

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: DRILL REENTER

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

5. Lease Serial No.
UTU-01191

6. If Indian, Allottee or Tribe Name

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

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

8. Lease Name and Well No.
NBU 1022-4J-4T

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

9. API Well No.
43047-38517

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

4. Location of Well (Report location clearly and in accordance with any State requirements.)*
At surface **NWSE 1385'FSL, 1941'FEL** *29.974458*
At proposed prod. Zone *44258757 - 109.141687*

10. Field and Pool, or Exploratory
NATURAL BUTTES

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

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

12. County or Parish
UINTAH

13. State
UTAH

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1385'	16. No. of Acres in lease 1041.78	17. Spacing Unit dedicated to this well 40.00
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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
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21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5093'UNGRADED GL	22. Approximate date work will start*	23. Estimated duration
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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 8/16/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) BRADLEY G. HILL	Date 08-29-06
Title ENVIRONMENTAL MANAGER		

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

Conditions of approval, if any, are attached.

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

*(Instructions on reverse)

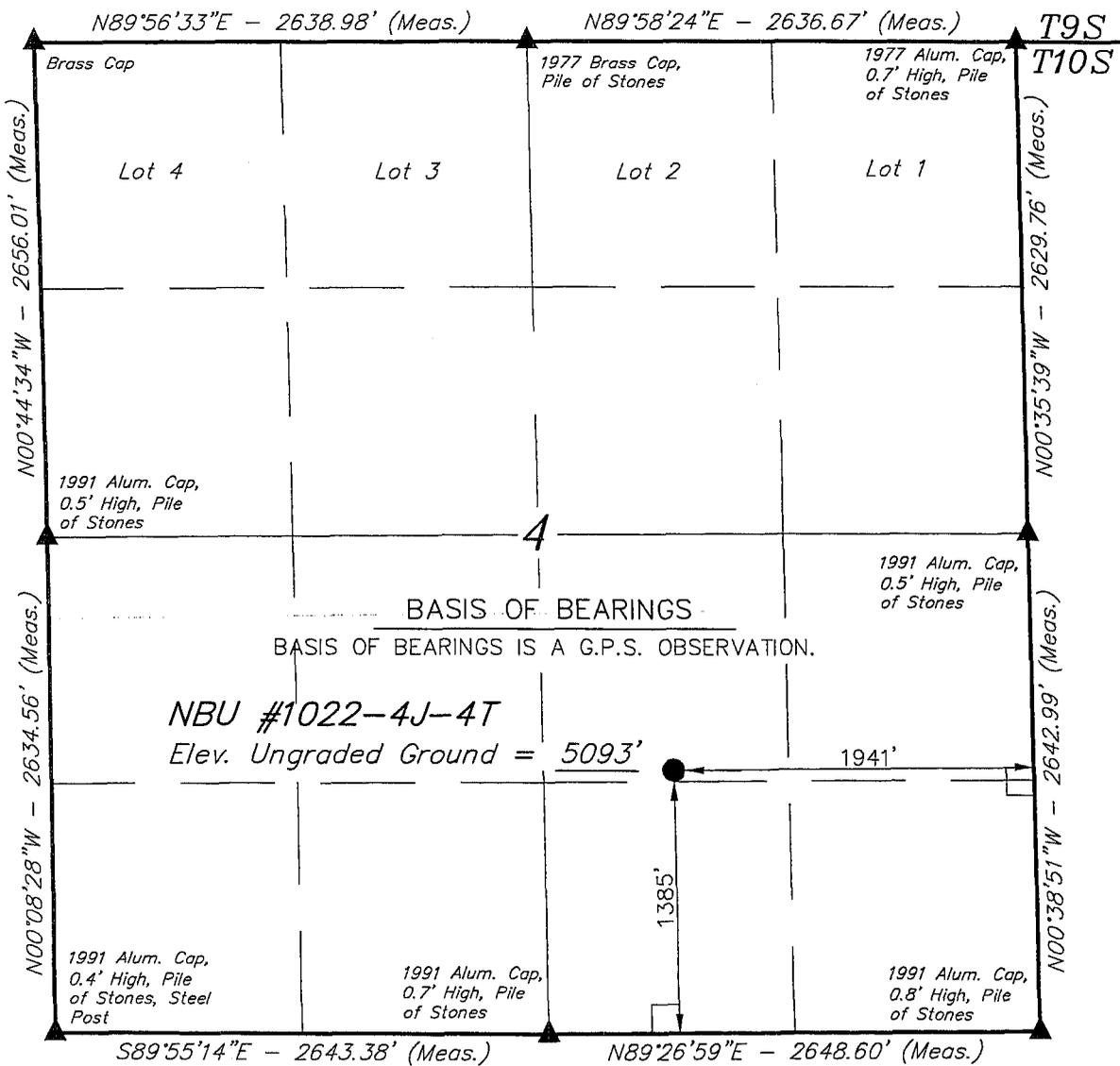
Federal Approval of this
Action is Necessary

RECEIVED
AUG 28 2006

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

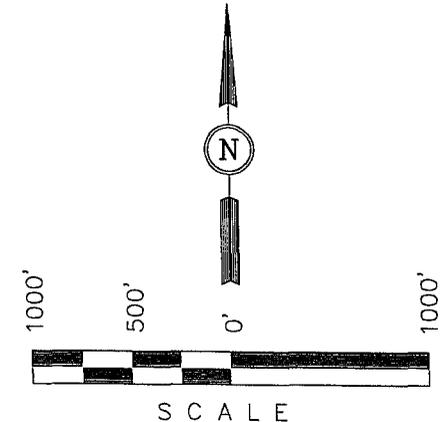
Kerr McGee Oil & Gas Onshore LP

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



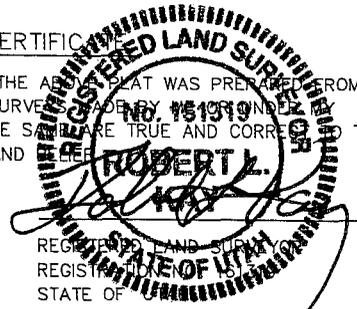
BASIS OF ELEVATION

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, UTAH 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.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR 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°58'28.37" (39.974547)
 LONGITUDE = 109°26'32.47" (109.442353)
 (NAD 27)
 LATITUDE = 39°58'28.49" (39.974581)
 LONGITUDE = 109°26'30.01" (109.441669)

UINTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 04-21-06	DATE DRAWN: 04-26-06
PARTY J.R. L.M. C.H.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr McGee Oil & Gas Onshore LP	

**NBU #1022-4J-4T
SENYSE 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	1119'
Top of Birds Nest Water	1462'
Mahogany	2076'
Wasatch	4277'
Mesaverde	6721'
MVU2	7684'
MVL1	8246'
TD	8800'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1119'
	Top of Birds Nest Water	1462'
	Mahogany	2076'
	Wasatch	4277'
Gas	Mesaverde	6721'
Gas	MVU2	7684'
Gas	MVL1	8246'
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 16, 2006
 WELL NAME NBU 1022-4J-4T TD 8,800' MD/TVD _____
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,093' GL KB 5,108'
 SURFACE LOCATION SENWSE SECTION 4, T10S, R22E 1385'FSL, 1941'FEL BHL Straight Hole
 Latitude: 39.974547 Longitude: 109.442353
 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 <u>4,277'</u> <div style="margin-left: 100px;"> Green River @ 1,119' Top of Birds Nest Water @ 1462' Preset f/ GL @ 1,970' MD </div>					
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
	Mahogany @	2,076'			Water/Fresh Water Mud 8.3-11.5 ppg
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 @	4,277'			
	Mverde @	6,721'			
	MVU2 @	7,684'			
	MVL1 @	8,246'			
	TD @	8,800'			Max anticipated Mud required 11.5 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 1970	32.30	H-40	STC	0.68*****	1.49	4.56
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 8800	11.60	I-80	LTC	2.34	1.21	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 = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing * Buoy. Fact. of water)
- MASP 3326 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
NOTE: If well will circulate water to surface, option 2 will be utilized							
SURFACE Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,770'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	410	60%	11.00	3.38
	TAIL	5,030'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1410	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: _____

NBU #1022-4J-4T
SENVSE 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 100' +/- of access road is proposed. Please refer to the attached Topo Map B.

Approximately 0.1 +/- miles re-route access road is proposed. Please refer the attached Topo Map D.

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 350' +/- of 4" pipeline to tie-in to an existing pipeline is proposed. 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. 06-193, completed on May 5, 2006 for the well location; also, a Archaeological Survey Report No. 06-362 completed on July 31, 2006 for the pipeline. These two Archaeological Reports are 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

8/16/2006

Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-4J-4T
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 DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 7.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE TO THE BEGINNING OF THE PROPOSED ROAD RE-ROUTE TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 100' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.2 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-4J-4T

LOCATED IN UTAH COUNTY, UTAH
SECTION 4, T10S, R22E, S.L.B.&M.

