

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-01191
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERR MCGEE OIL & GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. UNIT #891008900A
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	8. Lease Name and Well No. NBU 1022-4I-4
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NESE 1656'FSL, 537'FEL <i>633499X 39.975198</i> At proposed prod. Zone <i>4425965Y -109.436681</i>		9. API Well No. <i>4304738515</i>
14. Distance in miles and direction from nearest town or post office* 38 MILES SOUTHEAST OF OURAY, UTAH		10. Field and Pool, or Exploratory NATURAL BUTTES
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 537'	16. No. of Acres in lease 1041.78	11. Sec., T., R., M., or Blk, and Survey or Area SEC. 4, T10S, R22E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 8800'	12. County or Parish UINTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5111'UNGRADED GL	22. Approximate date work will start*	13. State UTAH
17. Spacing Unit dedicated to this well 40.00		20. BLM/BIA Bond No. on file BOND NO: WY-2357
23. Estimated duration		

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) SHEILA UPCHEGO	Date 8/17/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 08-29-06
Title ENVIRONMENTAL MANAGER	Office ENVIRONMENTAL MANAGER	

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

Conditions of approval, if any, are attached.

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

*(Instructions on reverse)

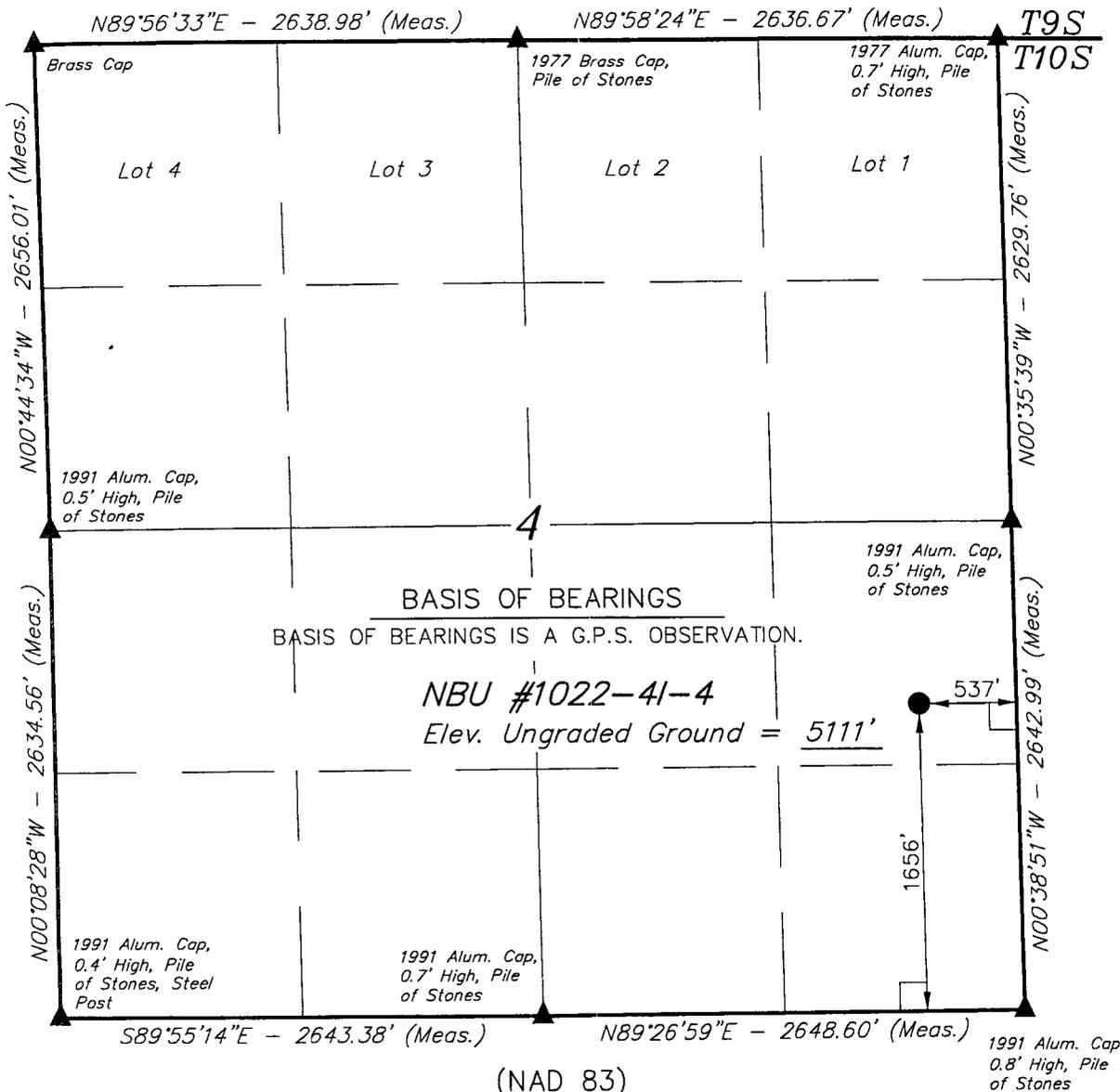
Federal Approval of this
Action is Necessary

AUG 28 2006

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

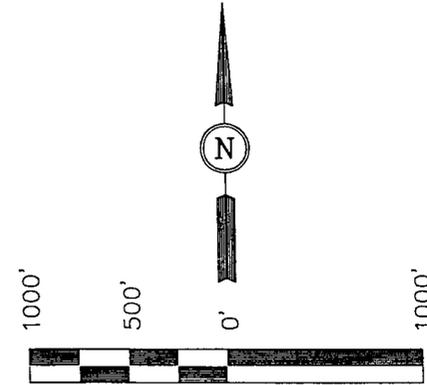
Kerr McGee Oil & Gas Onshore LP

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



BASIS OF ELEVATION

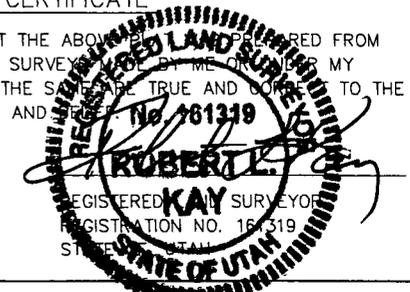
TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING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



SCALE

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE IS A TRUE AND CORRECT COPY OF THE SURVEY MADE FROM FIELD NOTES OF ACTUAL SURVEY TAKEN UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 39°58'31.18" (39.975328)

LONGITUDE = 109°26'14.47" (109.437353)

(NAD 27)

LATITUDE = 39°58'31.30" (39.975361)

LONGITUDE = 109°26'12.01" (109.436669)

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 05-09-06	DATE DRAWN: 05-10-06
PARTY J.R. L.M. C.H.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr McGee Oil & Gas Onshore LP	

NBU #1022-4I-4
SENESE SEC 4-T10S-R22E
UINTAH COUNTY, UTAH
UTU-01191

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1172'
Top of Birds Nest Water	1488'
Mahogany	2097'
Wasatch	4301'
Mesaverde	6699'
MVU2	7693'
MVL1	8245'
TD	8800'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1172'
	Top of Birds Nest Water	1488'
	Mahogany	2097'
Gas	Wasatch	4301'
Gas	Mesaverde	6699'
Gas	MVU2	7693'
Gas	MVL1	8245'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

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

4. **Proposed Casing & Cementing Program:**

Please see the Natural Buttes Unit SOP.

5. **Drilling Fluids Program:**

Please see the Natural Buttes Unit SOP.

6. **Evaluation Program:**

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8800' TD, approximately equals 5456 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3520 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variations:**

Please see Natural Buttes Unit SOP.

10. **Other Information:**

Please see Natural Buttes Unit SOP.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE August 17, 2006
 WELL NAME NBU 1022-4I-4 TD 8,800' MD/TVD _____
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,108' GL KB 5,123'
 SURFACE LOCATION SENESE SECTION 4, T10S, R22E 1656'FSL, 537'FEL BHL Straight Hole
 Latitude: 39.975328 Longitude: 109.437353
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: BLM, (SURF & MINERALS), UDOGM, Tri-County Health Dept.

GEOLOGICAL FORMATION		MECHANICAL			
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,301' <div style="margin-left: 100px;"> Green River @ 1,172' Top of Birds Nest Water @ 1488' Preset f/ GL @ 2,050' MD </div>					
	Mahogany (2,097'			Water/Fresh Water Mud 8.3-11.7 ppg
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. Mud logging program TBD Open hole logging program f/ TD - surf csg			7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	
	Wasatch @	4,301'			
	Mverde @	6,699'			
	MVU2 @	7,693'			
	MVL1 @	8,245'			
		TD @ 8,800'			Max anticipated Mud required 11.7 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 2050	32.30	H-40	STC	0.66*****	1.43	4.38
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 8800	11.60	I-80	LTC	2.28	1.19	2.26

- 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 = 11.7 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 3418 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	3,800'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	420	60%	11.00	3.38
	TAIL	5,000'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1400	60%	14.30	1.31

