMVD	P	UTU 38419	N2995

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-40736
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: PONDEROSA
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: BONANZA 1023-1J
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047383020000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6454
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2258 FSL 2083 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 01 Township: 10.0S Range: 23.0E Meridian: S	9. FIELD and POOL or WILDCAT: WESTERN BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/25/2016 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input checked="" 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.

Kerr-McGee Oil & Gas Onshore, LP respectfully requests to plug and abandon the BONANZA 1023-1J well. Please see the attached procedure for details. Thank you.

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

Date: August 25, 2016
 By: *Dark Duff*

NAME (PLEASE PRINT) Candice Barber	PHONE NUMBER 435 781-9749	TITLE HSE Representative
SIGNATURE N/A	DATE 8/25/2016	

**BONANZA 1023-1J
2258' FSL & 2083' FEL
NWSE SEC. 1, T10S, R23E
UINTAH UT**

KBE: 5483' **API NUMBER:** 4304738302
GLE: 5465' **LEASE NUMBER:** UTU40736
TD: 7800' **LAT/LONG:** 39.97686/-109.273458
PBTD: 7741'

CASING : 12.25" hole
SURFACE 9.625" 36# J-55 @ 1958'

PRODUCTION 7.875" hole
 4.5" 11.6# P-110 @ 7742'
 Est. TOC @ 350' CBL

PERFORATIONS: WASATCH-MESAVERDE TOP-BOTTOM 6713'-7686'

TUBING: 2.375" 4.7# J-55 tbg at 7415'

**NOTE: ALL DEPTHS MEASURED FROM KBE

Tubular/Borehole	ID inches	Drift inches	Collapse psi	Burst psi	Capacities		
					Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg	1.995	1.901	8100	7700	0.1624	0.02171	0.00387
2.375" 4.7# P-110 tbg	1.995	1.901	13800	15400	0.1624	0.02171	0.00387
2.375" 4.7# L-80 tbg	1.995	1.901	11780	11200	0.1624	0.02171	0.00387
4.5" 11.6# P-110 csg	4	3.875	7580	10690	0.65282	0.08727	0.01554
9.625" 36# J-55 csg	8.921	8.765	2020	3520	3.24699	0.43406	0.07731

Annular Capacities	Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" tbg. X 4.5" csg	0.42272	0.05651	0.01006
4.5" csg. X 9.625" csg	2.42077	0.32361	0.05764
4.5" csg X 7.875 borehole	1.70406	0.2278	0.04057

GEOLOGIC INFORMATION:

Formation	Depth to top, ft.
Uinta	Surface
Top Green River	0'
Top Mahogany	1874'
Base Parachute	2628'
Top Wasatch	3993'
Top Mesaverde	5742'

<http://digitallibrary.utah.gov/awweb/awarchive?type=file&item=55737>

BMSW Elevation ~2333' MSL
 BMSW Depth ~3150'

BONANZA 1023-1J PLUG & ABANDONMENT PROCEDURE

GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- BLOW DOWN BRADEN HEAD AND SURFACE CASING AS NEEDED AS PER SOP.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, 15.8ppg, YIELD 1.145 CUFT/SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDES. PREMIX 5 GALLONS PER 100 BBLS FLUID AND IS TO BE PLACED BETWEEN ALL PLUGS.
- NOTIFY APPROPRIATE AGENCY 48 HOURS BEFORE MOVING ON LOCATION.

PERTINENT WELL HISTORY: S.N. @ 7413' (well has not been worked over since orig completion aug 2008)

PROCEDURE

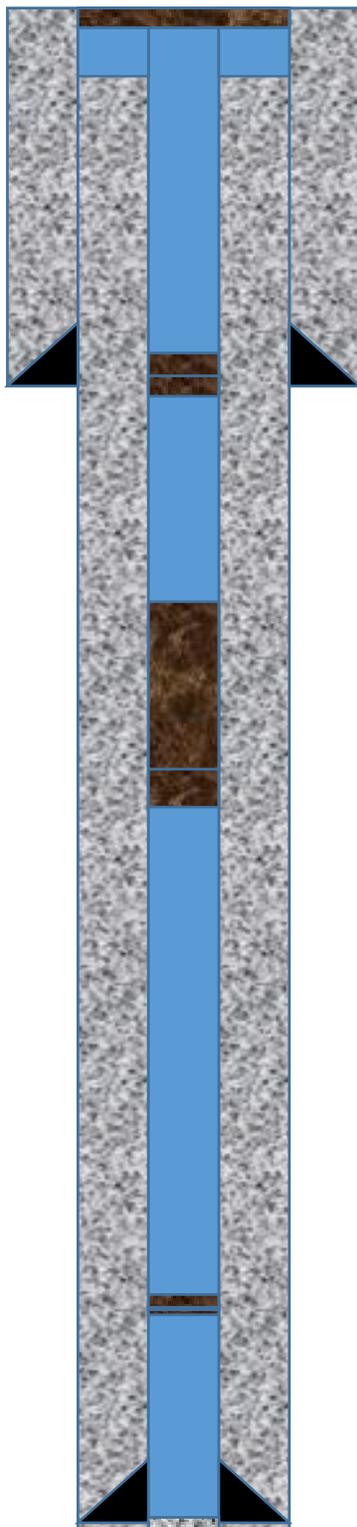
Note: Approx. **136 SXS** Class "G" cement needed for procedure & **(1) 4.5" CIBP**