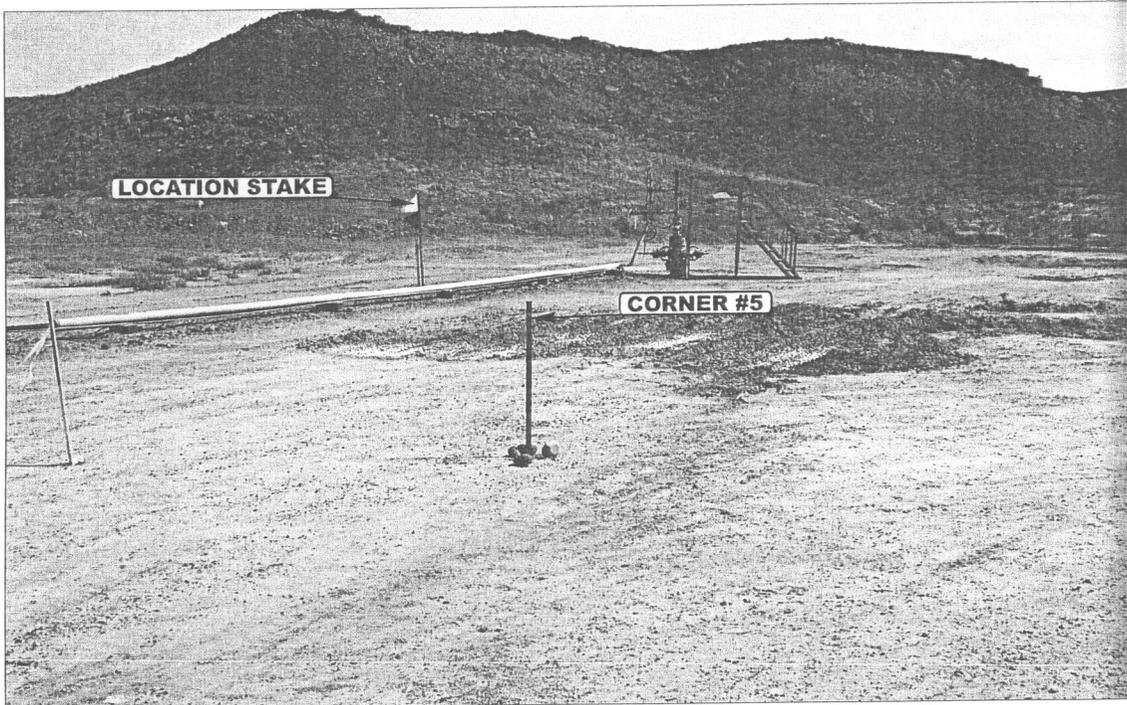


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

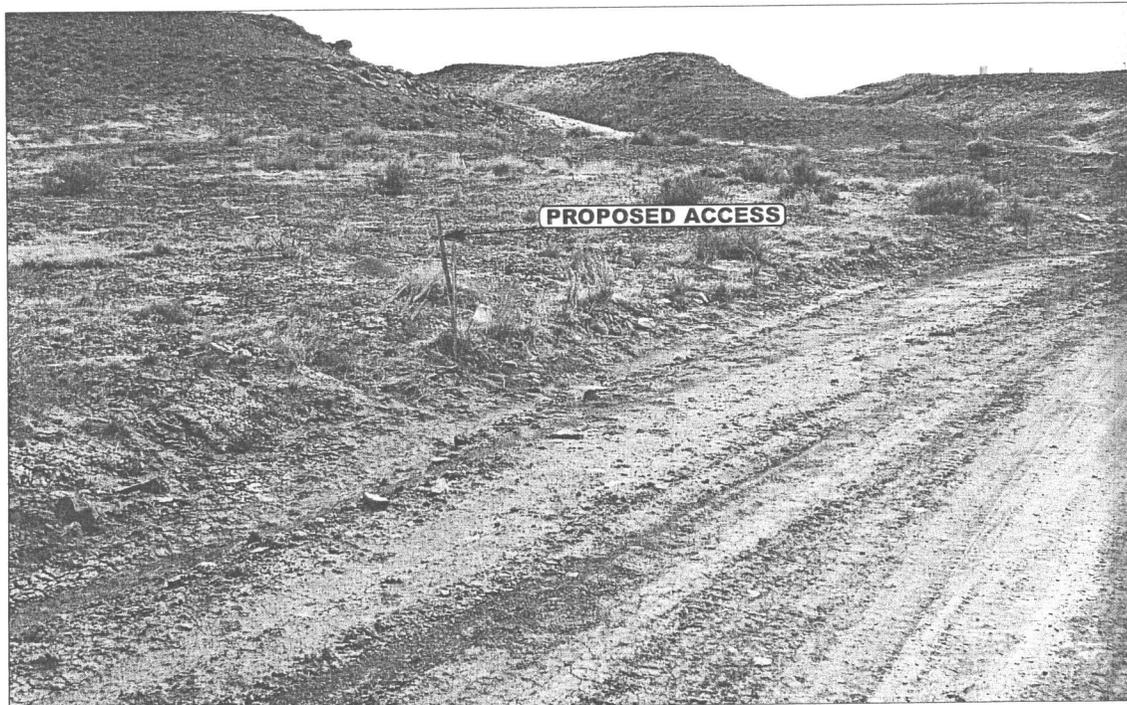


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

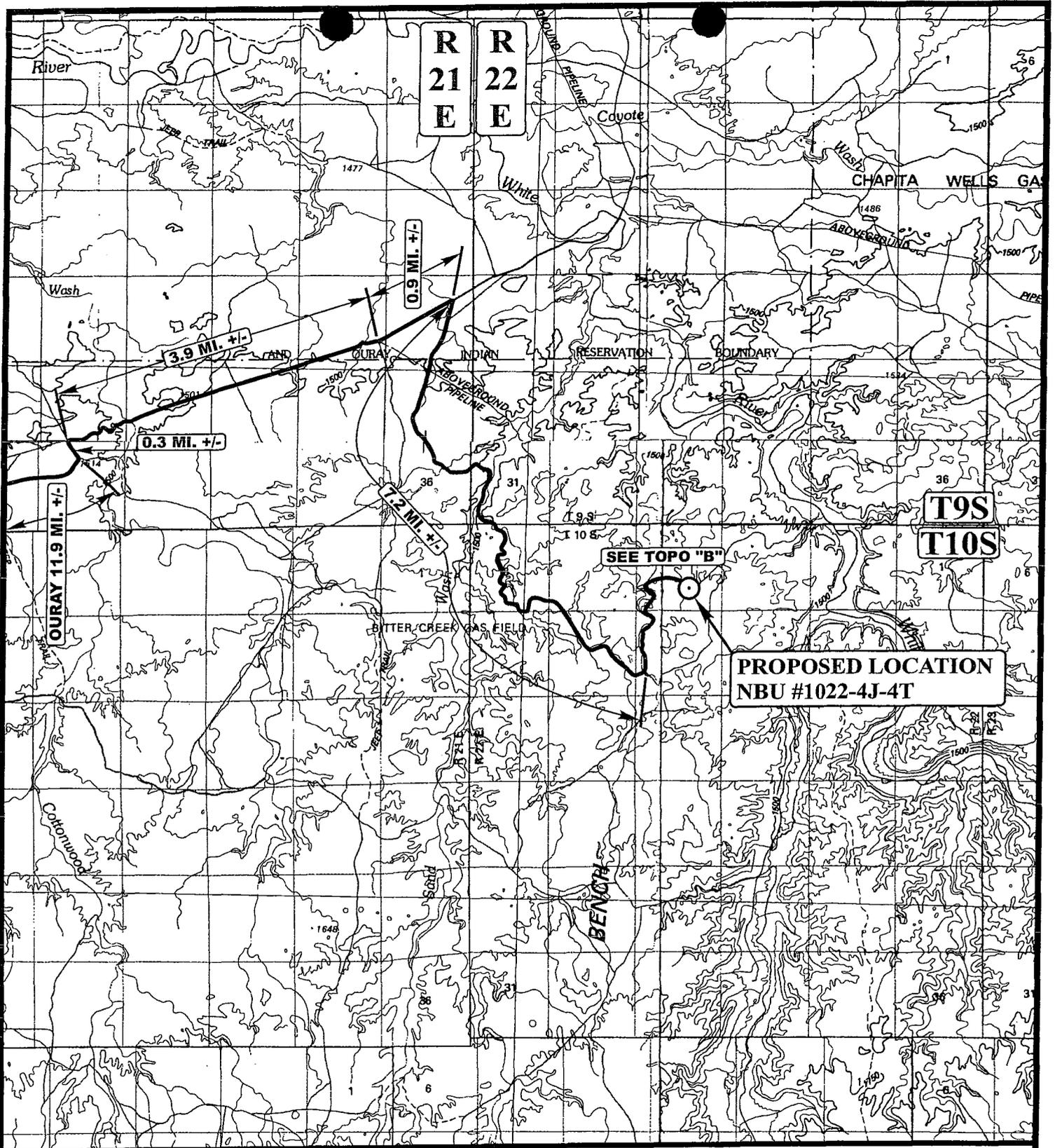
CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS	04	25	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: J.R.	DRAWN BY: C.P.		REVISED: 00-00-00	