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

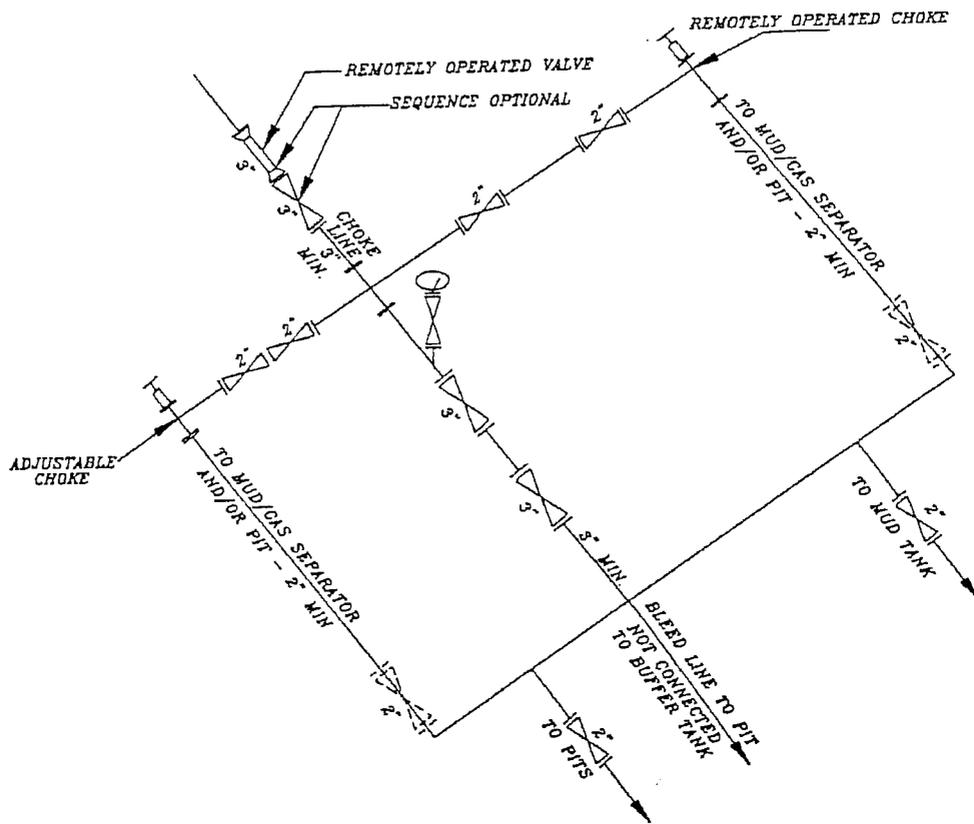
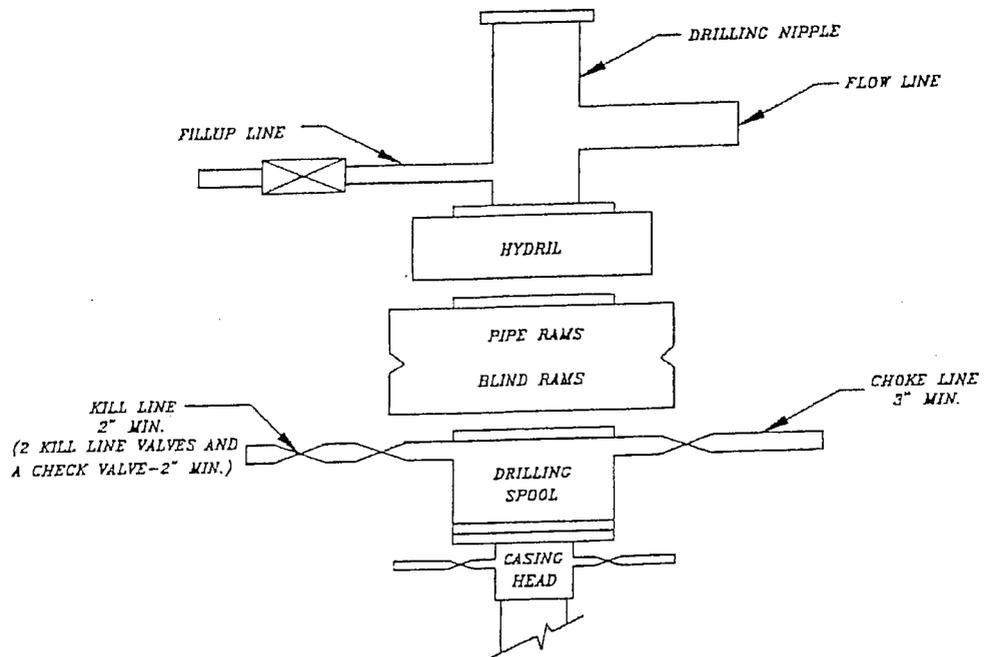
DRILLING ENGINEER: _____
Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
Randy Bayne

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU #1022-4I-4
SENESE SEC 4-T10S-R22E
UINTAH COUNTY, UTAH
UTU-01191**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to the attached location directions.

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

2. Planned Access Roads:

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

Approximately 60' +/- of access road is proposed. Please refer to the attached Topo Map B.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see the Natural Buttes Unit SOP.

Approximately 280' +/- of 4" low pressure pipeline is proposed to tie-in to an existing pipeline is proposed. Approximately 1600' +/- of 4" high pressure pipeline is proposed. The pipeline shall run into Sec. 3, T10S, R22E onto the same lease. Refer to Topo Map D.

Variances to Best Management Practices (BMPs) Requested:

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

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

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

5. Location and Type of Water Supply:

Please see the Natural Buttes SOP.

6. **Source of Construction Materials:**

Please see the Natural Buttes SOP.

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

Please see the Natural Buttes SOP.

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

8. **Ancillary Facilities:**

Please see the Natural Buttes SOP.

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

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

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

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

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

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

Please see the Natural Buttes SOP.

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

Galletta Grass

20 lbs.

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

11. Surface Ownership:

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

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

12. Other Information:

A Class III Archaeological Survey Report No. 06-224, completed on June 1, 2006 for the well location; also, a Archaeological Survey Report No. 06-362 completed on July 31, 2006 for the pipeline. Submitted along with the Application for Permit to Drill. The paleontological survey have been performed and will be filed when received by our office.

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

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

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

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

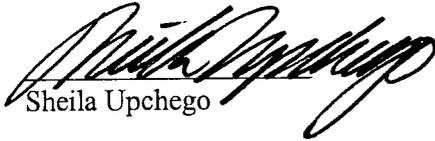
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

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

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #WY-2357.

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


Sheila Upchego

8/17/2006

Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-4I-4
SECTION 4, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 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, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 8.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY DIRECTION APPROXIMATELY 60' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 56.2 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-4I-4
LOCATED IN UINTAH COUNTY, UTAH
SECTION 4, T10S, R22E, S.L.B.&M.

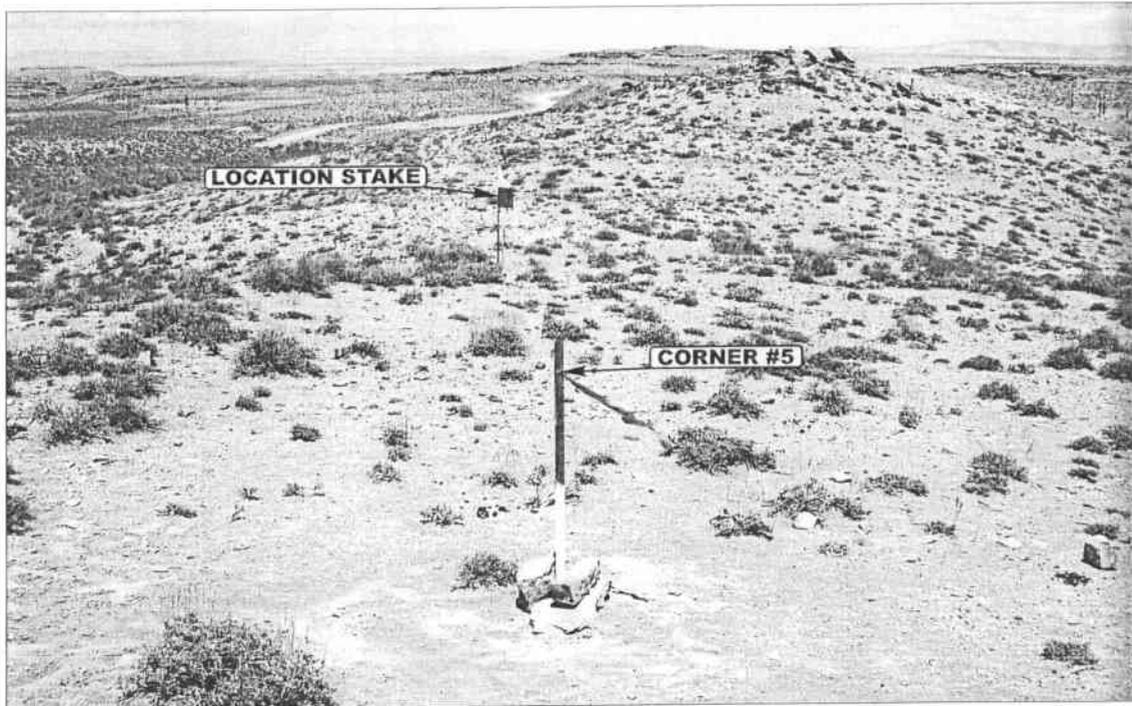


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

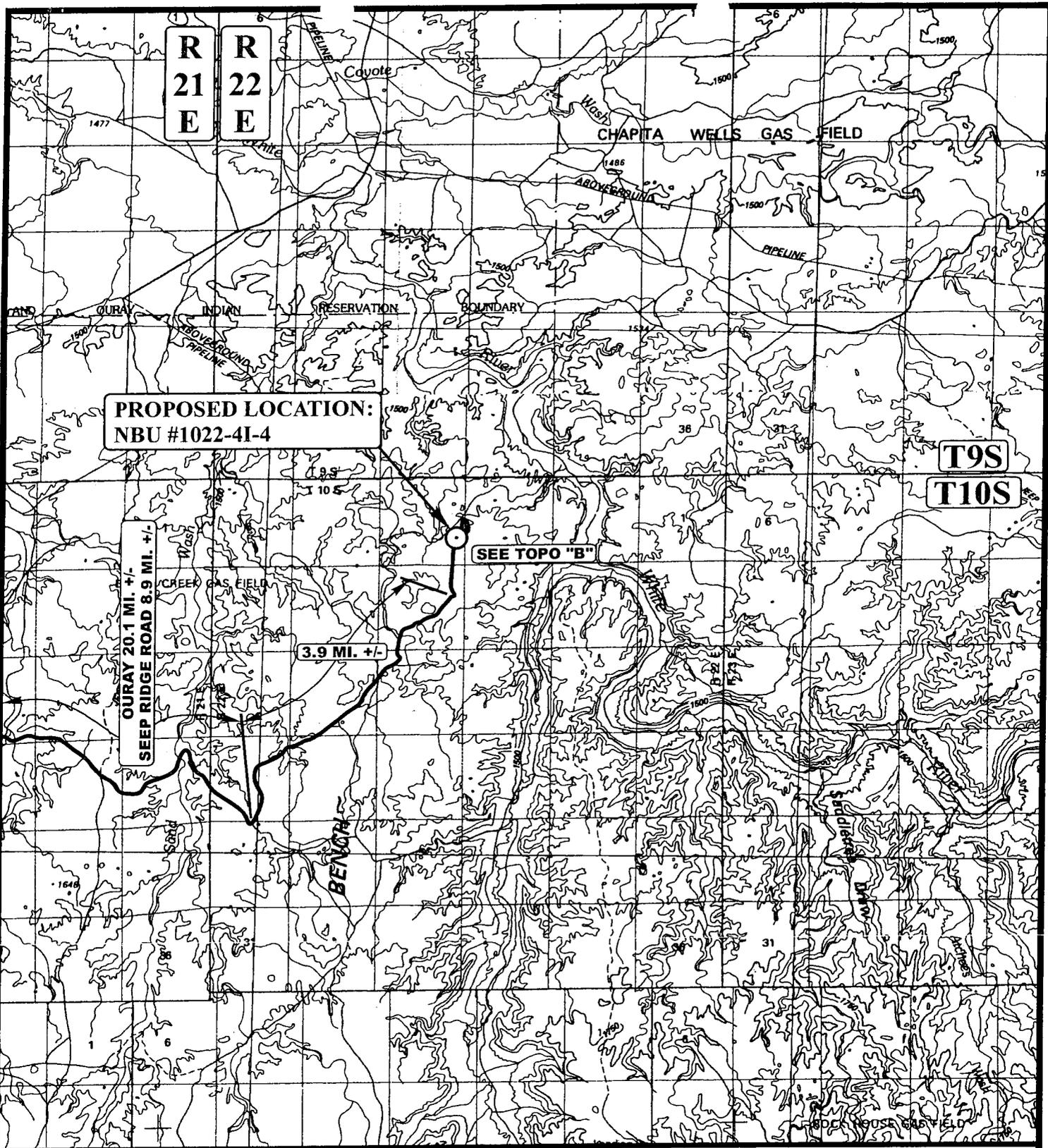
CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS	05	12	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: J.R.	DRAWN BY: C.P.		REVISED: 00-00-00	



