

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

FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: ML-22452	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		8. UNIT or CA AGREEMENT NAME: UNIT #891008900A	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE L.P.		9. WELL NAME and NUMBER: NBU 1021-2M	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 730'FSL, 576'FWL AT PROPOSED PRODUCING ZONE:		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 10S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 16 MILES SOUTH OF OURAY, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 576'	16. NUMBER OF ACRES IN LEASE: 489.92	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40.00	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) REFER TO TOPO C	19. PROPOSED DEPTH: 9,400	20. BOND DESCRIPTION: RLB0005237	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5069'GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,200	265 SX CLASS G	1.18 YIELD	15.6 PPG
7 7/8"	4 1/2	I-80	11.6#	9,400	1940 SX 50/50 POZ	1.31 YIELD	14.3 PPG

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

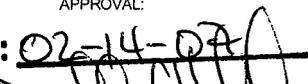
SIGNATURE  DATE 11/7/2006

(This space for State use only)

Approved by the
Utah Division of
Oil, Gas and Mining

NOV 13 2006
DIV. OF OIL, GAS & MINING

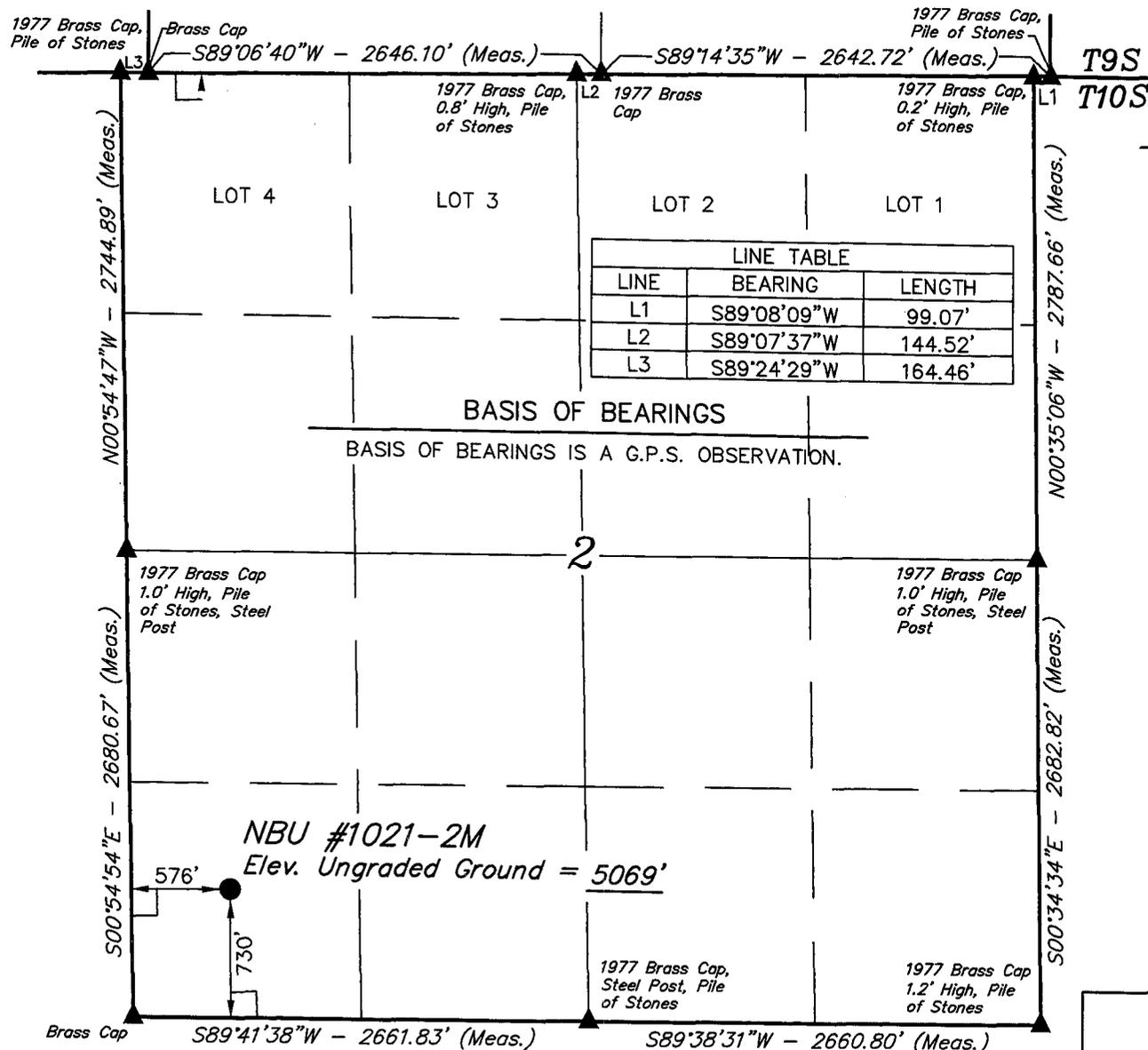
API NUMBER ASSIGNED: 43-0147-38041

APPROVAL: 
Date: 02-14-07
By: 

T10S, R21E, S.L.B.&M.