LEGEND:

⊙ PROPOSED LOCATION



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

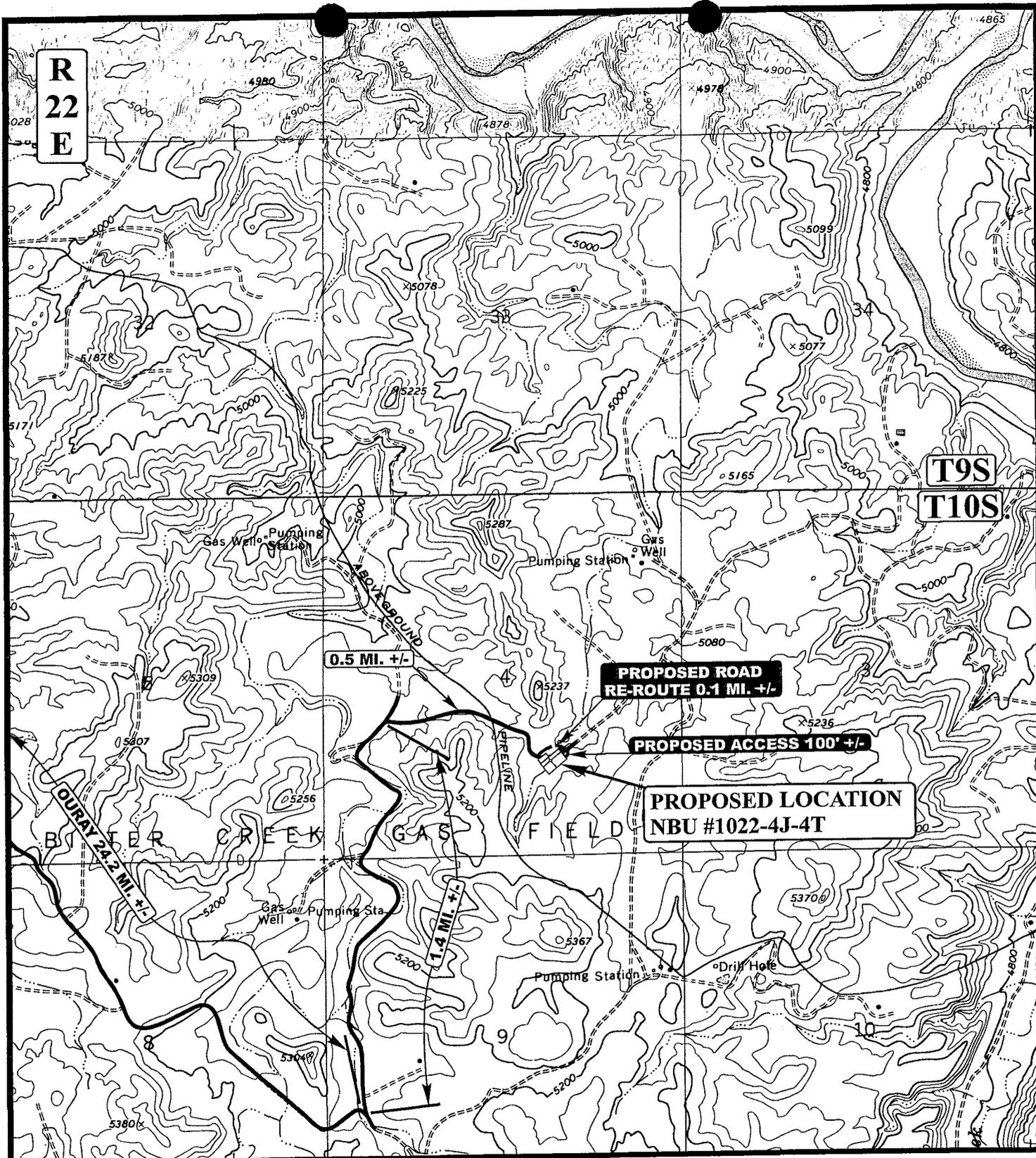


Kerr-McGee Oil & Gas Onshore LP

NBU #1022-4J-4T
 SECTION 4, T10S, R22E, S.L.B.&M.
 1385' FSL 1941' FEL

TOPOGRAPHIC			04	25	06
MAP			MONTH	DAY	YEAR
SCALE: 1:100,000		DRAWN BY: C.P.		REVISED: 00-00-00	





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  PROPOSED ROAD RE-ROUTE

N



Kerr-McGee Oil & Gas Onshore LP

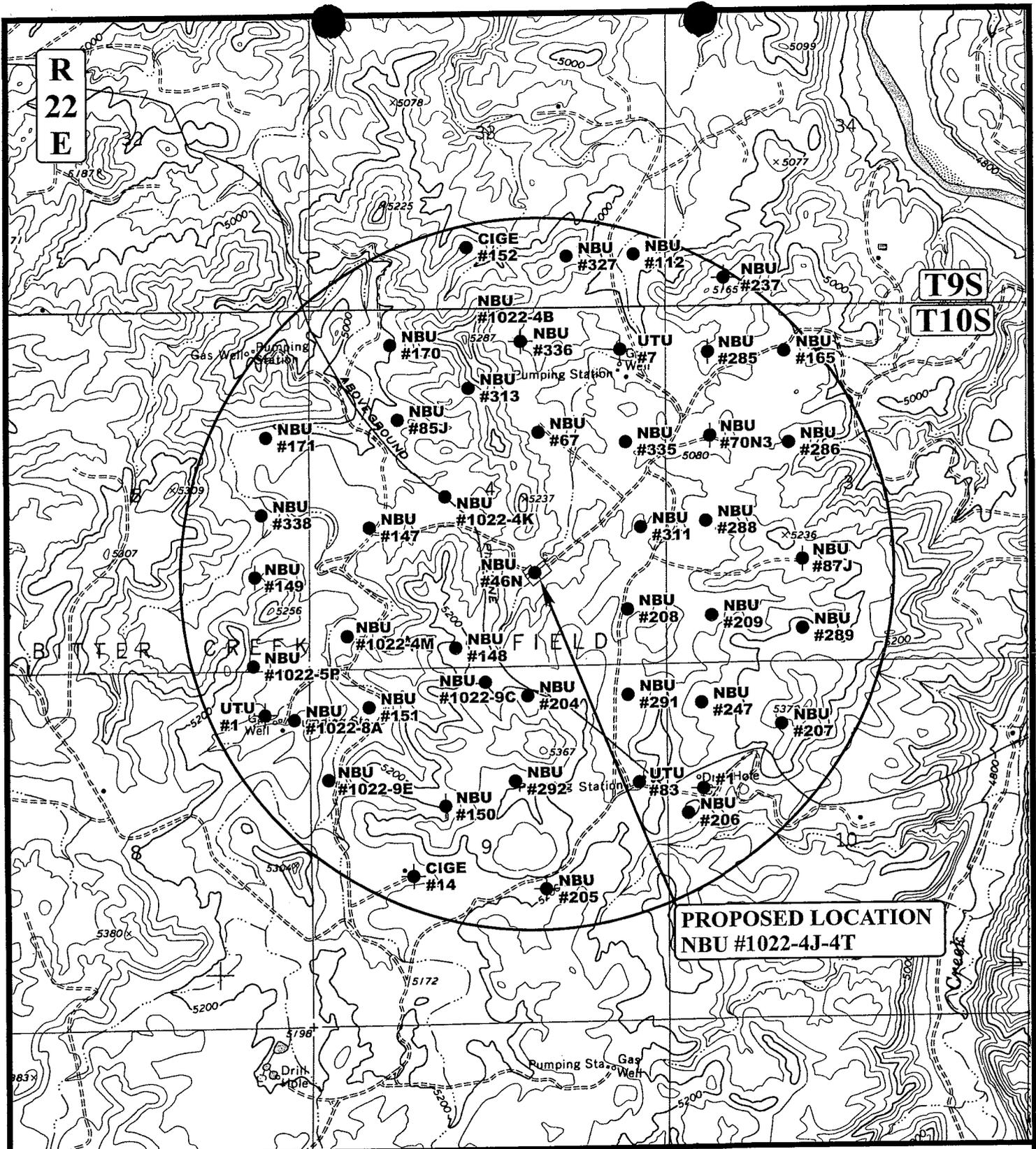
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 1385' FSL 1941' FEL