**PROPOSED LOCATION:
NBU #1022-4I-4**

**OURAY 20.1 MI. +/-
SEEP RIDGE ROAD 8.9 MI. +/-**

3.9 MI. +/-

SEE TOPO "B"

LEGEND:
○ PROPOSED LOCATION

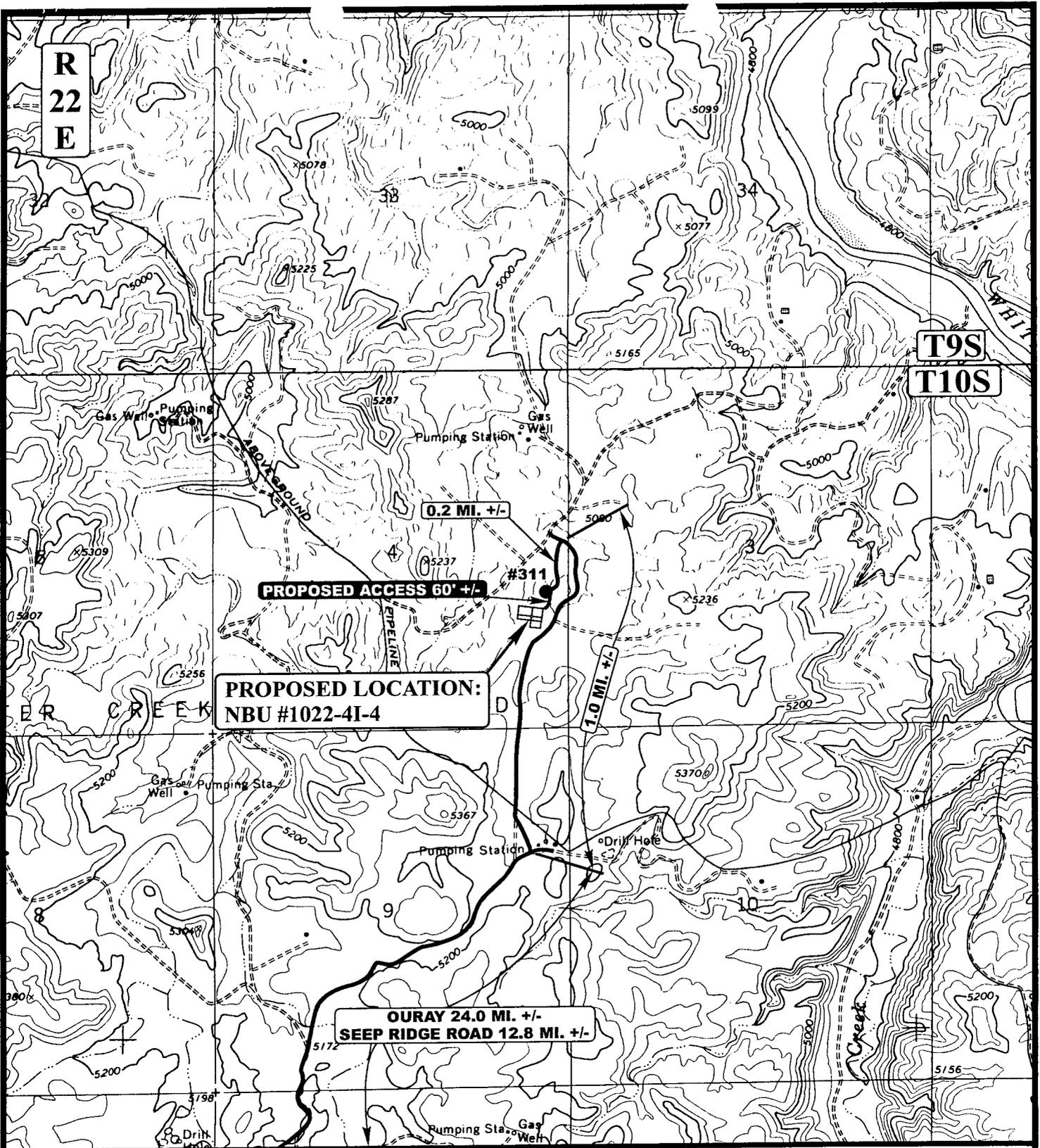
Kerr-McGee Oil & Gas Onshore LP
NBU #1022-4I-4
SECTION 4, T10S, R22E, S.L.B.&M.
1656' FSL 537' FEL

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



TOPOGRAPHIC 05 12 06
MAP MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD

Kerr-McGee Oil & Gas Onshore LP

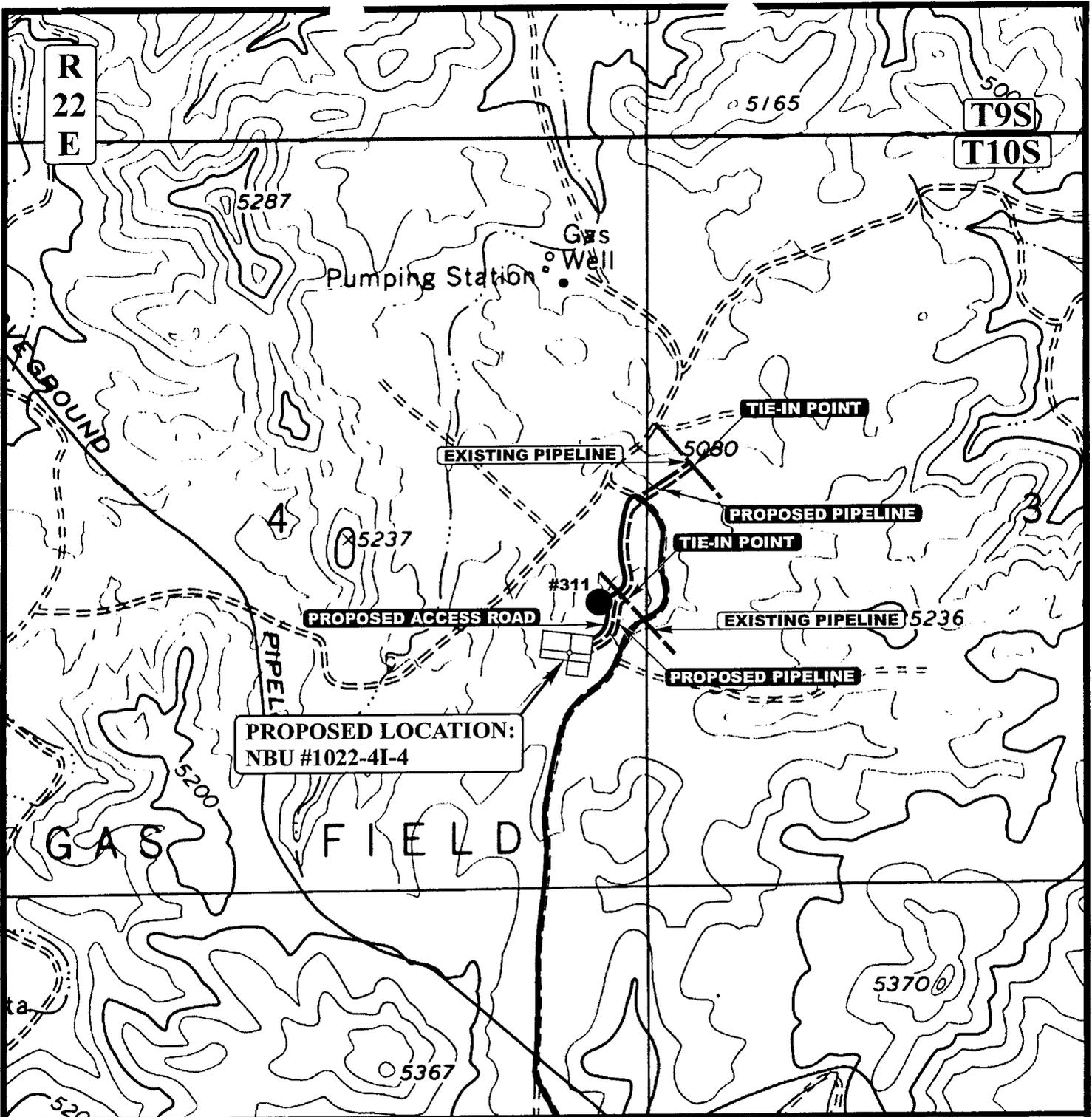
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 SECTION 4, T10S, R22E, S.L.B.&M.
 1656' FSL 537' FEL

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



TOPOGRAPHIC 05 12 06
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
TOPO



APPROXIMATE TOTAL LOW-PRESSURE PIPELINE DISTANCE = 280' +/-
 APPROXIMATE TOTAL HIGH-PRESSURE PIPELINE DISTANCE = 1,600' +/-

LEGEND:

	PROPOSED ACCESS ROAD
	EXISTING PIPELINE
	PROPOSED PIPELINE

Kerr-McGee Oil & Gas Onshore LP
 NBU #1022-4I-4
 SECTION 4, T10S, R22E, S.L.B.&M.
 1656' FSL 537' FEL

	U E S Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 (435) 789-1017 * FAX (435) 789-1813	TOPOGRAPHIC M A P	05 MONTH	12 DAY	06 YEAR	
	SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 07-05-06					

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-4I-4

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 4, T10S, R22E, S.L.B.&M.