Note: NO GYRO ON RECORD. (IF GYRO NEEDED, A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE).

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. POOH W/ TBG & L/D SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL PER FOREMAN DISCRETION.
3. ISOLATE PERFORATIONS (7686'-6713'): RIH ON WIRELINE OR TUBING W/ 4.5" CIBP. SET @ ~6663', (50' above top perf at 6713'). RELEASE CIBP, PUH 10', CIRC ENTIRE HOLE W/ TREATED FRESH WATER AND PRESSURE TEST CASING. SET A 105FT BALANCED CMT PLUG F/ 6663' to 6558' (8 SXS, 9.16 FT3).
4. PROTECT WASATCH TOP (3993') & BMSW (3150'): PUH WITH TUBING AND PUMP A MINIMUM OF (528 FT) CMT F/ 3993' to 3045' (73 SXS, 82.7 FT3).
5. PROTECT CASING SHOE (1939') & MAHOGANY BASE (1874'): PUH WITH TUBING AND PUMP A MINIMUM OF (223 FT) CMT F/ 1992' to 1769' (17 SXS, 19.4 FT3).
6. PROTECT SURFACE (105'): PUH WITH TUBING AND PUMP A MINIMUM OF 105' CMT F/ 105'-0' (8 SXS, 9.16 FT3). POOH & RUN 1" TUBING DOWN THE PRODUCTION/SURFACE CASING ANNULUS AS DEEP AS POSSIBLE AND CEMENT TO SURFACE (30 SXS, 34 FT3).
7. CUT OFF WELLHEAD AND INSTALL MARKER PER REGULATIONS.
8. RDMO. TURN OVER TO OPERATIONS FOR SURFACE REHAB. SURFACE RECLAMATION TO BE PERFORMED IN ACCORDANCE TO REGULATIONS.

BONANZA 1023-1J

Total SXS: 136, Total CIBP: 1



<- Plug for Surface at 0' from 0' to 105' with 38 SXS, 105 ft.

<- TOC at 350'

<- Plug for Surface Shoe at 1939' and Mahogany at 1874' from 1992' to 1769' with 17 SXS, 223ft.

<- Parachute Base at 2628'

<- Plug for Wasatch at 3993' & BMSW at 3150' from

<- Plug above CIBP at 6663' from 6663' to 6558' with 8SXS, 105ft.

<-CIBP Above Perfs at 6663'

<-Top Perf at 6713'

<-PBTD at 7741'

<- Production Casing Shoe at 7742'

<-TD at 7800'

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-40736
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	7. UNIT or CA AGREEMENT NAME: PONDEROSA
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	8. WELL NAME and NUMBER: BONANZA 1023-1J
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2258 FSL 2083 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 01 Township: 10.0S Range: 23.0E Meridian: S	9. API NUMBER: 43047383020000
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH	
STATE: UTAH	

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 8/17/2016	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	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 1023-1J was returned to production on 8/17/2016.
Thank you.