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

TOPOGRAPHIC 04 25 06
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





LEGEND:

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

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-4J-4T
 SECTION 4, T10S, R22E, S.L.B.&M.
 1385' FSL 1941' FEL

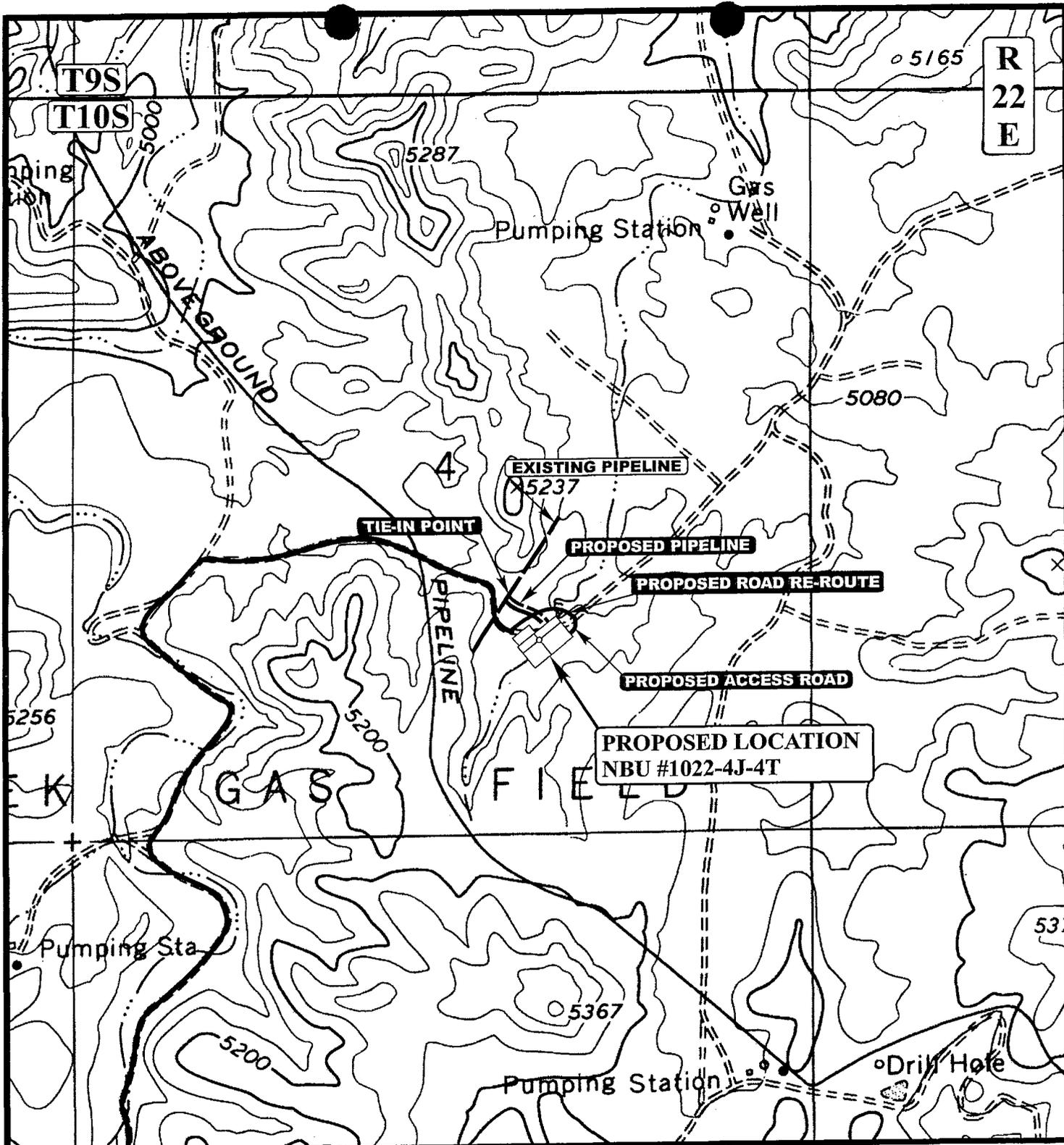


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC MAP
 04 25 06
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 350' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ROAD RE-ROUTE



Kerr-McGee Oil & Gas Onshore LP

NBU #1022-4J-4T
 SECTION 4, T10S, R22E, S.L.B.&M.
 1385' FSL 1941' FEL

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

TOPOGRAPHIC			07	05	06	D
MAP			MONTH	DAY	YEAR	
SCALE: 1" = 1000'		DRAWN BY: C.P.		REVISED: 00-00-00		TOPO

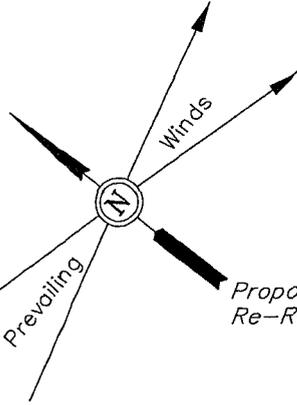
LOCATION LAYOUT FOR

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

F-7.1' 1385' FSL 1941' FEL
El. 5085.8'

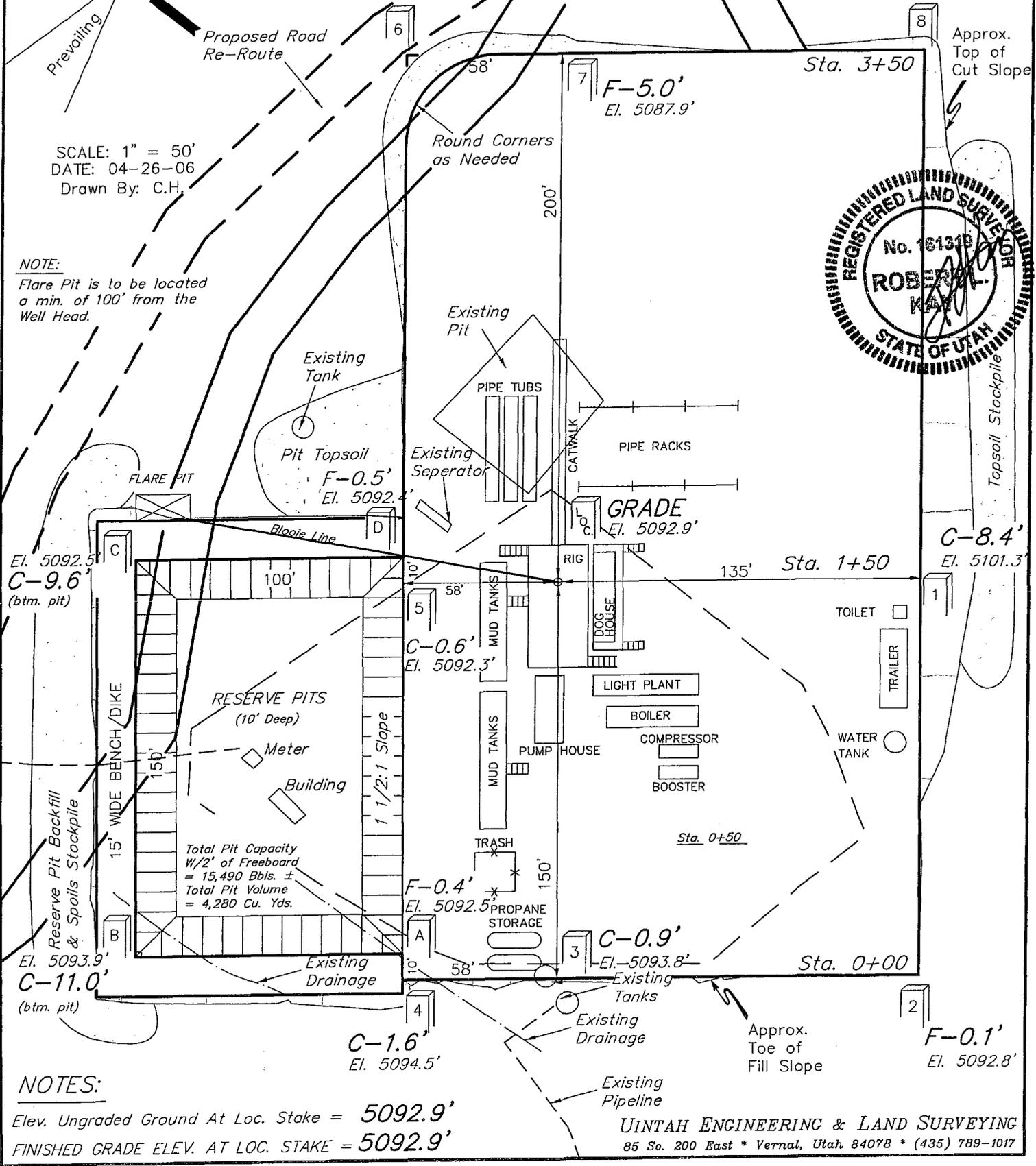
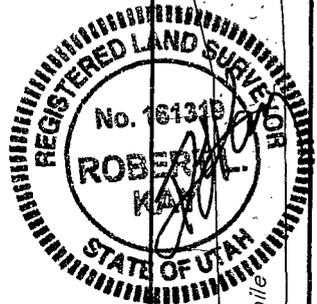
Proposed Access Road

C-3.7' El. 5096.6'



SCALE: 1" = 50'
DATE: 04-26-06
Drawn By: C.H.