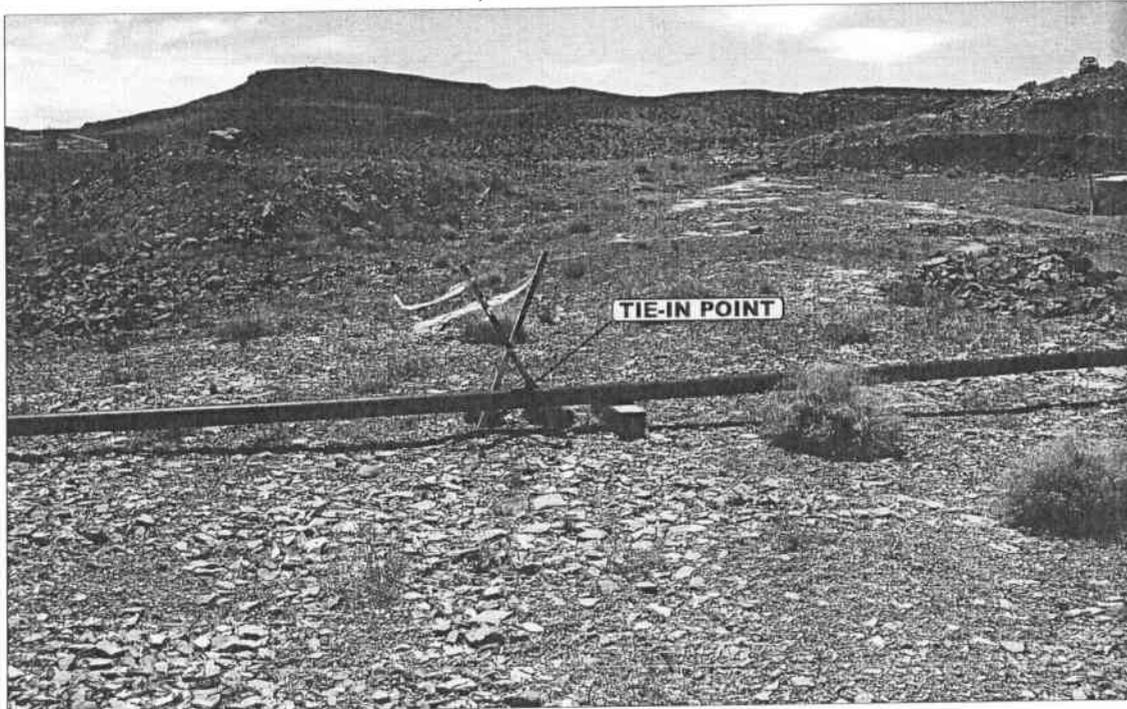


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHWESTERLY

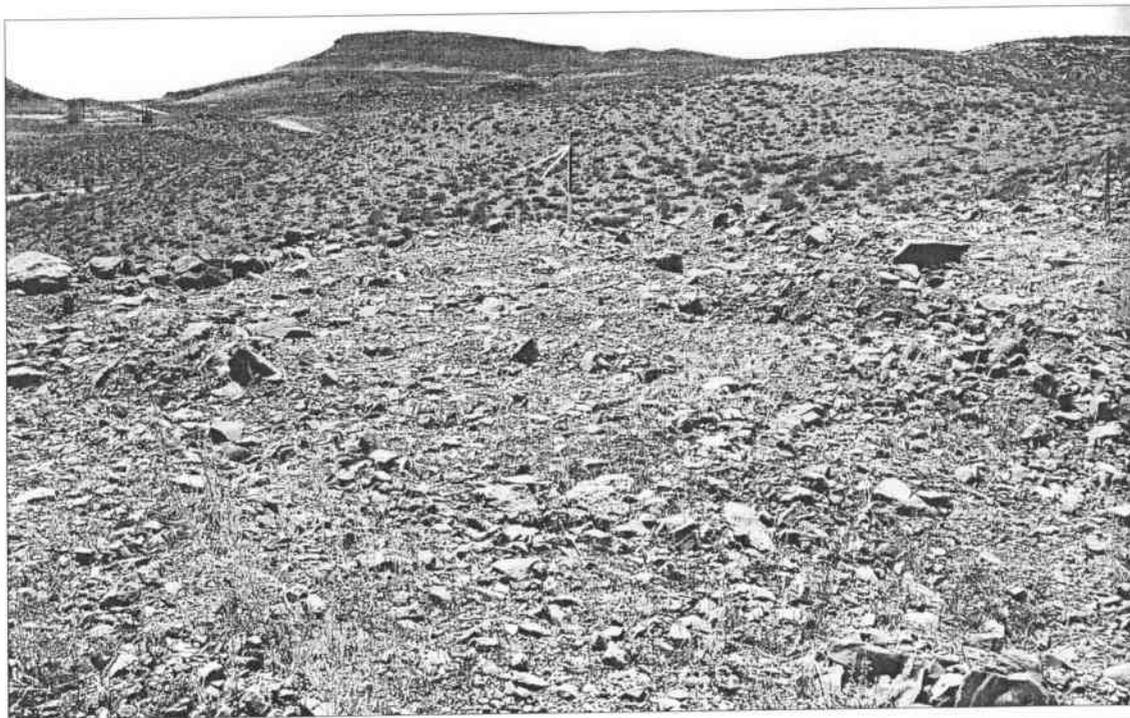


PHOTO: VIEW OF PIPELINE ALIGNMENT

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

05 12 06
MONTH DAY YEAR

PHOTO

TAKEN BY: J.R.

DRAWN BY: C.P.

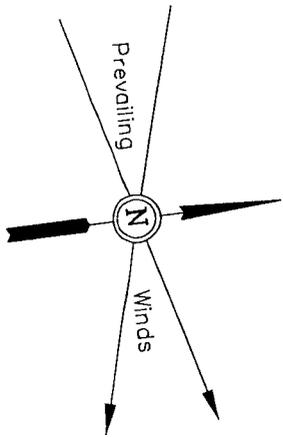
REVISED: 00-00-00

LOCATION LAYOUT FOR

NBU #1022-41-4
SECTION 4, T10S, R22E, S.L.B.&M.

C-5.3' 1656' FSL 537' FEL
El. 5113.2'

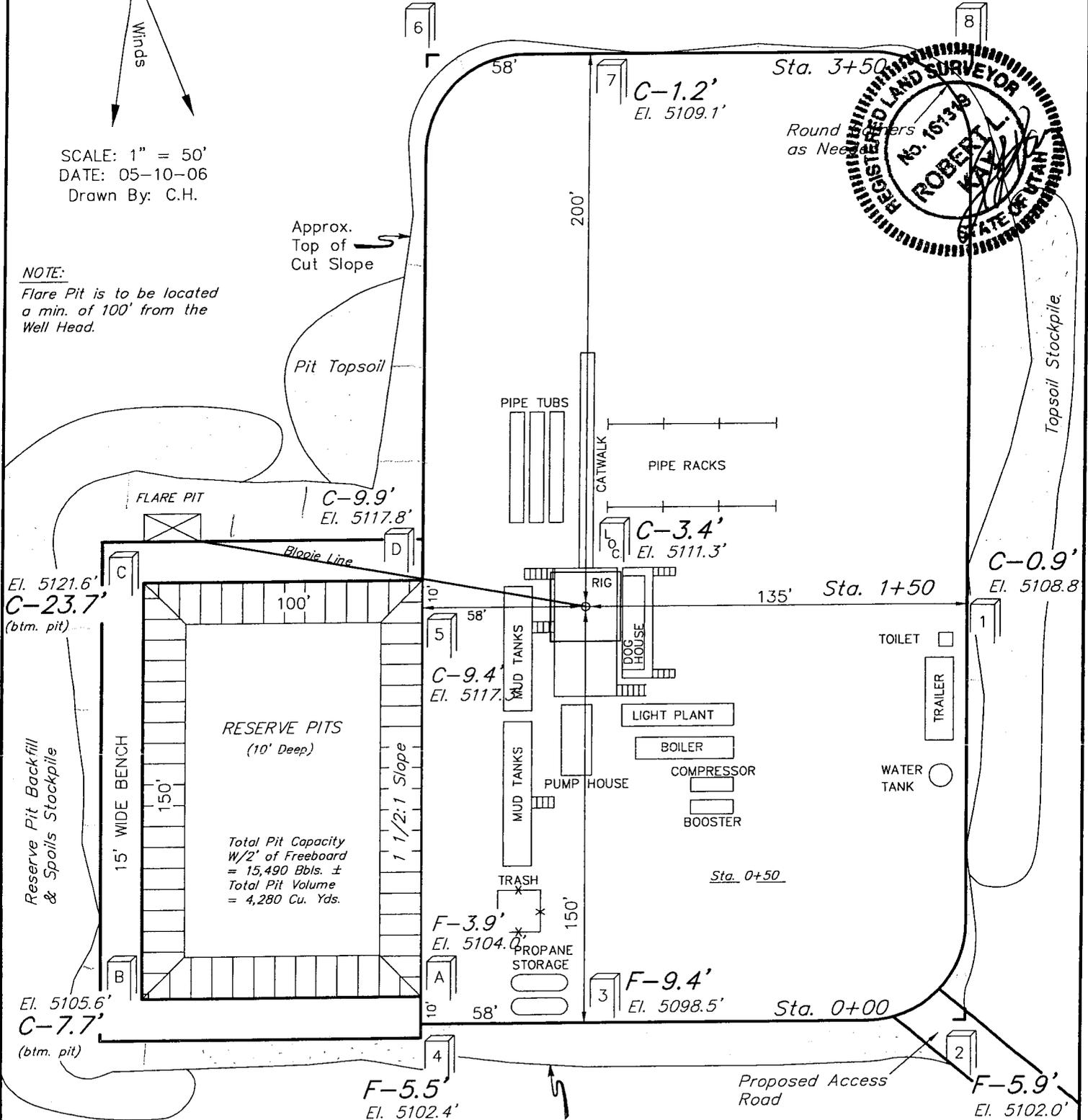
C-3.3' El. 5104.6'



SCALE: 1" = 50'
DATE: 05-10-06
Drawn By: C.H.