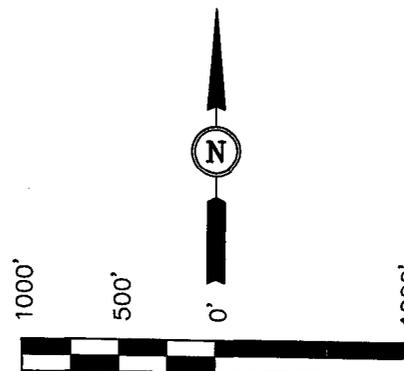
Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1021-2M, located as shown in the SW 1/4 SW 1/4 of Section 2, T10S, R21E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

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



REGISTERED LAND SURVEYOR
 No. 461319
ROBERT J. KAY
 REGISTERED LAND SURVEYOR
 STATE OF UTAH

THIS IS TO CERTIFY THAT THE SURVEY 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°58'20.03" (39.972231)
 LONGITUDE = 109°31'35.72" (109.526589)
 (NAD 27)
 LATITUDE = 39°58'20.16" (39.972267)
 LONGITUDE = 109°31'33.25" (109.525903)

UINTAH ENGINEERING & LAND SURVEYING		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 09-14-06	DATE DRAWN: 09-18-06
PARTY J.W. A.A. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU 1021-2M
SWSW SEC. 2, T10S, R21E
UINTAH COUNTY, UTAH
ML-22452**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1306'
Top of Birds Nest Water	1575'
Mahogany	2212'
Wasatch	4545'
Mesaverde	7342'
MVU2	8228'
MVL1	8815'
TD	9400'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	1306'
	Top of Birds Nest Water	1575'
	Mahogany	2212'
Gas	Wasatch	4545'
Gas	Mesaverde	7342'
Gas	MVU2	8228'
Gas	MVL1	8815'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9400' TD, approximately equals 5828 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3760 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 refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE November 7, 2006
 WELL NAME NBU 1021-2M TD 9,400' MD/TVD
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,069' GL KB 5,084'
 SURFACE LOCATION SWSW SEC. 2, T10S, R21E 730'FSL, 576'FWL BHL Straight Hole
 Latitude: 39.972231 Longitude: 109.526589
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, 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 4,545' Green River @ 1,306' Top of Birds Nest Water @ 1575' Preset ff GL @ 2,200' MD					
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 @	2,212'			Water/Fresh Water Mud
Mud logging program TBD Open hole logging program ff TD - surf csg			7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	8.3-11.5 ppg
	Wasatch @	4,545'			
	Mverde @	7,342'			
	MVU2 @	8,228'			
	MVL1 @	8,815'			
	TD @	9,400'			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 2200	32.30	H-40	STC	0.64*****	1.33	4.08
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 9400	11.60	I-80	LTC	2.19	1.13	2.11

- 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 3553 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	4,040'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	440	60%	11.00	3.38
	TAIL	5,360'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1500	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.

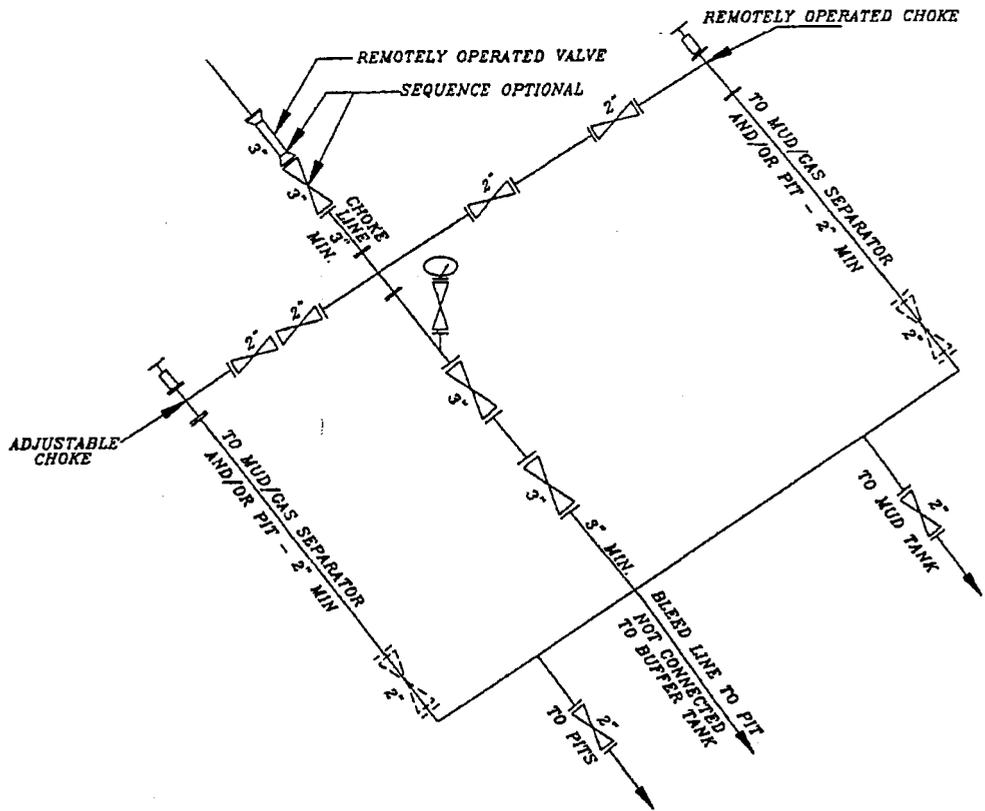
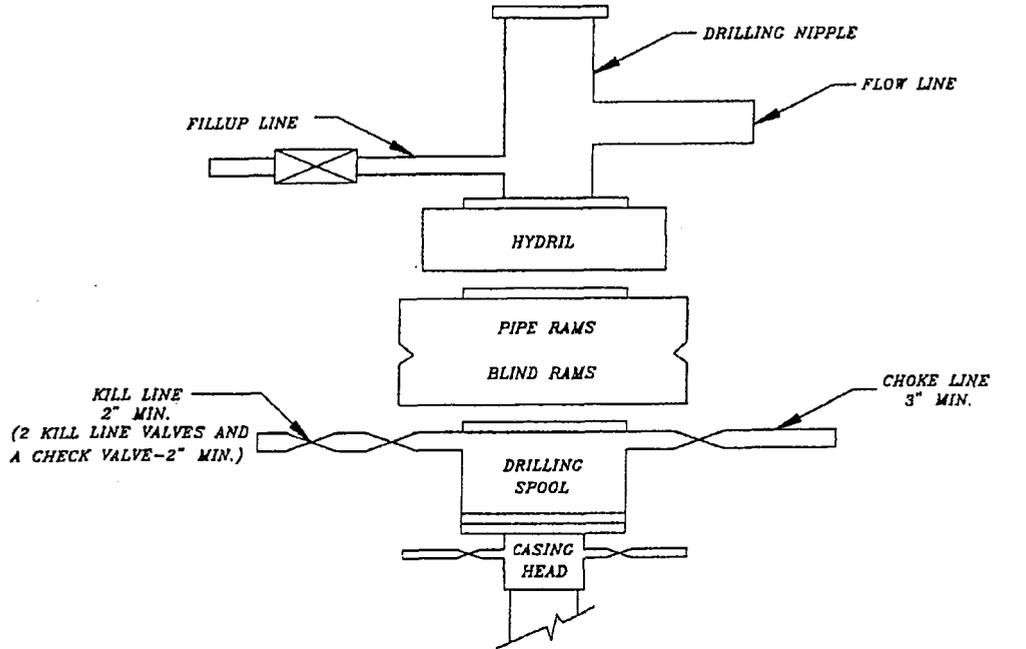
DRILLING ENGINEER: _____
 Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
 Randy Bayne