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

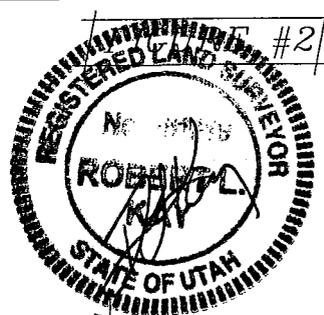


El. 5092.5'
C-9.6' (btm. pit)

El. 5093.9'
C-11.0' (btm. pit)

Total Pit Capacity
W/2' of Freeboard
= 15,490 Bbls. ±
Total Pit Volume
= 4,280 Cu. Yds.

NOTES:
Elev. Ungraded Ground At Loc. Stake = 5092.9'
FINISHED GRADE ELEV. AT LOC. STAKE = 5092.9'

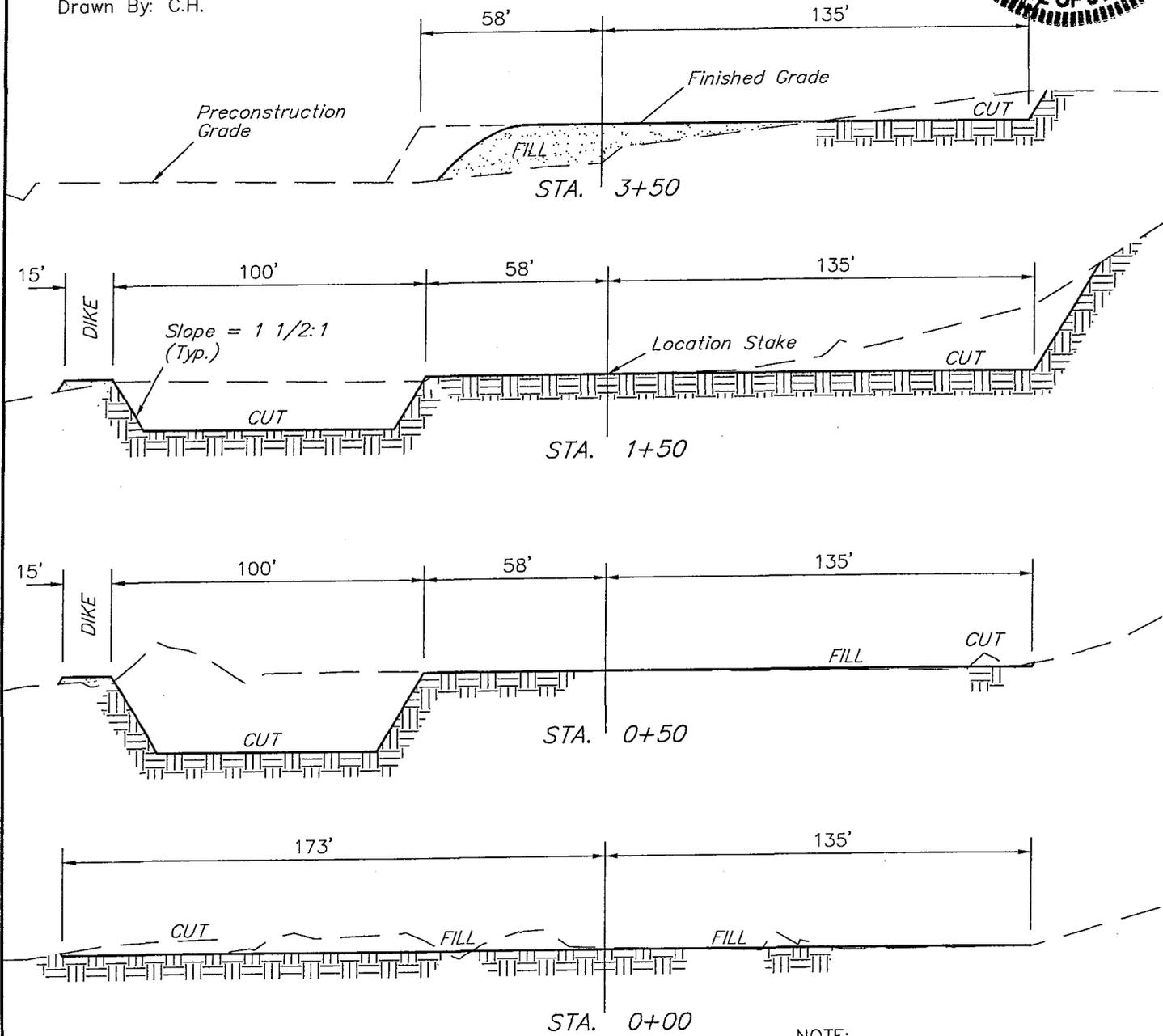


TYPICAL CROSS SECTIONS FOR

NBU #1022-4J-4T
SECTION 4, T10S, R22E, S.L.B.&M.
1385' FSL 1941' FEL

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

DATE: 04-26-06
Drawn By: C.H.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,100 Cu. Yds.
New Construction Only	= 8,340 Cu. Yds.
Remaining Location	= 8,340 Cu. Yds.
TOTAL CUT	= 9,440 CU.YDS.
FILL	= 1,630 CU.YDS.

EXCESS MATERIAL	= 7,810 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,240 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 4,570 Cu. Yds.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/28/2006

API NO. ASSIGNED: 43-047-38517

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

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:
 NWSE 04 100S 220E
 SURFACE: 1385 FSL 1941 FEL
 BOTTOM: 1385 FSL 1941 FEL
 COUNTY: UINTAH
 LATITUDE: 39.97446 LONGITUDE: -109.4417
 UTM SURF EASTINGS: 633073 NORTHINGS: 4425875
 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: 17314
Eff Date: 12-2-1999
Siting: 460' fr u bndg & 920' b/w wls. 17314
- ___ R649-3-11. Directional Drill

COMMENTS:

See Separate file

STIPULATIONS:

*1- Bond 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 1022-4I-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 1022-5I-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 1022-4J-4T Well, 1385' FSL, 1941' FEL, NW 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 43-047-38517.

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 1022-4J-4T
API Number: 43-047-38517
Lease: UTU-01191

Location: NW 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 1022-4J-4T	
9. API Well No. 43-047-38517	
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
14. Distance in miles and direction from nearest town or post office* 26.2 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) 1385'	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 8800'
19. Proposed Depth 8800'	20. BLM/BIA Bond No. on file BOND NO: WY-2357
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5093' 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:

- | | |
|--|---|
| 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 8/16/2006
Title REGULATORY ANALYST		
Approved by (Signature) 	Name (Printed/Typed) TERRY HEWES	Date 4-12-2007
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

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

Conditions of approval, 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)

06BM1691A
UNB...

RECEIVED

APR 27 2007

DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

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: NWSE, Sec. 4, T10S, R22E
Well No: NBU 1022-4J-4T Lease No: UTU-01191
API No: 43-047-38517 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 resreading 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
4304736863	HATCH 923-14C		NENW	14	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>R</i> A	99999	16214	6/16/2007		6/28/07		
Comments: MIRU ROCKY MTN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 06/16/2007 AT 1100 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738517	NBU 1022-4J-4T		NWSE	4	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>R</i> B	99999	2900	6/16/2007		6/28/07		
Comments: MIRU ROCKY MTN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 06/16/2007 AT 0800 HRS.							

Well 3

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

ACTION CODES:

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

SHEILA UPCHEGO

Name: Sheila Upchego
Signature: [Signature]
Title: SENIOR LAND SPECIALIST Date: 6/18/2007

To: EARLENE RUSSELL From: Sheila Upchego
(b2)(00) Co./Dept: LDAGM Co.: KMB
Phone #: (801) 539-5330 Phone #: (435) 781-7024
Fax #: (801) 359-3940 Fax #: (435) 781-7094

RECEIVED

JUN 18 2007

DIV. OF OIL, GAS & MINING

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.

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

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 1022-4J-4T

9. API Well No.
4304738517

10. Field and Pool, or Exploratory Area
UNDESIGNATED

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NW/SE SEC. 4, T10S, R22E 1385'FSL, 1941'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.

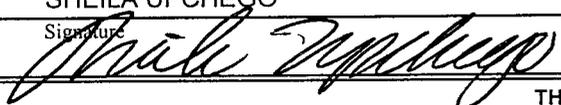
MIRU ROCKY MTN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 06/16/2007 AT 0800 HRS.