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5111.3'
FINISHED GRADE ELEV. AT LOC. STAKE = 5107.9'

Approx. Toe of Fill Slope

Ker. - McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #1022-4I-4

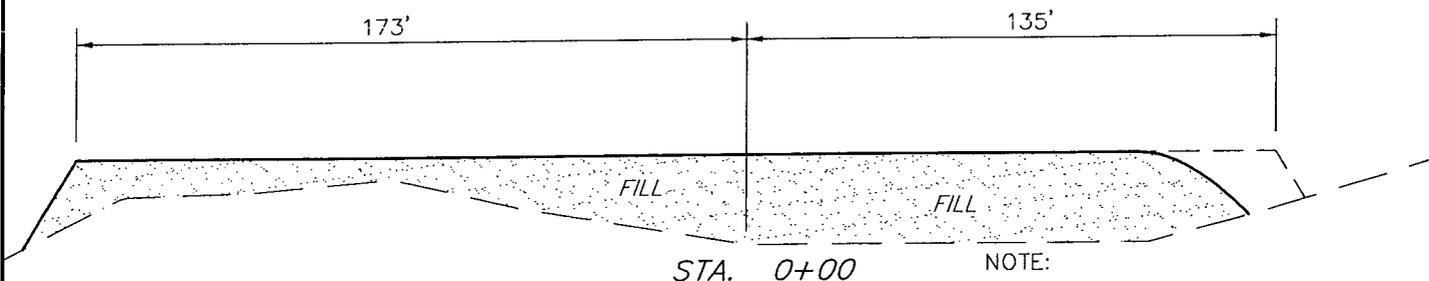
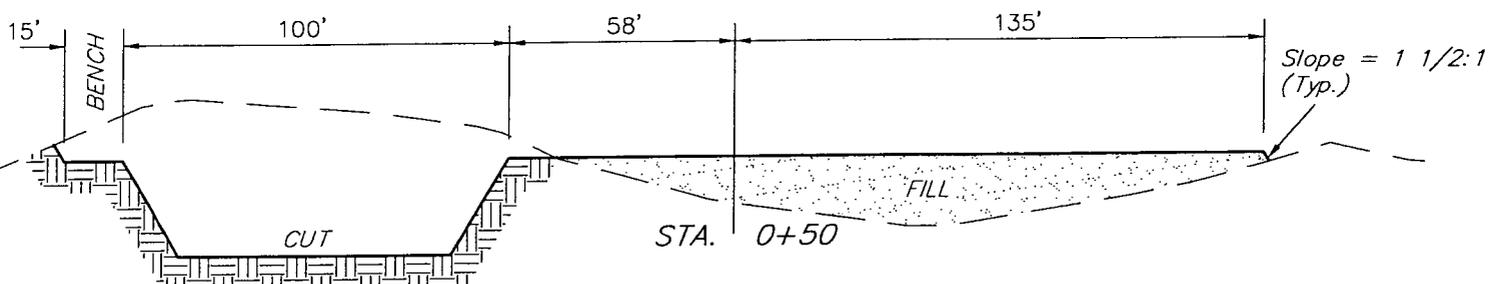
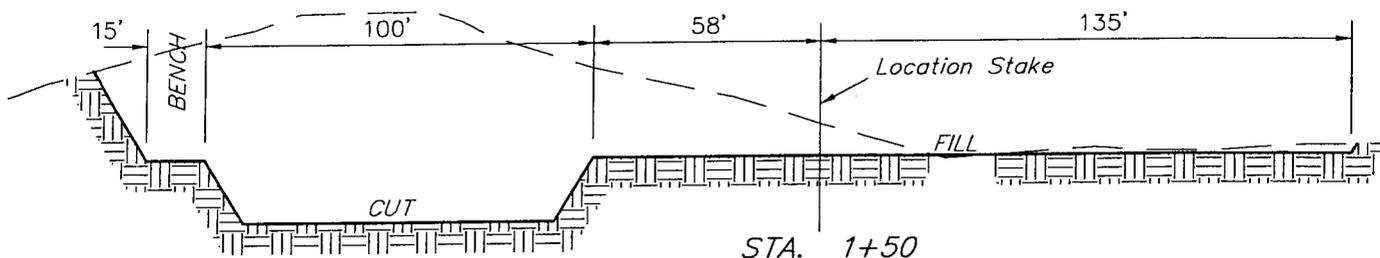
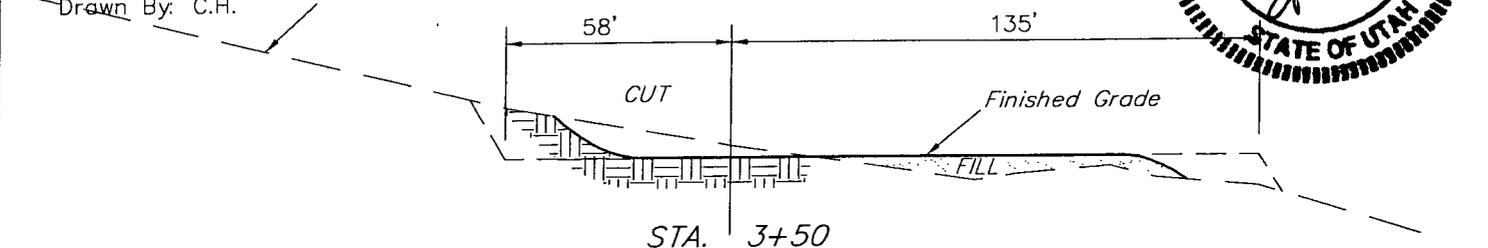
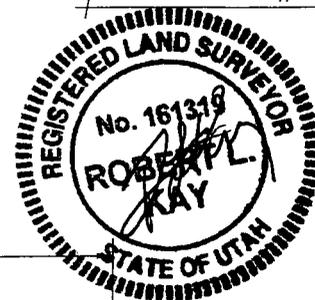
SECTION 4, T10S, R22E, S.L.B.&M.

1656' FSL 537' FEL

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

DATE: 05-10-06
Drawn By: C.H.

Preconstruction Grade



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,950 Cu. Yds.
Remaining Location	= 12,760 Cu. Yds.
TOTAL CUT	= 14,710 CU.YDS.
FILL	= 10,620 CU.YDS.

NOTE:

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

EXCESS MATERIAL	= 4,090 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,090 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/28/2006

API NO. ASSIGNED: 43-047-38515

WELL NAME: NBU 1022-41-4
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

NESE 04 100S 220E
 SURFACE: 1656 FSL 0537 FEL
 BOTTOM: 1656 FSL 0537 FEL
 COUNTY: UINTAH
 LATITUDE: 39.97520 LONGITUDE: -109.4367
 UTM SURF EASTINGS: 633499 NORTHINGS: 4425965
 FIELD NAME: NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-01191
 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: NATURAL BUTTES
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-1999
Siting: 460 fr u bdrj. P. uranium. Thru cas
- R649-3-11. Directional Drill

COMMENTS: See Separate file

STIPULATIONS: 1- Drilling Approved
2- OIL SHALE

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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

IN REPLY REFER TO:
3160
(UT-922)

August 29, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2006 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(PZ MesaVerde)		
43-047-38513	NBU 1022-3M-4T	Sec 03 T10S R22E 0639 FSL 0665 FWL
43-047-38514	NBU 1022-4D-1T	Sec 04 T10S R22E 0565 FNL 1162 FWL
43-047-38515	NBU 1022-41-4	Sec 04 T10S R22E 1656 FSL 0537 FEL
43-047-38516	NBU 1022-4E-1T	Sec 04 T10S R22E 1623 FNL 1289 FWL
43-047-38517	NBU 1022-4J-4T	Sec 04 T10S R22E 1385 FSL 1941 FEL
43-047-38511	NBU 922-34O-3	Sec 34 T09S R22E 0011 FSL 1433 FEL
43-047-38512	NBU 922-34D-3	Sec 34 T09S R22E 1217 FNL 0162 FWL
43-047-38525	NBU 1022-6G-1	Sec 06 T10S R22E 1372 FNL 1338 FEL
43-047-38526	NBU 1022-6L-1	Sec 06 T10S R22E 2451 FSL 0708 FWL
43-047-38527	NBU 1022-6P-4	Sec 06 T10S R22E 0413 FSL 0281 FEL
43-047-38528	NBU 1022-6C-4	Sec 06 T10S R22E 1178 FNL 2192 FEL
43-047-38518	NBU 1022-5O-1	Sec 05 T10S R22E 0873 FSL 1630 FEL
43-047-38519	NBU 1022-5M-2	Sec 05 T10S R22E 1219 FSL 0116 FWL
43-047-38520	NBU 1022-51-4	Sec 05 T10S R22E 1955 FSL 0139 FEL
43-047-38521	NBU 1022-5N-2	Sec 05 T10S R22E 1228 FSL 1980 FWL
43-047-38522	NBU 1022-5C-4	Sec 05 T10S R22E 1269 FNL 2606 FWL
43-047-38523	NBU 1022-5D-4T	Sec 05 T10S R22E 0696 FNL 0894 FWL
43-047-38524	NBU 1022-5L-1	Sec 05 T10S R22E 2132 FSL 0986 FWL

This office has no objection to permitting the wells at this time.



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

August 29, 2006

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

Re: Natural Buttes Unit 1022-4I-4 Well, 1656' FSL, 537' FEL, NE SE, Sec. 4,
T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38515.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Kerr McGee Oil & Gas Onshore LP
Well Name & Number Natural Buttes Unit 1022-4I-4
API Number: 43-047-38515
Lease: UTU-01191

Location: NE SE **Sec.** 4 **T.** 10 South **R.** 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

RECEIVED

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

AUG 18 2006

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU-01191

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
NBU 1022-4I-4

9. API Well No.
43-047-38515

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area
SEC. 4, T10S, R22E

12. County or Parish
UINTAH

13. State
UTAH

1a. Type of Work: DRILL REENTER

b. Type of Well: Oil Well Gas Well Other Single Zone 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 **SENESE 1656'FSL, 537'FEL**
At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office*
38 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) **537'**

16. No. of Acres in lease
1041.78

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
8800'

20. BLM/BIA Bond No. on file
BOND NO: WY-2357

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5111'UNGRADED GL

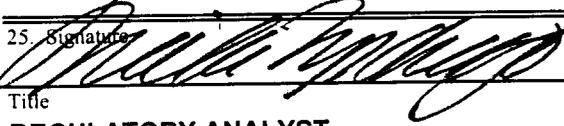
22. Approximate date work will start*

23. Estimated duration

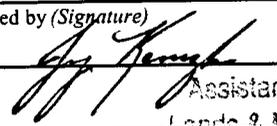
24. Attachments

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

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

25. Signature  Name (Printed/Typed) **SHEILA UPCHEGO** Date **8/17/2006**

Title **REGULATORY ANALYST**

Approved by (Signature)  Name (Printed/Typed) **Jerry Kevork** Date **8-12-2007**

Title **Assistant Field Manager** Office **VERNAL FIELD OFFICE**
Lands & Mineral Resources

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

APR 27 2007

DIV. OF OIL, GAS & MINING

Entered in AFMSS
Date **11/21/06**
NOTICE OF APPROVAL

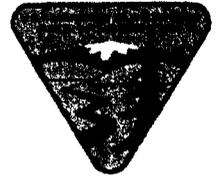
11006M

CONDITIONS OF APPROVAL ATTACHED



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: NESE, Sec. 4, T10S, R22E
Well No: NBU 1022-4I-4 Lease No: UTU-01191
API No: 43-047-38515 Agreement: Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	435-828-7368
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	

Fax: 435-781-4410

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

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

NOTIFICATION REQUIREMENTS

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

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

General Surface COAs

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

Specific Surface COAs

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

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

 - All pounds are in pure live seed.
 - Reseeding may be required if first seeding is not successful.
- The topsoil from the reserve pit should 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 should 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.