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 1021-2M
SWSW SEC. 2, T10S, R21E
Uintah County, UT
ML-22452

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

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

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

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

2. Planned Access Roads:

Approximately 310' +/- of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

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

A dike will be constructed completely around those production facilities which contain

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

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

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

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

Approximately 5553' +/- of 4" pipeline is proposed from the location to an tie-in point. Refer to Topo Map D.

5. Location and Type of Water Supply:

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

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

No water well is to be drilled on this lease.

6. Source of Construction Materials:

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

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

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

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

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

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will

be disposed of in the pit.

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

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

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

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

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

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

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

8. Ancillary Facilities:

None are anticipated.

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

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

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

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

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

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

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

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

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

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

Location size may change prior to the drilling of the well due to 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 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

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

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

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

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

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

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

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

Dry Hole/Abandoned Location:

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

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

11. **Surface Ownership:**

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. **Other Information:**

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

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

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

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

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

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

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

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

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

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

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

11/7/2006

Date

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-2M

SECTION 2, T10S, R21E, 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 ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY, THEN SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 310' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 47.0 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1021-2M

LOCATED IN UINTAH COUNTY, UTAH
SECTION 2, T10S, R21E, S.L.B.&M.

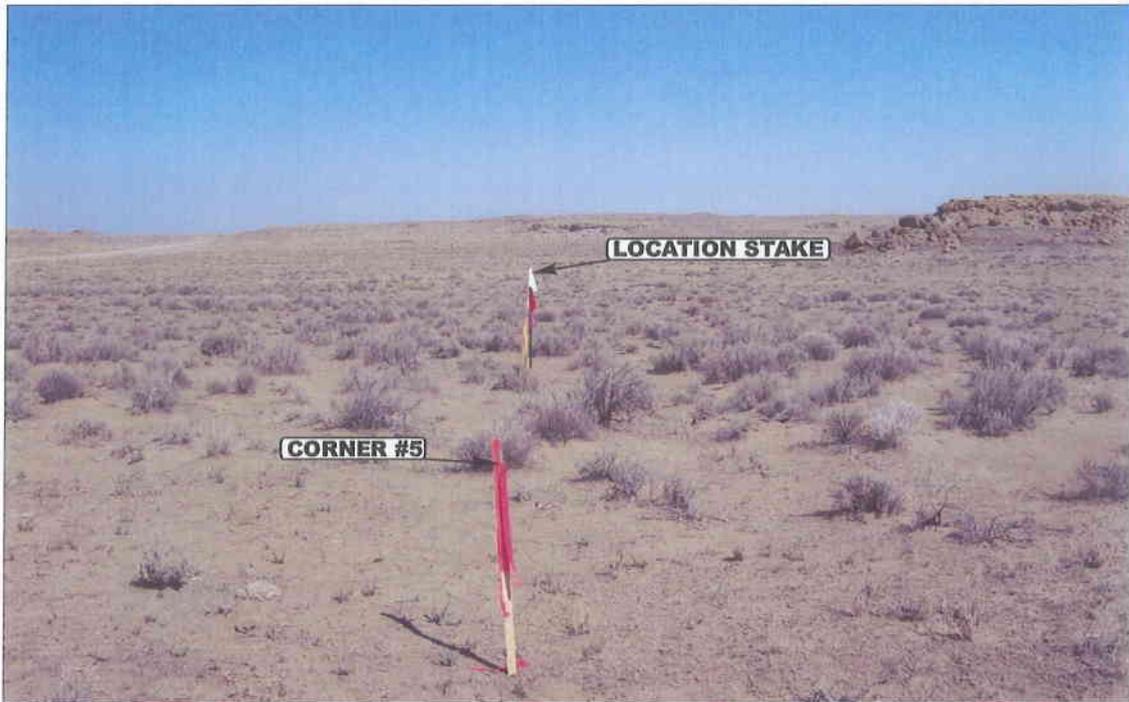


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

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

LOCATION PHOTOS

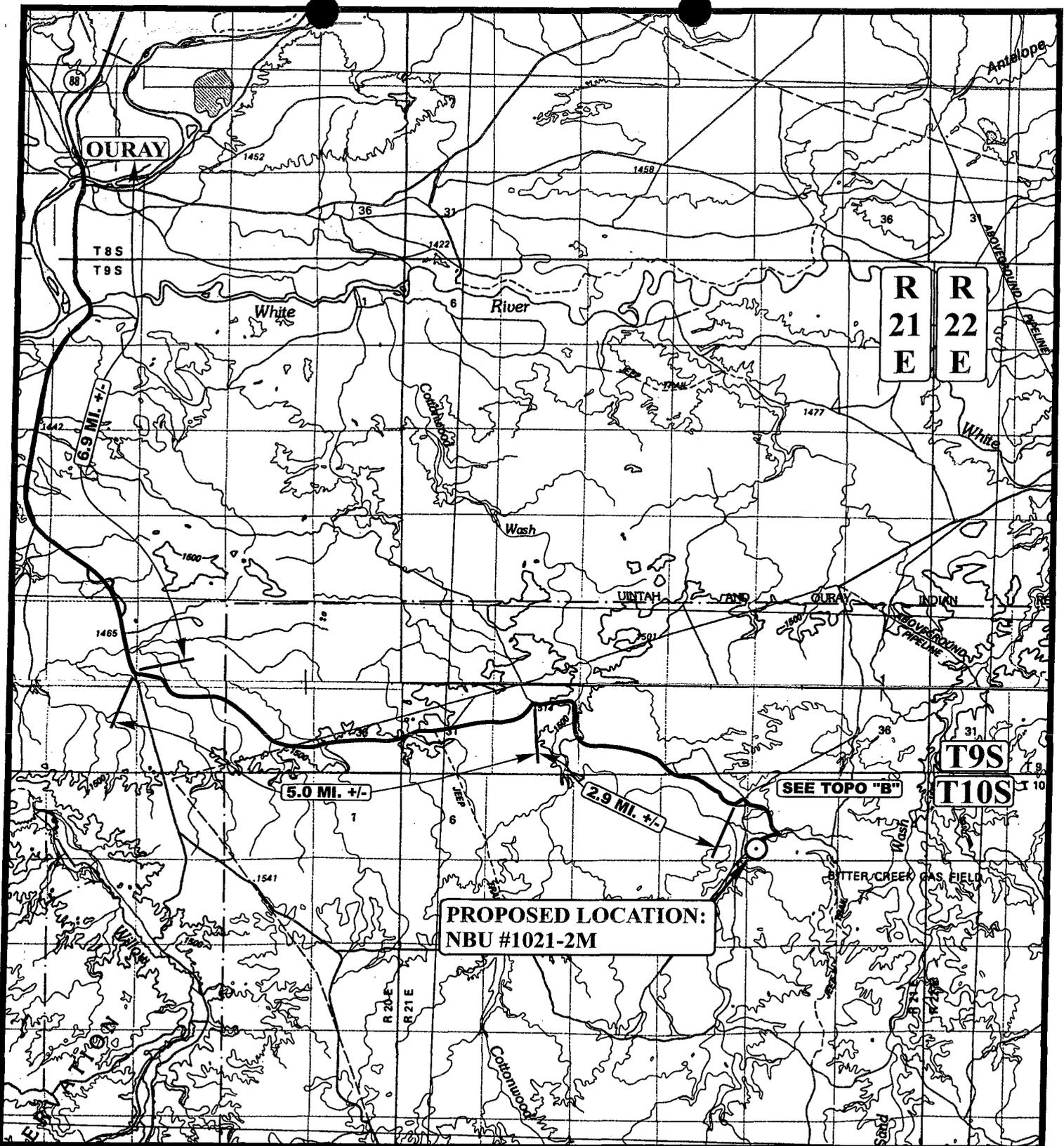
09 18 06
MONTH DAY YEAR

PHOTO

TAKEN BY: J.W.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:
 ○ PROPOSED LOCATION