**RECEIVED
JUN 26 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 June 18, 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 1022-4J-4T

9. API Well No.
4304738517

10. Field and Pool, or Exploratory Area
UNDESIGNATED

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NW/SE SEC. 4, T10S, R22E 1385'FSL, 1941'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 UTILIZE 0.8% SO DIESEL IN THE FRESH WATER MUD SYSTEM.

Approved by the
Division of
Oil, Gas and Mining
FOR RECORD ONLY

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 11, 2007

THIS SPACE FOR FEDERAL OR STATE USE

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

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

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.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-01191
2. Name of Operator KERR-McGEE OIL & GAS ONSHORE LP		6. If Indian, Allottee or Tribe Name
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	7. If Unit or CA/Agreement, Name and/or No. UNIT #891008900A NATURAL BUTTES UNIT
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NW/SE SEC. 4, T10S, R22E 1385'FSL, 1941'FEL		8. Well Name and No. NBU 1022-4J-4T
		9. API Well No. 4304738517
		10. Field and Pool, or Exploratory Area NATURAL BUTTES
		11. County or Parish, State UINTAH COUNTY, UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other 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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU BILL MARTIN AIR RIG ON 06/29/2007. DRILLED 12 1/4" SURFACE HOLE TO 2400'. RAN 9 5/8" OF 50 JTS OF 32.3# H-40 AND 10 JTS OF 36# J-55 SURFACE CSG. LEAD CMT W/350 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT. TOP OUT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT

RECEIVED
JUL 17 2007

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date July 3, 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

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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 1022-4J-4T

9. API Well No.
4304738517

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NW/SE SEC. 4, T10S, R22E 1385'FSL, 1941'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 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.

FINISHED DRILLING FROM 2400' TO 8016' ON 08/10/2007. RAN 5 1/2" 17# N-80 PRODUCTION CSG. LEAD CMT W/275 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/825 SX 50/50 POZ @14.3 PPG 1.31 YIELD. CIRC BOTTOMS PLUG HOLDING FULL RETURNS NO CMT TO SURFACE NIPPLE DOWN SET SLIPS W/120,000# STRING WT CUT OFF CSG CLEAN PITS.

RELEASED ENSIGN RIG 12 ON 08/11/2007 AT 0400 HRS.

RECEIVED
AUG 16 2007
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date August 13, 2007

THIS SPACE FOR FEDERAL OR STATE USE

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

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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

8. Well Name and No.

NBU 1022-4J-4T

9. API Well No.

4304738517

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)

1385'FSL-1941'FEL
NWSE 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	

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THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 09/20/2007 @ 10:40 AM.

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)

SHERILA UPCHEGO

Title

SENIOR LAND ADMIN SPECIALIST

Signature

Date

September 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

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(Instructions on reverse)



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

CHRONOLOGICAL WELL HISTORY

NBU 1022-4J-4T

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

DATE	ACTIVITY	STATUS
06/04/07	LOCATION STARTED ENSIGN 12	
06/16/07	SET CONDUCTOR ENSIGN 12	WOAR
06/29/07	SET AIR RIG SPUD ENSIGN 12	DRLG
07/11/07	9 5/8" @ 2364' ENSIGN 12	WORT
07/16/07	TD: 2400' Csg. 9 5/8"@ 2364' MW: 8.4 RDRT. Move to NBU 1022-4J-4T. Rig on maintenance.	SD: 7/XX/07 DSS: 0
07/17/07	TD: 2400' Csg. 9 5/8"@ 2364' MW: 8.4 Rig on maintenance.	SD: 7/XX/07 DSS: 0
07/18/07	TD: 2400' Csg. 9 5/8"@ 2364' MW: 8.4 Rig on maintenance.	SD: 7/XX/07 DSS: 0
07/19/07	TD: 2400' Csg. 9 5/8"@ 2364' MW: 8.4 Rig on maintenance.	SD: 7/XX/07 DSS: 0
07/20/07	TD: 2400' Csg. 9 5/8"@ 2364' MW: 8.4 Rig on maintenance.	SD: 7/XX/07 DSS: 0
07/23/07	TD: 2400' Csg. 9 5/8"@ 2364' MW: 8.4 Rig on maintenance. Start rigging up this morning.	SD: 7/XX/07 DSS: 0
07/24/07	TD: 2400' Csg. 9 5/8"@ 2364' MW: 8.4 80% rigged up this morning.	SD: 7/XX/07 DSS: 0
07/25/07	TD: 2400' Csg. 9 5/8"@ 2364' MW: 8.4 RURT. NU and test BOPE. PU BHA and DP. Prep to drill cmt and FE @ report time.	SD: 7/XX/07 DSS: 0
07/26/07	TD: 3456' Csg. 9 5/8"@ 2364' MW: 8.4	SD: 7/25/07 DSS: 1

Repair swivel packing. Drill cmt and FE. Rotary spud @ 1000 hrs on 7/25/07. Drill and survey f/ 2364'-3456'. DA @ report time.

07/27/07

TD: 4565' Csg. 9 5/8"@ 2364' MW: 8.7 SD: 7/25/07 DSS: 2
Drill and survey f/ 3456'-4565'. Repairing swivel @ report time.

07/30/07

TD: 6600' Csg. 9 5/8"@ 2364' MW: 10.0 SD: 7/25/07 DSS: 5
Drill from 4565'-5845'. Lost full returns. Pump LCM pill and build volume. Drill to 6252'. TFNB. Drill to 6600'. DA.

07/31/07

TD: 7230' Csg. 9 5/8"@ 2364' MW: 10.6 SD: 7/25/07 DSS: 6
Drill from 6600'-7230'. DA.

08/01/07

TD: 7950' Csg. 9 5/8"@ 2364' MW: 11.2 SD: 7/25/07 DSS: 7
Drill from 7230'-7950'. DA.

08/02/07

TD: 8016' Csg. 9 5/8"@ 2364' MW: 11.2 SD: 7/25/07 DSS: 8
Drill from 7950'-8016'. Clean out cellar and patch hole in 9 5/8" surface casing. Fill cellar with cement and WOC.

08/03/07

TD: 8016' Csg. 9 5/8"@ 2364' MW: 11.5 SD: 7/25/07 DSS: 9
WOC. Circ gas out w/ 11.5 mud. LDDP and became stuck at 3948'. Could not work drilling jar. Differentially stuck between shoe and BHA. Wait on and RU surface jars. Work jars w/ no success. Spot pipe lax and let soak @ report time.

08/06/07

TD: 8016' Csg. 9 5/8"@ 2364' MW: 11.5 SD: 7/25/07 DSS: 12
Work pipe and jar with surface jars. Locate and w/o free point truck. Run free point, DP free, HWDP free, top DC 40% free 0% @ 3220'. Back off @ 3130' above drill collars. PU jars and screw into fish. Spot pipe lax and let soak and jar on fish. @ report time started to see some action from drilling jars. Will spot pipe lax over entire BHA.

08/07/07

TD: 8016' Csg. 9 5/8"@ 2364' MW: 11.5 SD: 7/25/07 DSS: 13
CBU. Spot pipe lax over BHA. Jar on fish. Run free point and back off @ 3355'. POOH and lay down 2 jts HWDP, 4 DC and drill jars. TIH and screw into fish. Jar on fish, made one foot up.

08/08/07

TD: 8016' Csg. 9 5/8"@ 2364' MW: 11.5 SD: 7/25/07 DSS: 14
Jar fish free. POOH and lay down fishing tools and mud motor. PU Bit and BHA and TIH. Wash and ream through bridge @ 3600'. Continue W & R to 4400' @ report time.

08/09/07

TD: 8016' Csg. 9 5/8"@ 2364' MW: 11.5 SD: 7/25/07 DSS: 15
Continue W & R from 4400'-6800'.

08/10/07

TD: 8016' Csg. 9 5/8"@ 2364' MW: 11.5 SD: 7/25/07 DSS: 15
Continue W & R from 4400'-6800'.

08/13/07

TD: 8016' Csg. 9 5/8" @ 2364' MW: 11.5 SD: 7/25/07 DSS: 17
Lay down drill string. Run and cement 5 1/2" casing. Set slips and release rig @ 0400 hrs 8/11/07.
RDRT and move to NBU 1022-4I-4.

08/31/07

MI & RU

Days On Completion: 1
Remarks: MOVE IN AND RIG UP.