DOWNHOLE CONDITIONS OF APPROVAL

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

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

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment BOPE shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources such as Gilsonite, tar sands, oil shale, trona, etc. to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth from KB or GL of encounter, vertical footage of the encounter and, the name of the person making the report along with a telephone number shall the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log CBL will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" Oil and Gas Operations Report OGOR starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 303 231-3650 for reporting information.
- Shall the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location $\frac{1}{4}$ $\frac{1}{4}$, Sec., Twn, Rng, and P.M..
 - Date well was placed in a producing status date of first production for which royalty will be paid.
 - The nature of the well's production, i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons.
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees NTL 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events fires, accidents, blowouts, spills, discharges as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" BLM Form 3160-4 shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include

deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples cuttings, fluid, and/or gas shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" Form BLM 3160-5 must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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
4304738515	NBU 1022-4I-4		NESE	4	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>B</i>	99999	<i>2900</i>	7/5/2007		7/23/07		
Comments: MIRU ROCKY MTN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 07/05/2007 AT 1100 HRS.							

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)

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

7/9/2007

Title

Date

RECEIVED

JUL 09 2007

DIV. OF OIL, GAS & MINING

(5/2000) To EARLENE RUSSELL From Sheila Upchego
Co./Dept. UTDGM Co. KMB
Phone # (801) 528-5336 Phone # (435) 781-7024
Fax # (801) 359-3940 Fax # (435) 781-7094

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.

UTU-01191

6. If Indian, Allottee or Tribe Name

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

UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-4I-4

9. API Well No.

4304738515

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)

NE/SE SEC, 4, T10S, R22E 1656'FSL, 537'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 07/05/2007 AT 1100 HRS.

RECEIVED
JUL 17 2007
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

July 9, 2007

THIS SPACE FOR FEDERAL OR STATE USE

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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-01191

6. If Indian, Allottee or Tribe Name

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

UNIT #891008900A
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 1022-4I-4

9. API Well No.

4304738515

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)

NE/SE SEC, 4, T10S, R22E 1656'FSL, 537'FEL

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

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

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

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

Accepted by the
Utah Division of
Oil, Gas and Minerals
FOR RECORD

RECEIVED

JUL 31 2007

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

July 24, 2007

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

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

Office

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

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-01191

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NBU 1022-4I-4

9. API Well No.
4304738515

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)
NE/SE SEC, 4, T10S, R22E 1656'FSL, 537'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 SET SURFACE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG
	<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 BILL MARTIN AIR RIG ON 07/18/2007. DRILLED 12 1/4" SURFACE HOLE TO 2430'. RAN 9 5/8" 53 JTS OF 32.3# H-40 AND 10 JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/220 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 10 BBL GEL WATER TO PIT NOT CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

RECEIVED

JUL 31 2007

WORT.

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

Name (Printed/Typed)
SHEILA UPCHEGO

Signature


Title
SENIOR LAND ADMIN SPECIALIST

Date
July 24, 2007

DIV. OF OIL, GAS & MINING

THIS SPACE FOR FEDERAL OR STATE USE

Approved by _____ Title _____ Date _____

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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-01191

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NBU 1022-41-4

9. API Well No.
4304738515

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)
NE/SE SEC, 4, T10S, R22E 1656'FSL, 537'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 recompleate 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 recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

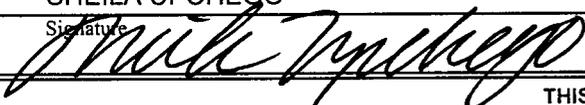
FINISHED DRILLING FROM 2430' TO 8705' ON 08/21/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/336 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/1186 SX 50/50 POZ @14.3 PPG 1.31 YIELD. BUMP PLUG FLOATS HELD SET CSG SLIPS W/120,000# LIFT BOPS ROUGH CUT CSG CLEAN PITS.

RELEASED ENSIGN RIG 12 ON 08/22/2007 AT 0400 HRS.

RECEIVED
SEP 04 2007

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date August 22, 2007

THIS SPACE FOR FEDERAL OR STATE USE

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

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

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 01191

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NBU 1022-4I-4

9. API Well No.
4304738515

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1656'FSL-537'FEL
NESE SEC 4-T10S-R22E**

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

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

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 10/04/2007 @ 12:00 PM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED
OCT 24 2007
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date October 8, 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.



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

CHRONOLOGICAL WELL HISTORY

NBU 1022-4I-4

NESE, SEC. 4, T10S, R22E
UINTAH COUNTY, UT

DATE	ACTIVITY	STATUS
	LOCATION STARTED	ENSIGN 12
07/03/07	LOCATION COMPLETED	ENSIGN 12 P/L IN, WOBR
07/05/07	SET CONDUCTOR	ENSIGN 12 WOAR
07/18/07	SET AIR RIG	ENSIGN 12 DRLG
07/24/07	9 5/8" @2384'	ENSIGN 12 WORT
08/14/07	TD: 2430' Csg. 9 5/8" @ 2398' RURT. NU and test BOPE.	MW: 8.4 SD: 8/XX/07 DSS: 0
08/15/07	TD: 3446' Csg. 9 5/8" @ 2398' Test BOPE. PUDS and drill FE. Rotary spud @ 1630 hrs 8/14/07. Drill from 2430'-3446'. DA.	MW: 8.4 SD: 8/14/07 DSS: 0
08/16/07	TD: 5010' Csg. 9 5/8" @ 2398' Drill from 3446'-5010'. DA.	MW: 9.2 SD: 8/14/07 DSS: 2
08/17/07	TD: 6040' Csg. 9 5/8" @ 2398' Drill from 5010'-6040'. DA.	MW: 9.5 SD: 8/14/07 DSS: 3
08/20/07	TD: 8460' Csg. 9 5/8" @ 2398' Drill from 6040'-6858'. TFNB. Drill to 8460'. DA.	MW: 10.8 SD: 8/14/07 DSS: 6
08/21/07	TD: 8705' Csg. 9 5/8" @ 2398' Drill from 8460'-8705' TD. Short trip and LDDS.	MW: 10.9 SD: 8/14/07 DSS: 7

08/22/07

TD: 8705' Csg. 9 5/8" @ 2398' MW: 10.9 SD: 8/14/07 DSS: 8
Run Triple Combo. Run and cement 4 1/2" Production Casing. Set slips and release rig @ 0400 hrs 8/22/07. RDRT.

09/27/07

Run Tbg

Days On Completion: 1

Remarks: 7:00 A.M. HSM MIRU. NDWH. NUBOPE. PREP & TALLY 280 JTS 2 3/8" J-55 8RD 4.7# TBG. P/U 3 7/8" BIT, BIT SUB & RIH P/U TBG OFF TRAILER. EOT @ 8447'. X-O POOH L/D 12 JTS ON TRAILER. CONT TO POOH STAND BACK TBG. L/D BIT & BIT SUB. ND BOPE. NU FRAC VALVES. SWI. SDFN

09/28/07

Log, P.T. & PERF

Days On Completion: 2

Remarks: 7:00 AM. HSM. MIRU CUTTERS TO LOG & PERFORATE. RIH W/ CEMENT BOND LOG. TAG W/ WIRE LINE PBSD @ 8,606'. LOG TO SURFACE GOOD BOND. MIRU B&C QUICK TEST TO PRESSURE TEST. PRESSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD TEST. RDMO B&C QUICK TEST. RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING PERFORATE 8,282' - 86' 4 SPF, 8,107' - 09' 3 SPF, 8,079' - 84' 4 SPF, 8,047' - 49' 3 SPF. 48 HOLES. RDMO CUTTERS. SWI SDFWE.

10/01/07

Perf & Frac

Days On Completion: 5

Remarks: 7:00 A.M. HSM MIRU WEATHERFORD FRAC. MIRU CUTTERS. PSI TST LINES TO 8500# (HELD). PREP TO FRAC. ALL STAGES SHOT W/ 3 3/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES. 4 SPF, 90 DEG PHASING. ALL ZONES TREATED W/ NALCO DVE-005 SCALE INHIB. 3 GAL PER THOUSAND IN PAD & 1/2 RAMP, 10 GAL PER THOUSAND IN FLUSH. ALL ZONES TREATED W/ 30/50 OTTOWA SAND TAILED IN W/ LTC SAND FOR SAND CONTROLL. ALL FRACS PERFORMED W/ SLK WTR. 95% FRESH, 5% RECYCLED.