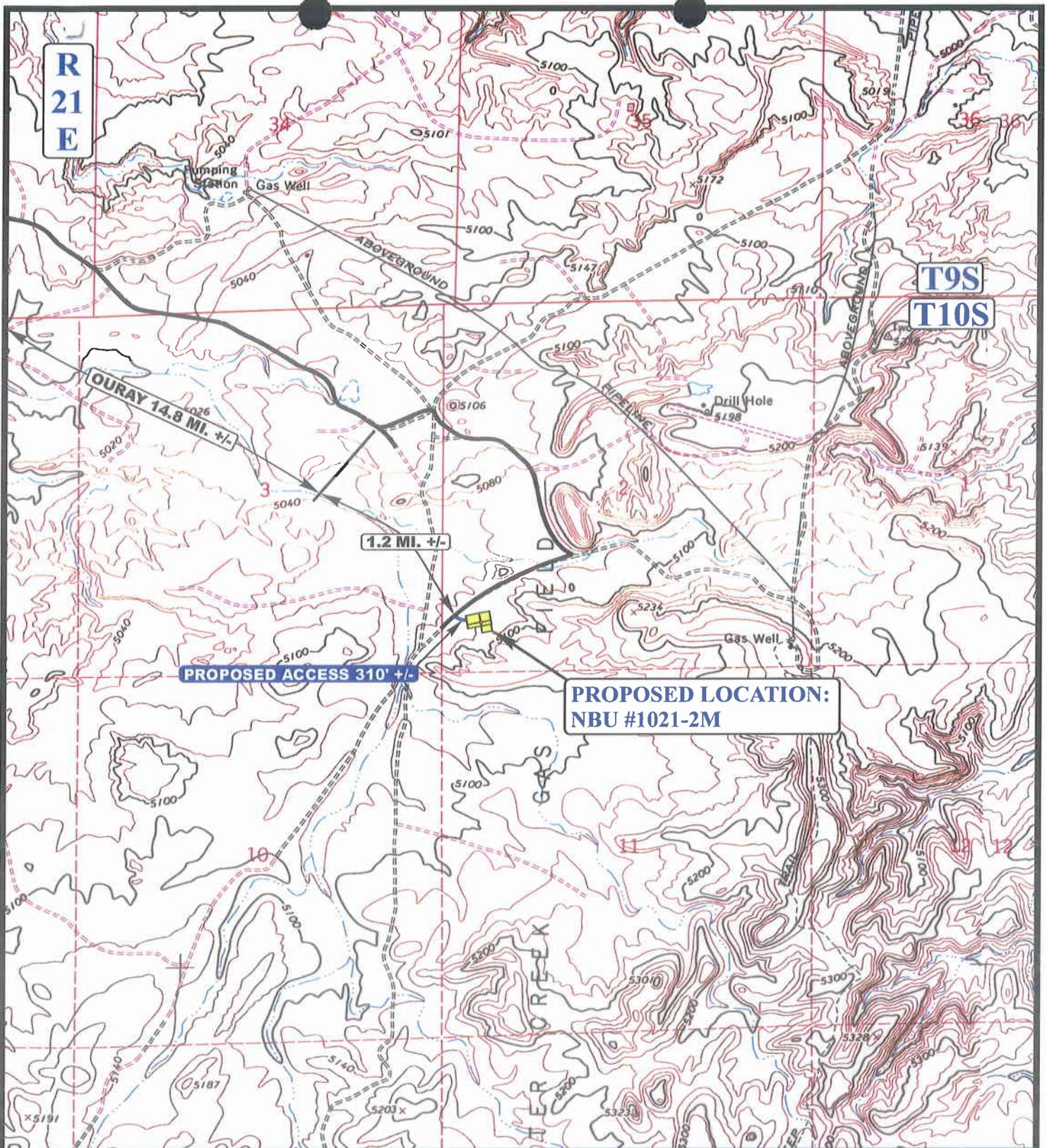
Kerr-McGee Oil & Gas Onshore LP
 NBU #1021-2M
 SECTION 2, T10S, R21E, S.L.B.&M.
 730' FSL 576' FWL