09/04/07

PREP TO DRILL

Days On Completion: 5
Remarks: DAY#2] HSM, UNLOAD DRL COLLARS, SPOT IN TBG FLOAT AND START P/U 2-2/8 P-110 TBG. P/U 240 JNT TBG W/ EOT @7427' SWIFN. 5:00

09/05/07

DRILLING

Days On Completion: 6
Remarks: 7:00 A.M. HSM CONT TO RIH P/U 2 7/8" DRL ST. OFF TRAILER. TAG F.C. @ 7972'. R/U DRL EQUIP, R/U PMP & LINES, BRK CONV CIRC W/ FRESH WTR & BEG TO DRL. DRL UP FLOAT COLLAR. CONT TO DRL CMT FOR 42'. DRL UP FLOAT SHOE & 5' CMT EOT @ 8020'. CIRC WELL CLEAN FOR 1.5 HRS TILL RETURN RUBBER & ALLUM. X-O POOH W/ TBG STAND BACK 130 STANDS IN DERRIK, L/D BIT & BIT SUB. N/U ANNULAR & DRL SPOOL. MIRU B&C QUICK TST. PSI TST DRL STACK & MANIFOLD TO 5000# (HELD). P/U 4 3/4" #404 PDC DRL BIT, BIT SUB. P/U 16 - 3 1/2" 24# PPF DRL COLLARS. & RIH W/ TBG. EOT @ 8000'. CIRC HOLE FULL W/ 12# DRL MUD.

09/06/07

DRILLING

Days On Completion: 7
Remarks: 7:00 A.M. HSM (PPE WHILE DRLING) CONDITION MUD & MUD SYSTEM. CIRC WELL W/ 12.5# MUD TILL CLEAN RETURNS & BEG TO DRL @ 10:00 A.M. MAKING AVG 8' PER HR. BIT STOPPED DRLING @ 8070'. MADE NO HOLE FOR 2 HRS. LOST CIRC. POOH L/D 3 JTS TBG. EOT @ 7977'. MIX LCM PILL (34 BBLs MUD W/ 1 SK CANE FIBER PER BBL). FOUND WEATHERFORD PMP BAD VALVES. CALL FOR MECHANIC. MAKE REPAIRS. CONT TO CIRC & COND MUD

09/07/07

DRILLING

Days On Completion: 8
Remarks: 7:00 a.m. HSM RIH W/ TBG TAG BTM @ 8070'. CONT TO DRL. INIT. P RATE 14' PER HR. INIT MUD WT 10.8#, 58 VISC. 5:00 P.M. MUD WT 11.6#, 55 VISC. DRL AHEAD. P RATE 14' PER HR. EOT @ 8122'DRL AHEAD.
7:00 p.m HSM DRL DEPTH @ 7:00, 8136' CONTIUE TO DRL, EOT @ 12:00- 8151' ONLY MAKING 3' PER HR. HUNG PWR SWVL BACK POOH TO CHECK BIT. P/U NEW PDC BIT RIH W/ 16 JNTS 3-1/2 DRL COLLARS & 248 JNTS 2-7/8 P-110 TBG TAG @ 8151', P/U PWR SWVL EST CIRC 6:00 & CONT TO DRL.

09/08/2007

DRILLING

Days On Completion: 9
Remarks: 7:00 A.M. HSM CONT TO DRL. 7:00 A.M. EOT @ 8154'.
9:00 AM P RATE @ 15' PER HR. PMP 3.3 BPM. MUD WT 11.5#, VISC 48. DRL AHEAD
11:00 AM P RATE @ 15' PER HR. PMP 3.3 BPM. MUD ENGINEER ON LOC TO PREFORM MUD TEST. FOUND (MUD WT # 11.3#, VISC 38.) DRL AHEAD

1:30 PM P RATE @ 14' PER HR. EOT @ 8216'. DRL AHEAD
4:00 PM P RATE @ 14' PER HR. EOT @ 8251'. MUD WT 11.5#, VISC 41. DRL AHEAD
7:00 PM P RATE @ 16' PER HR. EOT @ 8308'. DRL AHEAD.
9:00 PM P RATE @ 8.5' PER HR. EOT @ 8315'. MUD WT 11.2#, VISC 51. DRL AHEAD
12:00 AM P RATE @ 15' PER HR EOT @ 8376' DRL AHEAD.
3:00 AM P RATE @ 18' PER HR EOT @ 8433', MUD WT 11.5#, VISC 53, DRL AHEAD
6:00 AM P RATE @ 15' PER HR EOT @ 8462'. DRL AHEAD

09/09/2007

Drilling

Days On Completion: 10

Remarks: 7:00 AM HSM TOWER CHECK, ALL GOOD. P RATE @ 15' PER HR, PMP RATE 3.3 BPM @ 1940#, DRL AHEAD 9:00 AM P RATE @ 16' PER MIN. PMP RATE 3.5 BPM @ 1850#, MUD WT 11.5# VISC 41. DRL AHEAD 1:30 P.M. TD WELL @ 8556'. CIRC WELL CLEAN W/ 140 BBLs MUD. R/D DRL EQUIP. SHORT STRIP TBG TO 7950'. X/O RUN BACK TO TD @ 8556'. CIRC WELL CLEAN W/ 170 BBLs. R/D WEATHERFORD. POOH STAND BACK TBG. L/D 16 3 1/2" DRL COLLARS & PDC BIT. (BIT LOOKS GOOD). MIRU BAKER LOGGING P/U O.H. LOG TOOLS & RIH. LOG WELL F/ 8554' TO 7710'. POOH.

09/10/07

RIH W/ LINER

Days On Completion: 11

Remarks: DAY #8] 7:00 HSM MIRU CURTS TOOL INSPECTION, DRIFT & CLEAN 16 JNTS 3-1/2 UFJ CSG, P/U & RIH W/ 3-1/2 SHOE [1.38'], 1 JNT 3-1/2 UFJ, 9.2# CSG [41.28'], LANDING COLLAR [1.45'], 15 JNTS 3-1/2 UFJ CSG [617.22'], 5-1/2 ULTRA SET PKR [4.12'], SETTING TOOL [10.85'] X-OVER, 255 JNTS 2-7/8 P-110 TBG MIRU BJ SERVICES TO CEMENT LINER, CONT. OT RIH TAG TD @ 8542' HOOKED UP BJ TO TRY TO CIRC DN, WAS UNABLE TO CIRC PRESSURED UP TO 2300-# & SET PKR, & WAS UNABLE TO PUMP CEMENT, GOT OFF PKR, L/D 1 JNT SWIFN. 1:00 A.M

09/12/07

Activity: DRILLING

Days On Completion: 13

Remarks: RIG DOWN DRILLING EQUIPMENT. PULL OUT OF HOLE LAYING DOWN 2-7/8" P110 TUBING. NIPPLE DOWN STACK. NIPPLE UP BOP

09/13/07

P/U TBG

Days On Completion: 1

Remarks: DAY #1] 7:00, HSM X-OVER TALLEY & P/U RIH W/ 20 JNTS 2-1/16 TBG, X-OVER TO 2-3/8 TBG TALLEY & P/U RIH W/ 255 JNTS J-55 2-3/8 TBG, [DID NOT SEE LINER TOP @ 7877'] TAG SHOE @ 8500'. R/U CIRC EQUIP, CIRC DRLG MUD OUT OF HOLE W/ 2% KCL, POOH STNDG BACK. SWIFN. 5:00

09/14/07

Log, P.T. & PERF

Days On Completion: 2

Remarks: DAY #2 - 7:00 : HSM. FIN POOH W/ 255 JTS TOTAL 2-3/8" J-55 TBG. LD 20-JTS 2-1/16" TBG W/ BIT SUB AND 2-7/8" BLADED BIT. ND 7-1/16" 5k BOP. NU 7-1/16" 10k BOP. RU CUTTERS EWL. RIH AND LOG 3-1/2" LINER W/ GR/CCL CORRALATE AND LOG. SET DOWN AT 8502' (LC AT 8509'), 3-1/2" LT AT 7886' WLM. RIH AND SET 3-1/2" CIBP AT 8490'. FILL CSG W/ 15 BBLs AND P-TEST W/ B&C QUICK TEST. HAD LEAK IN RING GASKET. CHANGE OUT RING GASKET. P-TEST TO 7000 PSI. GOOD. RIH W/ 2-1/2" EXP GUN (11 GRAM CHARGES, .32" DIA., 12" PEN). PERF STAGE #1 MV 8417'-8420' 3-SPF, 8282'-8285' 3-SPF, 8170'-8172' 4-SPF, 8121'-8126' 4-SPF. POOH W/ GUN. BEG 0 PSI, END 0 PSI. BEG 0 FL, END 0 FL. SWFN.