STG 1: BRK DWN PERF'S @ 3324#, EST INJ RT @ 51.2 BPM @ 4300#, ISIP 2397#, FG .74, TREAT STG 1 W/ 104150# SAND TAILED IN W/ 5000# TLC SAND. TOT CL FL 2859 BBLS. ISIP 2793#, NPI 396#, FG .78

STG 2: P/U 3 3/8" EXP PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 7591'. P/U SHOOT 12 HOLES F/ 7558' - 61', P/U SHOOT 8 HOLES F/ 7449' - 51', P/U SHOOT 16 HOLES F/ 7381' - 85', P/U SHOOT 6 HOLES F/ 7358' - 60' (3 SPF). P/U SHOOT 4 HOLES F/ 7297' - 98'. POOH. BRK DWN PERF'S @ 6178#, EST INJ RT @ 51.6 BPM @ 5070#, ISIP 3112#??, FG .86??. TREAT STG 2 W/ 88,600# SAND, TAILED IN W/ 5000# TLC SAND. TOT CL FL 2231 BBLS. ISIP 2230#, NPI -882, FG .74

STG 3: P/U 4 1/2" BAK 8K CBP & 3 3/8" PERF GUNS & RIH. SET CBP @ 7156'. P/U SHOOT 16 HOLES F/ 6924' - 28'. POOH. MIRU DELSCO. P/U HALLIBURTON BHP BOMBS & RIH TO 6914'. LET BOMB'S HANG. PREFORM DFIT TST. BRK PERF'S DWN @ 2481#. PMP 24 BBLS FRESH WATER. EST INJ RT @ 4.1 BPM @ 1427#, ISIP 1395#, FG .64

10/02/07

Perf & Frac

Days On Completion: 5

Remarks: 7:00 A.M. HSM OPEN WELL #400 SICP. POOH W/ BHP PSI BOMBS. RDMO DELSCO. R/U CUTTERS. P/U 3 3/8" PERF GUNS & RIH. SHOOT 24 HOLES F/ 7090' - 96'. POOH. PREP TO FRAC STG 3

STG 3: PERFS WERE PREV BRK DWN F/ D-FIT TST. SPEAR HEAD 3 BBLS 15% HCL, EST INJ RT @ 51.9 BPM @ 4980#. (62% HOLES OPEN). TREAT STG 3 W/ 22500# SAND, TAILED IN W/ 5000# TLC SAND. TOT CL FL. 637 BBLS. ISIP 2091#, NPI 696#, FG .74

STG 4: P/U 3 3/8" PERF GUNS & 4 1/2" BAK 8K CBP & RIH. SET CBP @ 5350'. P/U SHOOT 40 HOLES F/ 5314' - 24'. POOH. BRK DWN PERF'S @ 2021#, EST INJ RT @ 51.8 BPM @ 2900#. ISIP 686#, FG .57, TREAT STG 4 W/ 34300# SAND, TAILED IN W/ 5000# TLC SAND. TOT CL FL 800 BBLS. ISIP 1868#, NPI 1182#, FG .79

P/U 4 1/2" BAK 8K CBP & RIH. SET KILL PLUG @ 5260#, POOH. RDMO CUTTERS. RDMO WEATHERFORD. ND FRAC VLV'S. NU BOPE. P/U 3 7/8" SMITH BIT, POBS & RIH ON TBG. TAG KILL PLUG @ 5260'. L/D 1 JT. R/U DRL EQUIP. PREP TO DRL OUT IN A.M. SWI. SDFD

10/03/07

drl cbp's

Days On Completion: 7

Remarks: 7:00 A.M. HSM BRK CONV CIRC W/ 2% KCL. & BEG TO DRL.

DRL UP 1ST CBP @ 5160' IN 10 MIN. (200# PSI INC). CONT TO RIH. TAG FILL @ 5324' (30' FILL). C/O TO 2ND CBP @ 5354'

DRL UP 2ND CBP IN 8 MIN. (200# PSI INC). CONT TO RIH. TAG FILL @ 7126', (30' FILL). C/O TO 3RD CBP @ 7156'.

DRL UP 3RD CBP IN 10 MIN. (500# PSI INC). CONT TO RIH. TAG FILL @ 7560' (31' FILL). C/O TO 4TH CBP @ 7591'.

DRL UP 4TH CBP IN 20 MIN. (400# PSI INC). CONT TO RIH. TAG FILL @ 8417'. CIRC WELL CLEAN. RD DRL EQUIP. POOH L/D 47 JTS ON TRAILER. LUBRICATE TBG HANGER INTO WELL. LAND TBG W/ EOT @ 7516'. NDBOP. DROP BALL. NU WH. PMP OFF THE BIT SUB @ 1400#. R/U FLOW BACK EQUIP. RIG DWN, RACK OUT. STOP TIME. TURN OVER TO FLOW BACK CREW. ROAD RIG & EQUIP TO NBU 1021-19C.

SICP 1925#

FTP 150#

48/64 CHOKE

TBG ON LOC

296 JTS

TBG IN WELL

249 JTS

TBG LEFT ON TRAILER

47 JTS

WATER FOR FRAC WAS 90% FRESH WATER, 10% GOAT PASTURE

10/04/07

FLOWBACK REPORT: CP 2225#, TP 1975#, CK 20/64", 45 BWPH, LOAD REC'D 1015 BBLS, LLTR 4072 BBLS

WELL WENT ON SALES: @ 12:00 PM, 2.5 MMCF, 1950 TBG, 2650 CSG, 20/64 CK, 45 BBWH

10/05/07

FLOWBACK REPORT: CP 2375#, TP 1825#, CK 20/64", 30 BWPH, LOAD REC'D 1790 BBLS, LLTR 3297 BBLS

ON SALES: 1244 MCF, 0 BC, 720 BW, TP: 1825#, CP: 2375#, 20/64 CHK, 17 HRS, LP: 376#.

10/06/07

FLOWBACK REPORT: CP 2225#, TP 1700#, CK 20/64", 22 BWPH, LOAD REC'D 2351 BBLS, LLTR 2736 BBLS

ON SALES: 2765 MCF, 0 BC, 528 BW, TP: 1700#, CP: 2225#, 20/64 CHK, 24 HRS, LP: 371#.

10/07/07

FLOWBACK REPORT: CP 2225#, TP 1900#, CK 16/64", 8 BWPH, LOAD REC'D 2597 BBLS, LLTR 2490 BBLS

ON SALES: 2454 MCF, 0 BC, 192 BW, TP: 1900#, CP: 2225#, 16/64 CHK, 24 HRS, LP: 363#.

10/08/07

ON SALES: 2426 MCF, 0 BC, 288 BW, TP: 1657#, CP: 2021#, 18/64 CHK, 24 HRS, LP: 359#.

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-01191

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

6. If Indian, Allottee or Tribe Name

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

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

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

8. Lease Name and Well No.
NBU 1022-41-4

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

9. API Well No.
4304738515

4. Location of Well (Report locations clearly and in accordance with Federal requirements)*
At surface NE/SE 1656'FSL, 537'FEL

10. Field and Pool, or Exploratory
NATURAL BUTTES

At top prod. interval reported below

11. Sec., T., R., M., or Block and Survey or Area SEC. 4, T10S, R22E

At total depth

12. County or Parish UTAH
13. State UTAH

14. Date Spudded 07/05/07
15. Date T.D. Reached 08/21/07
16. Date Completed 10/04/07
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
5111'GL

18. Total Depth: MD 8705'
TVD
19. Plug Back T.D.: MD 8661'
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CBL-CCL-GR ^{HDI} COMP 2, CD, CN, Caliper, BPL

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 Cement Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#		2430'		670 SX			
7 7/8"	4 1/2"	11.6#		8705'		1522 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"	7516'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5314'	5324'	5314'-5324'	0.36	40	OPEN
B) MESAVERDE	6924'	8286'	6924'-8286'	0.36	134	OPEN
C)						
D)						

26. Perforation Record

Depth Interval	Amount and type of Material
5314'-5324'	PMP 800 BBLs SLICK H2O & 34,300# 30/50 SD
6924'-8286'	PMP 5727 BBLs SLICK H2O & 121,250# 30/50 SD

RECEIVED
NOV 02 2007

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

Depth Interval	Amount and type of Material
5314'-5324'	PMP 800 BBLs SLICK H2O & 34,300# 30/50 SD
6924'-8286'	PMP 5727 BBLs SLICK H2O & 121,250# 30/50 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
10/04/07	10/06/07	24	→	0	2,765	528			Flows from Well
Choke Size	Tbg. Press. Flwg. 1700# SI	Csg. Press. 2225#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64			→	0	2765	528		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
10/04/07	10/06/07	24	→	0	2765	528			Flows from Well
Choke Size	Tbg. Press. Flwg. 1700# SI	Csg. Press. 2225#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64			→	0	2765	528		Producing Gas Well	

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

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	4316' 6714'	6714'			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

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

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

Name (please print) SHEILA UPCHEGO Title SENIOR LAND ADMIN SPECIALIST
 Signature  Date 10/31/07

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 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01191
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1022-4I-4
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047385150000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6100
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1656 FSL 0537 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 04 Township: 10.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 3/7/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input checked="" type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

The operator requests authorization to Temporarily Abandon or Shut-In the subject well to accommodate recompletion drilling operations for the referenced well location. Please see the attached procedure. This is a courtesy copy for the referenced Federal Well with lease #UTU01191.
 Thank you.

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

Date: March 11, 2014
 By: Dark Quif

NAME (PLEASE PRINT) Matthew P Wold	PHONE NUMBER 720 929-6993	TITLE Regulatory Analyst I
SIGNATURE N/A	DATE 3/7/2014	

Well Name: **NBU 1022-4I-4**
 Surface Location: NESE Sec. 4, T10S, R22E
 Uintah County, UT

2/26/14

Recommended action for disposition of well bore:

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

API: 4304738515 LEASE#: U-01191
 ELEVATIONS: 5108' GL 5122' KB
 TOTAL DEPTH: 8705' PBTD: 8660'
 SURFACE CASING: 9 5/8", 32.3# H-40/36# J-55 @ 2398'
 PRODUCTION CASING: 4 1/2", 11.6# I-80 @ 8705'
 Estimated TOC @ Surface per CBL
 PRODUCTION TUBING: 2 3/8" J-55 TBG @ 7517' (workover rpt 2/9/10)
 PERFORATIONS: WASATCH 5314' - 5324'
 MESAVERDE 6924' - 8286'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft./ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.02171	0.00387
4.5" 11.6# I-80	3.875	6350	7780	0.6528	0.0872	0.0155
9.625" 32.3# H-40	8.845	1400	2270	3.3055	0.4418	0.0787
9.625" 36# J-55	8.765	2020	3520	3.247	0.434	0.0773
Annular Capacities						
2.375" tbg. X 4 1/2" 11.6# csg				0.4227	0.0565	0.01
4.5" csg X 9 5/8" 36# csg				2.227	0.2977	0.053
4.5" csg X 7.875 borehole				1.704	0.2278	0.0406
9.625" csg X 12 1/4" borehole				2.3428	0.3132	0.0558

GEOLOGICAL TOPS:
 4368' Wasatch
 6826' Mesaverde

NBU 1022-4I-4 TEMPORARY ABANDONMENT PROCEDURE

GENERAL

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

PROCEDURE

Note: An estimated 24 sx of cement needed to perform procedure.

Note: Gyro survey run previously (4/9/08).