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



TOPOGRAPHIC 09 18 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

NBU #1021-2M
SECTION 2, T10S, R21E, S.L.B.&M.
730' FSL 576' FWL

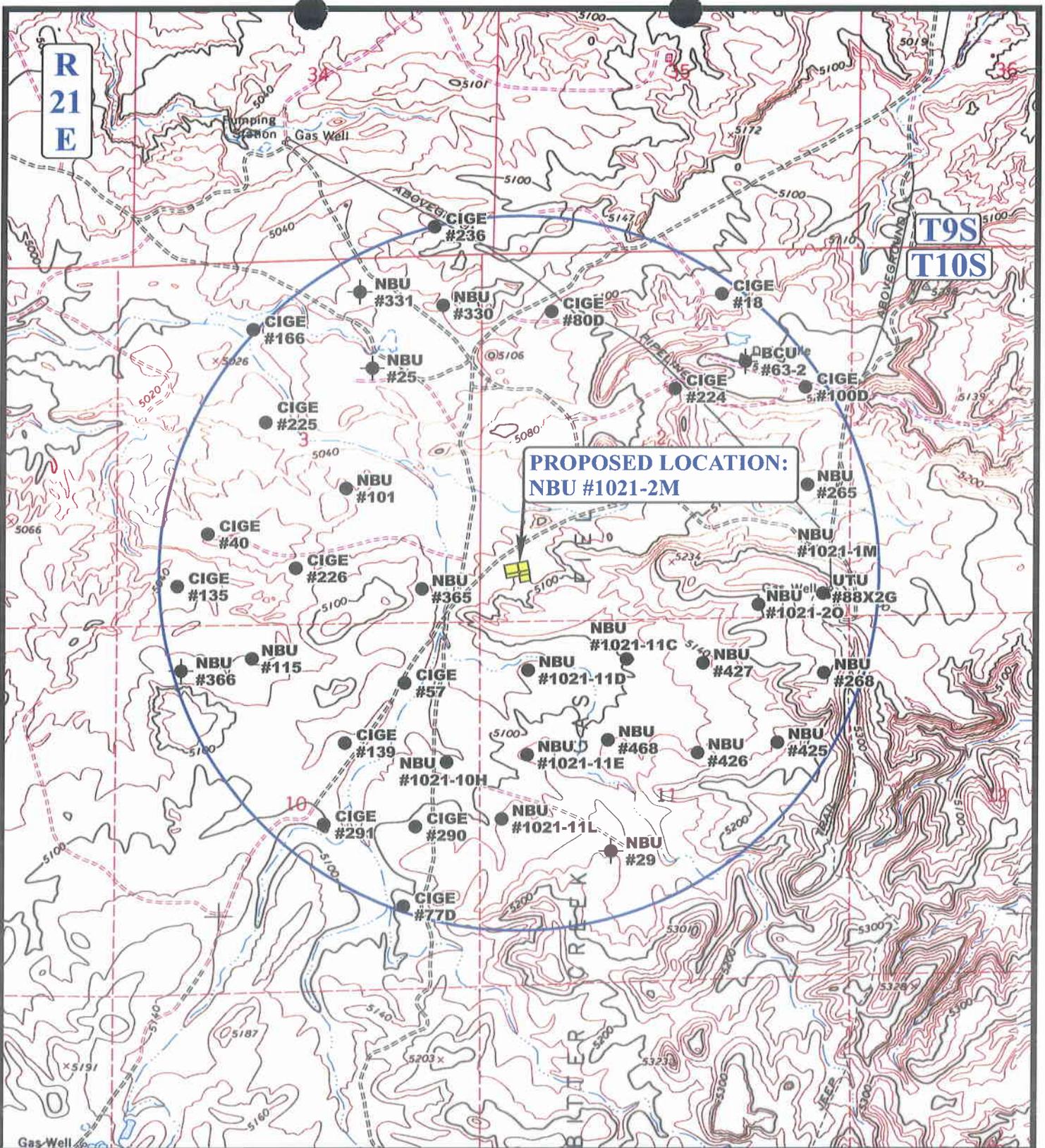


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 09 18 06
MAP MONTH DAY YEAR

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





**PROPOSED LOCATION:
NBU #1021-2M**