DC: \$18,773

CCC: \$76,073

CWC: \$1,164,479

09/17/07

FRAC

Days On Completion: 5

Remarks: 7:00 AM. HSM. MIRU CUTTERS & WEATHERFORD TO PERFORATE & FRC. PRIME UP PUMPS & PRESSURE TEST TO 8,000 PSI,

STG 1) WHP 1,944 PSI, BRK 2,765 PSI @ 3.7 BPM, ISIP 2,557, FG .75 PUMP 100 BBLS @ 52.2 BPM @ 3,770 PSI = 46 OF 46 HOLES OPEN MP 5,343 PSI, MR 53.0 BPM, AP 3,654 PSI, AR 52.3 BPM, ISIP 2,741 PSI, FG .775 NPI 184 PSI, PUMP 3,747 BBLS OF SLICK WATER & 126,920 LBS OF 30/50 SAND 3 ISOTOPES PUMPED ON STAGE 1 AS FOLLOWS ANTIMONY SB-124 IN PAD, IRIDIUM IA-192 IN FIRST 67,467 LBS OF SAND & SCANDIUM SC-46 IN LAST SAND STAGE.

STG 2) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 7,763', PERF 7,730' - 35' 4 SPF, 7,712' - 16' 4 SPF, 7,680' - 82' 4 SPF, 44 HOLES WHP 0 PSI, BRK 3,635 PSI @ 3.2 BPM, ISIP 3,196, FG .85 PUMP 100 BBLS @ 52.3 BPM @ 3,475 PSI = 44 OF 44 HOLES OPEN MP 4,072 PSI, MR 52.9 BPM, AP 3,083 PSI, AR 52.3 BPM, ISIP 2,249 PSI, FG .73 NPI -947 PSI, PUMP 1,155 BBLS OF SLICK WATER & 40,722 LBS OF 30/50 SAND

STG 3) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING SET 8K BAKER CBP @ 7,156', PERF 7,124' - 26' 4 SPF, 6,979' - 82' 4 SPF, 6,802' - 05' 3 SPF, 6,778' - 82' 4 SPF, 45 HOLES WHP 140 PSI, BRK 2,065 PSI @ 2.7 BPM, ISIP 1,603, FG .67 PUMP 100 BBLS @ 52.4 BPM @ 2,971 PSI = 45 OF 45 HOLES OPEN MP 3,229 PSI, MR 52.8 BPM, AP 2,885 PSI, AR 52.5 BPM, ISIP 2,211 PSI, FG .76 NPI 608 PSI, PUMP 1,333 BBLS OF SLICK WATER & 48,510 LBS OF 30/50 SAND

STG 4) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING SET 8K BAKER CBP @ 6,680', PERF 6,645' - 50' 4 SPF, 6,496' - 6,500' 3 SPF, 6,359' - 62' 4 SPF, 44 HOLES WHP 100 PSI, BRK 1,751 PSI @ 2.7 BPM, ISIP 1,558, FG .68 PUMP 100 BBLS @ 52.3 BPM @ 3,200 PSI = 44 OF 44 HOLES OPEN MP 3,549 PSI, MR 52.8 BPM, AP 3,117 PSI, AR 52.3 BPM, ISIP 2,129 PSI, FG .78 NPI 571 PSI, PUMP 995 BBLS OF SLICK WATER & 34,251 LBS OF 30/50 SAND

STG 5) RIH W/ 3 3/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 6,150', PERF 6,113' - 20' 4 SPF, 6,071' - 74' 4 SPF, 40 HOLES WHP 100 PSI, BRK 4,929 PSI @ 2.7 BPM, ISIP 2,523, FG .85 PUMP 100 BBLS @ 52.3 BPM @ 2,850 PSI = 40 OF 40 HOLES OPEN MP 5,271 PSI, MR 52.8 BPM, AP 2,774 PSI, AR 52.1 BPM, ISIP 1,903 PSI, FG .75 NPI -620 PSI, PUMP 796 BBLS OF SLICK WATER & 28,622 LBS OF 30/50 SAND

KILL PLG) RIH SET 8K BAKER CBP 6,020' RDMO WEATHERFORD & CUTTERS SWI SDFN

09/18/07

DRILL CBPs & LAND

Days On Completion: 6

Remarks: DAY #4) 7:00 AM. HSM. NU STRIPPING HEAD AND X-O SPOOL. CHANGE OUT 1 BLIND RAM TO 2-3/8" PIPE RAMS. MU 4-3/4" MILL, 2-3/8" REG PIN X 2-7/8" REG BOX X-O, FLOAT SUB, PUMP OPEN BIT SUB, AND 1.875" 'R' NIPPLE ON 2-3/8" J-55 EUE TBG. RU PWR SWIVEL W/ JT #195 AND START CIRC AT 1 BPM.

D/O #1 CBP AT 6020' IN 30 MIN, 150 PSI INCREASE. RIH AND TAG SAND AT 6120' C/O. D/O #2 CBP AT 6150' IN 18 MIN, 150 PSI INCREASE. RIH AND TAG SAND AT 6650' C/O. D/O #3 CBP AT 6680' IN 35 MIN, 200 PSI INCREASE. RIH AND TAG SAND AT 7111' C/O. D/O #4 CBP AT 7156' IN 35 MIN, 300 PSI INCREASE. RIH AND TAG SAND AT 7733' C/O. D/O #5 CBP AT 7763' IN 40 MIN, 300 PSI INCREASE.

RIH AND TAG 3-1/2" LT AT 7886' W/ 256-JTS IN. MILL ON CBP REMAINS GENTLY FOR 10 MIN UNTIL TORQUE CHANGED. CIRC 20 BBLS TO LIFT. RD PWR SWIVEL. LD 61-JTS AS POOH. PU AND LUB IN 7-1/16" 10K HANGER. LAND W/ EOT (4-3/4" MILL) AT 6031' AND 1.87" 'R' NIPPLE AT 6026'. RD FLOOR. ND BOP. DROP BALL. NU WH. PUMP 25-BBLS. DID NOT SEE PUMP OPEN SUB SHIFT. QUIT PUMPING. 800 PSI ON TBG. PLUMB IN FLOW LINE TO PIT. TURN OVER TO FLOW BACK CREW. SICP 1800, FTP 250 (NO CHOKE). WILL RD IN AM. PUMPED 600 BBLS TODAY. CUMM 8426 BBLS. RECOVER 2185 BBLS TODAY. LTR 6241 BBLS.

- 09/19/07 FLOWBACK REPORT:** CP 2825#, TP 2050#, CK 20/64", 47 BWPH, LOAD REC'D 714 BBLS, LLTR 5526 BBLS
- 09/20/07 FLOWBACK REPORT:** CP 2500#, TP 2000#, CK 20/64", 35 BWPH, LOAD REC'D 1644 BBLS, LLTR 4596 BBLS
WELL WENT ON SALES: @ 10:40 AM, 2.5 MMCF, 1875 TBG, 2500 CSG, 20/64 CK, 40 BBWH
- 09/21/07 ON SALES:** 1388 MCF, 0 BC, 960 BW, TP: 1800#, CP: 2300#, 20/64 CHK, 14 HRS, LP: 176#.
- 09/22/07 ON SALES:** 2543 MCF, 0 BC, 480 BW, TP: 1700#, CP: 2200#, 20/64 CHK, 14 HRS, LP: 173#.
- 09/23/07 ON SALES:** 2525 MCF, 0 BC, 360 BW, TP: 1675#, CP: 2100#, 20/64 CHK, 24 HRS, LP: 168#.

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

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

8. Lease Name and Well No.
NBU 1022-4J-4T

4. Location of Well (Report locations clearly and in accordance with Federal requirements)*
At surface **NW/SE 1385'FSL, 1941'FEL**

9. API Well No.
4304738517

At top prod. interval reported below

10. Field and Pool, or Exploratory
NATURAL BUTTES

At total depth

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

14. Date Spudded **06/16/07**

12. County or Parish **UINTAH**

13. State **UTAH**

15. Date T.D. Reached **08/10/07**

17. Elevations (DF, RKB, RT, GL)*
5093'GL

16. Date Completed D & A Ready to Prod.
09/20/07

18. Total Depth: MD **8016'** TVD
19. Plug Back T.D.: MD **7733'** TVD

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

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CBL GCL GR RPM, RAB

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14"	36.7#		40'		28 SX			
12 1/4"	9 5/8"	32.3# 36#		2400'		450 SX			
7 7/8"	4 1/2"	11.6#		8016'		1100 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"	6031'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	6071'	6650'	6071'-6650'	0.36	84	OPEN
B) MESAVERDE	6778'	8420'	6778'-8420'	0.36	135	OPEN
C)						
D)						

26. Perforation Record

Depth Interval	Amount and type of Material
6071'-6650'	PMP 1791 BBLs SLICK H2O & 62,923# 30/50 SD
6778'-8420'	PMP 6035 BBLs SLICK H2O & 216,152# 30/50 SD

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

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

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
09/20/07	09/25/07	24	→	0	2,601	240			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1700#	Csg. Press. 2000#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	2000#	→	0	2601	240			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
09/20/07	09/25/07	24	→	0	2601	240			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. 1700#	Csg. Press. 2000#	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Well Status	
20/64	SI	2000#	→	0	2601	240			PRODUCING GAS WELL

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
WASATCH MESAVERDE	4302' 6738'	6738'			

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 10/19/07

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.