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

FOR RECORD ONLY

September 01, 2016

NAME (PLEASE PRINT) Candice Barber	PHONE NUMBER 435 781-9749	TITLE HSE Representative
SIGNATURE N/A	DATE 8/30/2016	

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-40736
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	7. UNIT or CA AGREEMENT NAME: PONDEROSA
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	8. WELL NAME and NUMBER: BONANZA 1023-1J
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2258 FSL 2083 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSE Section: 01 Township: 10.0S Range: 23.0E Meridian: S	9. API NUMBER: 43047383020000
10. PHONE NUMBER: 720 929-6456	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 type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/24/2016	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
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	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
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	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

Kerr-McGee Oil & Gas Onshore, LP has plugged and abandoned the Bonanza 1023-1J well on 10/24/2016. Please see the operations summary report for details. Thank you.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 November 21, 2016

NAME (PLEASE PRINT) Candice Barber	PHONE NUMBER 435 781-9749	TITLE HSE Representative
SIGNATURE N/A	DATE 10/27/2016	

US ROCKIES REGION
Operation Summary Report

Well: BONANZA 1023-1J		Spud Conductor: 5/17/2008		Spud date: 5/18/2008				
Project: UTAH-UINTAH			Site: BONANZA 1023-1J			Rig name no.: MILES 4/4		
Event: ABANDONMENT			Start date: 10/17/2016			End date: 10/24/2016		
Active datum: RKB @5,483.00usft (above Mean Sea Level)				UWI: BONANZA 1023-1J				
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
10/20/2016	7:00 - 7:30	0.50	ABANDP	30	E	P		HELD JSA W/RIG CREW.
	7:30 - 9:00	1.50	ABANDP					FTP 70 PSIG. FCP 70 PSIG. BLEW WELL DOWN. PUMP 15 BBLS T-MAC DOWN TBG. 20 BBLS DOWN ANNULAS. ND TREE. TBG STUCK. UNABLE TO FREE. INSTALL 4' PUP JT BELOW TBH & RELAND. NU BOP. RU FLOOR & TBG EQUIPMENT.
	9:00 - 12:00	3.00	ABANDP					WORK STUCK TBG 20K TO 70K W/NO GAIN. STRETCH SHOWS TBG STUCK @ 7206'.
	12:00 - 14:00	2.00	ABANDP					MIRU CUTTERS WIRELINE. RIH W/1-7/16" OD FREE POINT TOOL. TBG 10% FREE @ 7215', 90% FREE @ 6995', 90% FREE @ 6960'. POH LD FREE POINT TOOL. RIH W/1-11/16" OD JET CUTTER. CUT 2 3/8" TBG @ 6945'. [CIBP NEEDS TO BE @ 6663']. POH RDMO WL.
	14:00 - 17:30	3.50	ABANDP					MIRU SCAN TECH. POH LD & INSPECTING 219 JTS 2 3/8" J-55 TBG. AND 21.22' CUT JT. 214 JTS YB. 6 JTS RB. NO ID OR OD SCALE. SWI. SDFN.
10/21/2016	7:00 - 7:30	0.50	ABANDP	30	E	P		HELD JSA W/RIG CREW.
	7:30 - 10:00	2.50	ABANDP					SICTP 70 PSIG. BLEW WELL DOWN. PU & RIH W/WEATHERFORD 4 1/2" CIBP ON 2 3/8" TBG. 6660'.
	10:00 - 17:30	7.50	ABANDP					PLUG #1.SET CIBP @ 6660' KB. MIRU GREYROCK CEMENTER'S. DISPLACE HOLE W/100 BBLS T-MAX WATER. PRESSURE TEST CIBP & CSG TO 500 PSIG. HELD GOOD. PUMP 2 BBLS FRESH WATER MIX & PUMP 10 SKS 2 BBLS 15.8# CLASS 'G' CEMENT BALANCE W/24.1 BBLS T-MAX. TOC @6528'. PLUG #2 EOT @ 3985'. PUMP 2 BBLS FRESH WATER. MIX & PUMP 73 SKS 14.95 BBLS 15.8# CLASS 'G' CEMENT BALANCE W/10.2 BBLS T-MAX. TOC @ 3023'. PLUG # 3. EOT @ 2012'. PUMP 2 BBLS FRESH WATER. MIX & PUMP 19 SKS 3.9 BBLS 15.8# CLASS 'G' CEMENT BALANCE W/5.7 BBLS T-MAX. TOC @ 1761'. POH LD REMAINING TBG. ND BOP. RDMOSU. DIG OUT AROUND WELL HEAD. HIGH GAS READINGS. FILL 4 1/2" CSG 250' TO SURFACE W/20 SKS 4 BBLS 15.8# CLASS 'G' CEMENT. TOOK GAS READINGS 23.9 & 10 PPM H2S. 4 1/2" HOLDING CEMENT TO SURFACE. SDF WEEKEND. LET CELLER AIR OUT.
10/24/2016	7:00 - 9:00	2.00	ABANDP	51	D	P		CUT OFF WELL HEAD, TOP OFF SURF WELD PLATE P&A COMPLETE.