LEGEND:

- ⊘ DISPOSAL WELLS
- PRODUCING WELLS
- ⬮ SHUT IN WELLS
- ⊘ WATER WELLS
- ⬮ ABANDONED WELLS
- ⬮ TEMPORARILY ABANDONED

Kerr-McGee Oil & Gas Onshore LP

**NBU #1021-2M
SECTION 2, T10S, R21E, S.L.B.&M.
730' FSL 576' FWL**



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



**TOPOGRAPHIC
MAP**

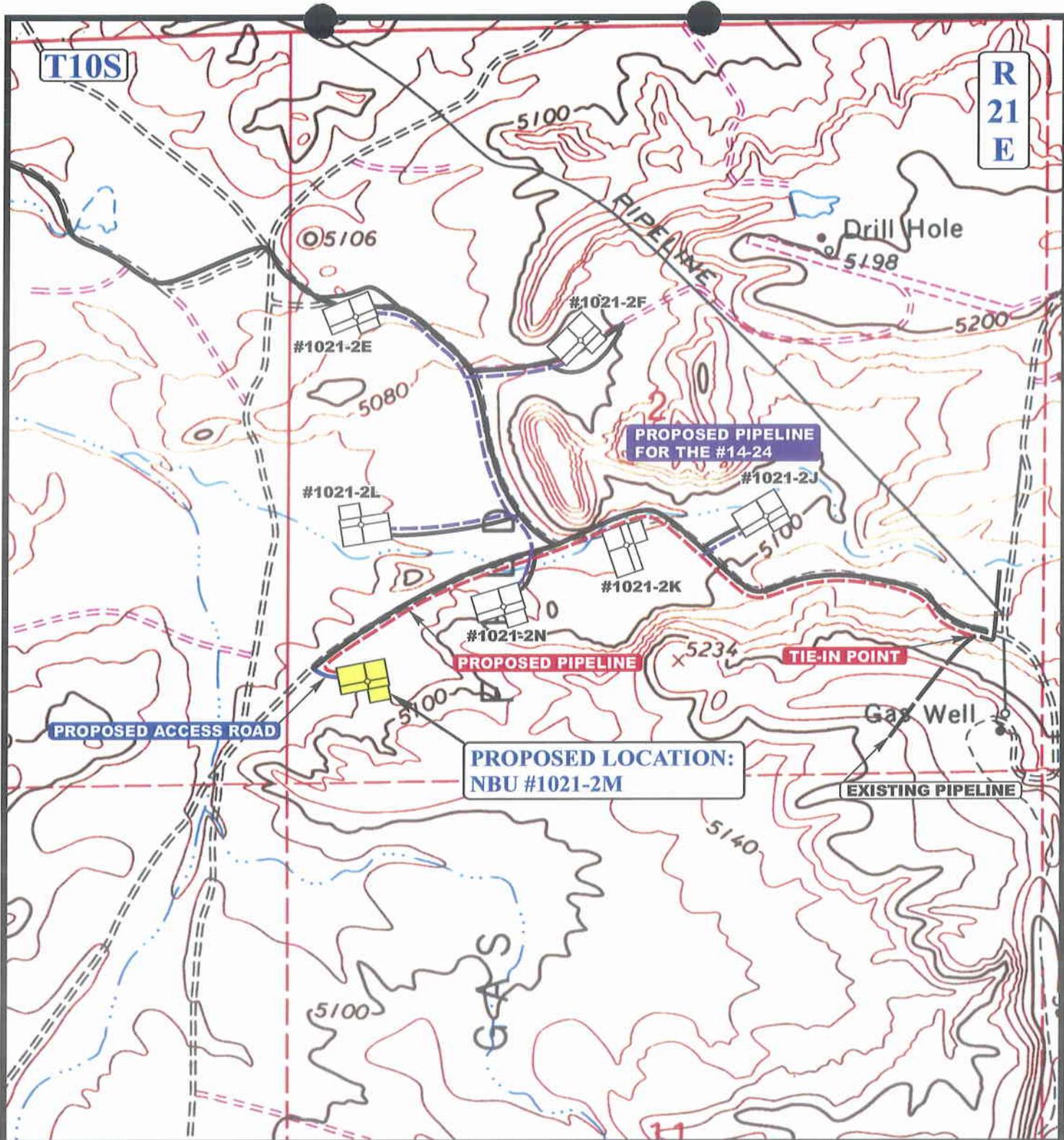
09 18 06
MONTH DAY YEAR

SCALE: 1" = 2000'

DRAWN BY: C.P.

REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 5,553' +/-

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP

**NBU #1021-2M
SECTION 2, T10S, R21E, S.L.B.&M.
730' FSL 576' FWL**



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

TOPOGRAPHIC MAP
09 18 06
MONTH DAY YEAR
SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-2M

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 2, T10S, R21E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: WESTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: WESTERLY



- Since 1964 -

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

PIPELINE PHOTOS

09 18 06
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: C.P.

REVISED: 00-00-00

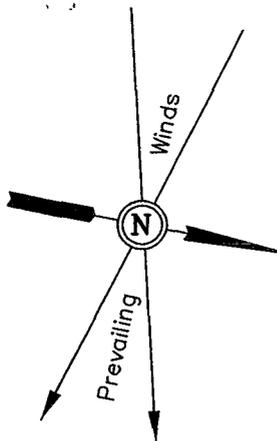
Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

NBU #1021-2M
SECTION 2, T10S, R21E, S.L.B.&M.
730' FSL 576' FWL

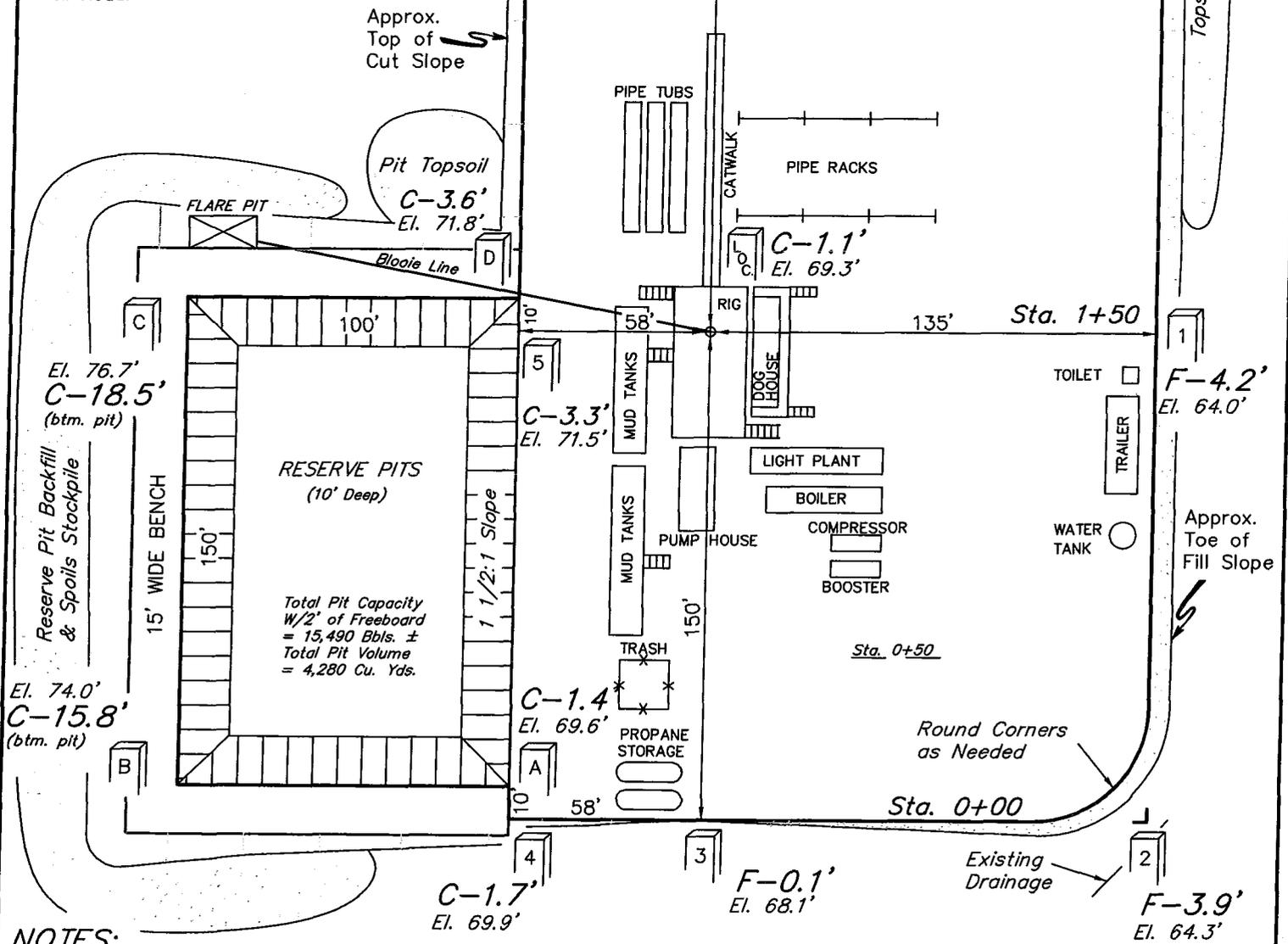
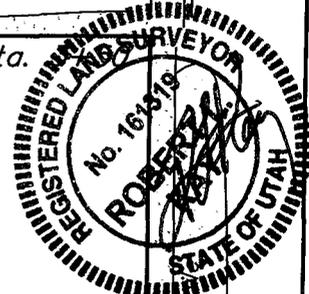
Proposed Access Road



SCALE: 1" = 50'
DATE: 09-18-06
Drawn By: S.L.