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE. PULL TUBING.
2. RU WIRELINE. ENSURE WELLBORE IS CLEAN. **A GPS READING WILL NEED TO BE TAKEN AT THE WELL SITE AND RECORDED IN OPENWELLS. PLEASE TAKE IT TO THE 6TH DECIMAL PLACE.**
3. **PLUG #1, ISOLATE MV/WASATCH PERFORATIONS (5314- 8286')**: RIH W/ 4 ½" CBP. SET @ ~5265'. RELEASE CBP, PUH 10', BRK CIRC W/ FRESH WATER. PRESSURE TEST CASING TO 500 PSI. INFORM ENGINEERING IF IT DOESN'T TEST. DISPLACE A MINIMUM OF **8 SX/ 1.6 BBL/ 9.2 CUFT**. ON TOP OF PLUG. PUH ABOVE TOC (~5165'). REVERSE CIRCULATE W/ TREATED FRESH WATER.
4. **PLUG #2, PROTECT TOP OF WASATCH (4368')**: PUH TO ~4475'. BRK CIRC W/ FRESH WATER. DISPLACE A MINIMUM OF **16 SX / 3.3 BBL / 18.3 CUFT** AND BALANCE PLUG W/ TOC @ ~4265' (210' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
5. LOWER WELLHEAD TO GROUND LEVEL TO ACCOMMODATE DRILLING OPS AND INSTALL MARKER PER UDOGM GUIDELINES.
6. RDMO. TURN OVER TO DRILLING OPERATIONS.

HMP 2/26/14

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01191
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well		8. WELL NAME and NUMBER: NBU 1022-41-4
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		9. API NUMBER: 43047385150000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6111	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1656 FSL 0537 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 04 Township: 10.0S Range: 22.0E Meridian: S	COUNTY: UINTAH	
	STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/25/2014 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input checked="" type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
<p>The operator has concluded the temporary abandonment operations on the subject well location on 3/25/2014. This well was plugged in order to expand and drill the NBU 1022-41 Pad wells. Please see the attached chronological well history for details. Thank you.</p>		
<p>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY April 25, 2014</p>		
NAME (PLEASE PRINT) Teena Paulo	PHONE NUMBER 720 929-6236	TITLE Staff Regulatory Specialist
SIGNATURE N/A	DATE 4/24/2014	

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-4I-4				Spud Date: 8/14/2007				
Project: UTAH-UINTAH			Site: NBU 1022-4I PAD			Rig Name No: ROCKY MOUNTAIN WELL SERVICE 3/3		
Event: ABANDONMENT			Start Date: 3/21/2014		End Date: 3/25/2014			
Active Datum: RKB @5,121.99usft (above Mean Sea Level)				UWI: NBU 1022-4I-4				
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
3/21/2014	7:00 - 11:00	4.00		35		P		Travel to location. Rebuild oil jars. Tear down and clean jdc. Trip plunger. Rig up. Rih jar up on spring @ 7508 for 45mins. Could not get spring to come free. Sheer off. Pooh. Rig down. Left plunger by wellhead. Turn well on casing and tubing. Ready for workover rig. thank you.
3/24/2014	7:00 - 7:15	0.25	ABANDT	48		P		HSM, JSA
	7:15 - 10:30	3.25	ABANDT	30	A	P		MIRU, CHANGE OUT BOP'S, 100# FCP, CONTROL WELL W/ 20 BBLs T-MAC, ND WH, NU BOP'S, RU FLOOR & TBG EQUIP
	10:30 - 16:15	5.75	ABANDT	31	I	P		UNLAND TBG, TBG STUCK, WORK STUCK TBG FOR 2-1/2 HRS & TBG CAME FREE, MIRU SCAN TECH, TOOH & SCAN 2-3/8" TBG, 249 TOTAL JTS, 148 JTS YELLOW, 43 JTS BLUE, 58 JTS RED
3/25/2014	16:15 - 18:00	1.75	ABANDT	34	I	P		MIRU CUTTERS WIRELINE, RIH CBP, SET CBP @ 5265', POOH, RD CUTTERS, SDFN
	7:00 - 7:15	0.25	ABANDT	48		P		HSM, JSA
	7:15 - 9:00	1.75	ABANDT	31	I	P		TIH W/ 2-3/8" TBG, TAG CBP @ 5265'
3/25/2014	9:00 - 10:30	1.50	ABANDT	51	D	P		MIRU PRO PETRO, TEST PUMP & LINES TO 500 PSI, CIRC & FILL HOLE W/ T-MAC, PRESSURE TEST CSG TO 500 PSI FOR 15MINS, PUMP 2.5 BBLs FRESH WTR, MIX & PUMP 8 SX CMT @ 15.8 PPG, PUMP 1 BBL FRESH WTR, DISPLACE W/ 18.9 BBLs T-MAC, TOOH & LD 27 JTS TBG ON TRAILER TO 4475', ESTB CIRC W/ T-MAC, PUMP 2.5 BBLs FRESH WTR, MIX & PUMP 1 SX CMT # 15.8 PPG, PUMP 1 BBL FRESH WTR, DISPLACE W/ 15.4 BBLs T-MAC, TOC @ 4265', RD PRO PETRO
	10:30 - 12:00	1.50	ABANDT	31	I	P		TOOH & LD TBG ON TRAILER
	12:00 - 17:00	5.00	ABANDT	30	C	P		ND BOP'S, NU WH, RDNO LAT 39.9752 LONG 109.43668
3/26/2014	7:00 -							TEARDOWN PRODUCTION FACILITY FOR PAD DRILLING

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-01191
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1022-4I-4	
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047385150000	
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6100	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1656 FSL 0537 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 04 Township: 10.0S Range: 22.0E Meridian: S	COUNTY: UINTAH	
	STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/18/2015 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. The NBU 1022-4I-4 well was returned to production on 3/18/2015 following a temporary abandonment. Please see the attached operations summary report for details. Thank you.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY March 26, 2015		
NAME (PLEASE PRINT) Kristina Geno	PHONE NUMBER 720 929-6824	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 3/19/2015	

US ROCKIES REGION
Operation Summary Report

US ROCKIES REGION								
Operation Summary Report								
Well: NBU 1022-4I-4				Spud date: 8/14/2007				
Project: UTAH-UINTAH			Site: NBU 1022-4I PAD			Rig name no.: GWS 1/1, GWS 1/1		
Event: ABANDONMENT			Start date: 2/20/2015		End date: 3/17/2015			
Active datum: RKB @5,121.99usft (above Mean Sea Level)				UWI: NBU 1022-4I-4				
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
2/20/2015	7:00 -							REBUILD PROD FACILITIES TO RETURN WELL TO PRODUCTION
3/13/2015	7:00 - 7:15	0.25	ABANDT	48		P		SAFETY = JSA.
	7:15 - 16:30	9.25	ABANDT	31	I	P		0# ON WELL. MIRU. NDWH. NUBOP. R/U FLOOR & TBNG EQUIP. P/U & RIH W/ 3-7/8" MILL, POBS, 1.875" XN NIPPLE + 135JTS 2-3/8" Y-BND L-80 TBNG. T/U ON CMT @ 4264'. R/U POWER SWIVEL. BREAK REVERSE CIRC. D/O CMT TO 4475'. FALL THRU. CIRC CLEAN. HANG BACK SWIVEL. RIH W/ TBNG. T/U ON SOFT, MUSHY CMT @ 5180'. P/U SWIVEL. BREAK REVERSE CIRC. D/O SOFT CMT TO 5225'. D/O HARD CMT TO 5240' W/ TOTAL OF 165JTS 2-3/8" L-80 IN THE HOLE. LEAVE +/- 25' CMT CAP ON CBP THRU WEEKEND. CBP ISOLATION PLUG @ 5265'. CIRC WELLBORE CLEAN. PUH 1JT TBNG. SWIFWE. WINTERIZE EQUIP. SDFWE.
3/16/2015	6:45 - 7:00	0.25	ABANDT	48		P		HSM. SLIP, TRIP & FALL'S.
	7:00 - 12:00	5.00	ABANDT	44	C	P		OPEN WELL 0 PSI.\nBRK CIRC. DRL OUT 25' CMT & CBP @ 5265'. WELL WENT OF VAC.\nCONT RIH. W/ TBG TAG SCALE BRIDGE @ 6882'.\nMIRU WEATHERFORD FU. \nRU DRL EQUIP. BRK CONV CIRC W/ FU. PRESSURED UP T/ 2000 PSI. POPPED OFF FOAM UNIT. RIG PUMP T/ TBG PRESSURED UP T/ 2500 PSI.\nWORK TBG. TBG WOULD NOT COME UNPLUGGED.\nBLEED OFF PSI F/ TBG. STD BK SWIVEL. POOH STD BK 216 JTS 23/8 L-80. (LOT OF FOAM FLUID INSIDE TBG)\nFOUND SCALE, RUBBER & CMT INSIDE OF MILL, POBS & XN. \nPU NEW 37/8 MILL, POBS, 1.875 XN. (NO DARTS)\nRIH W/ 210 JTS TBG. EOT @ 6646'. \nSWIFN. WINTERIZE WH.
3/17/2015	6:45 - 7:00	0.25	ABANDT	48		P		HSM. WATCH FU OPR FOR BLEED OFF.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-4I-4

Spud date: 8/14/2007

Project: UTAH-UINTAH

Site: NBU 1022-4I PAD

Rig name no.: GWS 1/1, GWS 1/1

Event: ABANDONMENT

Start date: 2/20/2015

End date: 3/17/2015

Active datum: RKB @5,121.99usft (above Mean Sea Level)

UWI: NBU 1022-4I-4

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
	7:00 - 17:00	10.00	ABANDT	44	D	P		SICP = 75 PSI, SITP = 50 PSI.\nBLOW WELL DOWN T/ FBT. OPEN WELL. \nCONT RIH W/ 6 JTS 23/8 L-80 TBG. TAG SCALE BRIDGE @ 6882'. \nRU DRL EQUIP. BRK CONV CIRC W/ FU. (40 min T/ GET RETURNS)\nDRL OUT SCALE BRDG F/ 6882', FELL FREE @ 6947'. = 65' SCALE BRIDGE. (SOFT SCALE) CIRC CLEAN.\nP/U T/ DART VALVE. LD DART. \nXO RIH T/ 7400' SCALE. MILL DOWN 2 JTS T/ 7462' FELL FREE. CONT RIH.\nTAG @ 8065'. MILL DOWN T/ 8130' FELL FREE.\nCONT RIH TAG @ 8274'. MILL DOWN T/ 8486' = 100' RAT HOLE.\nCIRC WELL CLEAN. RD DRL EQUIP. POOH LD 27 JTS EXESS TBG. \nPU 41/16 TBG HNGR. LAND TBG W/ 237 JTS 23/8 L-80 TBG W/ 1.875 XN & PUMPED OBS. EOT @ 7526'.\nRD RIG FLOOR & TBG EQUIP. ND BOP. NU WH. DROP BALL. PUMP 25 BBLS T/ PUMP BIT OFF W/ 2200 PSI. SWI LET BIT FALL.\nOPEN CSG AND PERG AIR OUT.\nRD RIG RACK OUT RIG EQUIP. READY T/ ROAD RIG IN THE :AM.