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5069.3'
FINISHED GRADE ELEV. AT LOC. STAKE = 5068.2'

Kerr-McGee Oil & Gas Onshore LP

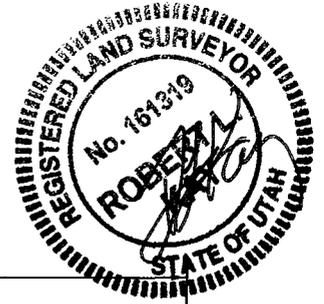
FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #1021-2M

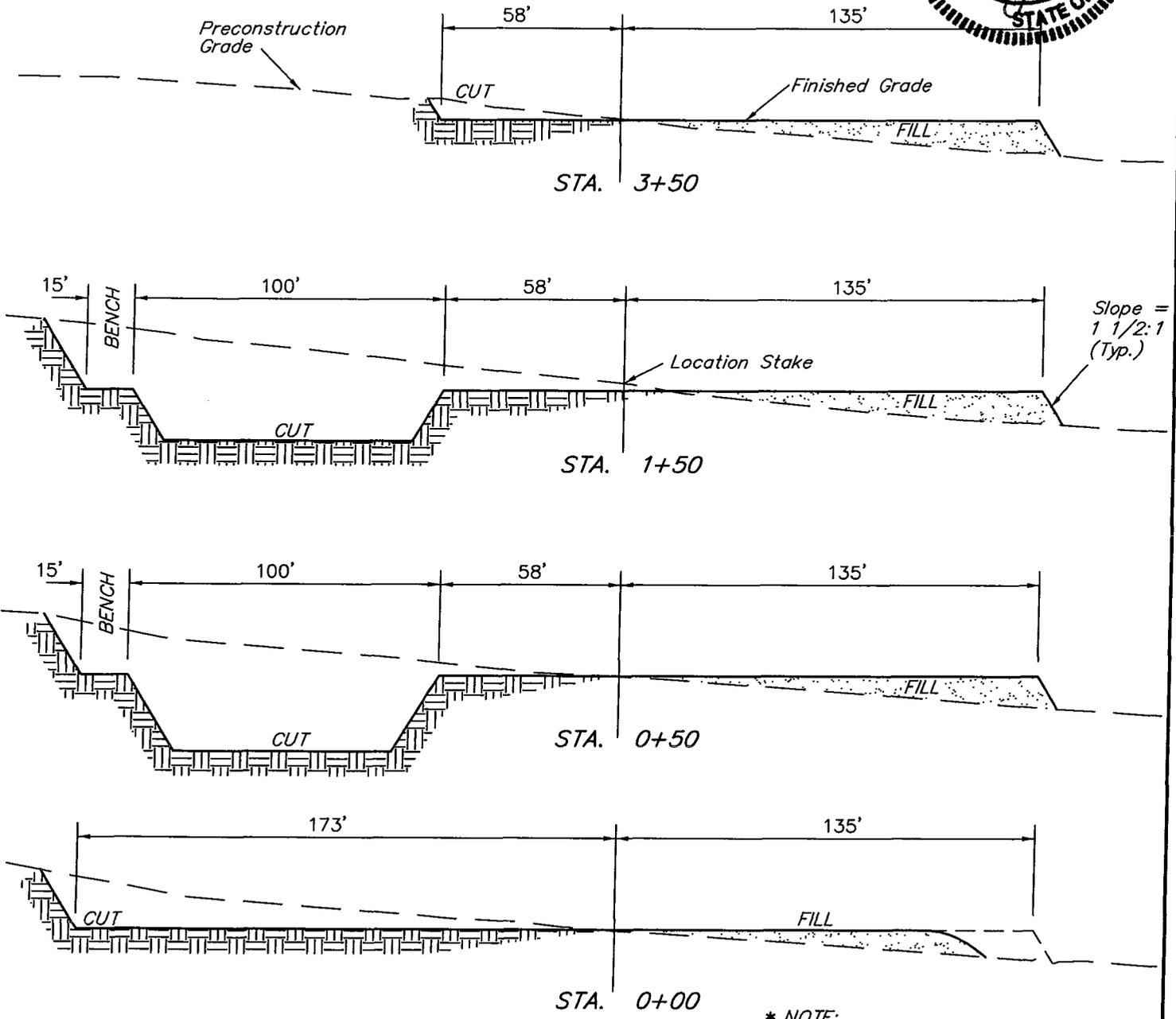
SECTION 2, T10S, R21E, S.L.B.&M.

730' FSL 576' FWL



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

DATE: 09-18-06
Drawn By: S.L.



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,840 Cu. Yds.
Remaining Location	= 8,870 Cu. Yds.
TOTAL CUT	= 10,710 CU.YDS.
FILL	= 4,950 CU.YDS.

EXCESS MATERIAL	= 5,760 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,980 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 1,780 Cu. Yds.

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/13/2006

API NO. ASSIGNED: 43-047-38841

WELL NAME: NBU 1021-2M
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SWSW 02 100S 210E
 SURFACE: 0730 FSL 0576 FWL
 BOTTOM: 0730 FSL 0576 FWL
 COUNTY: UINTAH
 LATITUDE: 39.97220 LONGITUDE: -109.5259
 UTM SURF EASTINGS: 625889 NORTHINGS: 4425502
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	<i>DRV</i>	12/13/06
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-22452
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)
- 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:

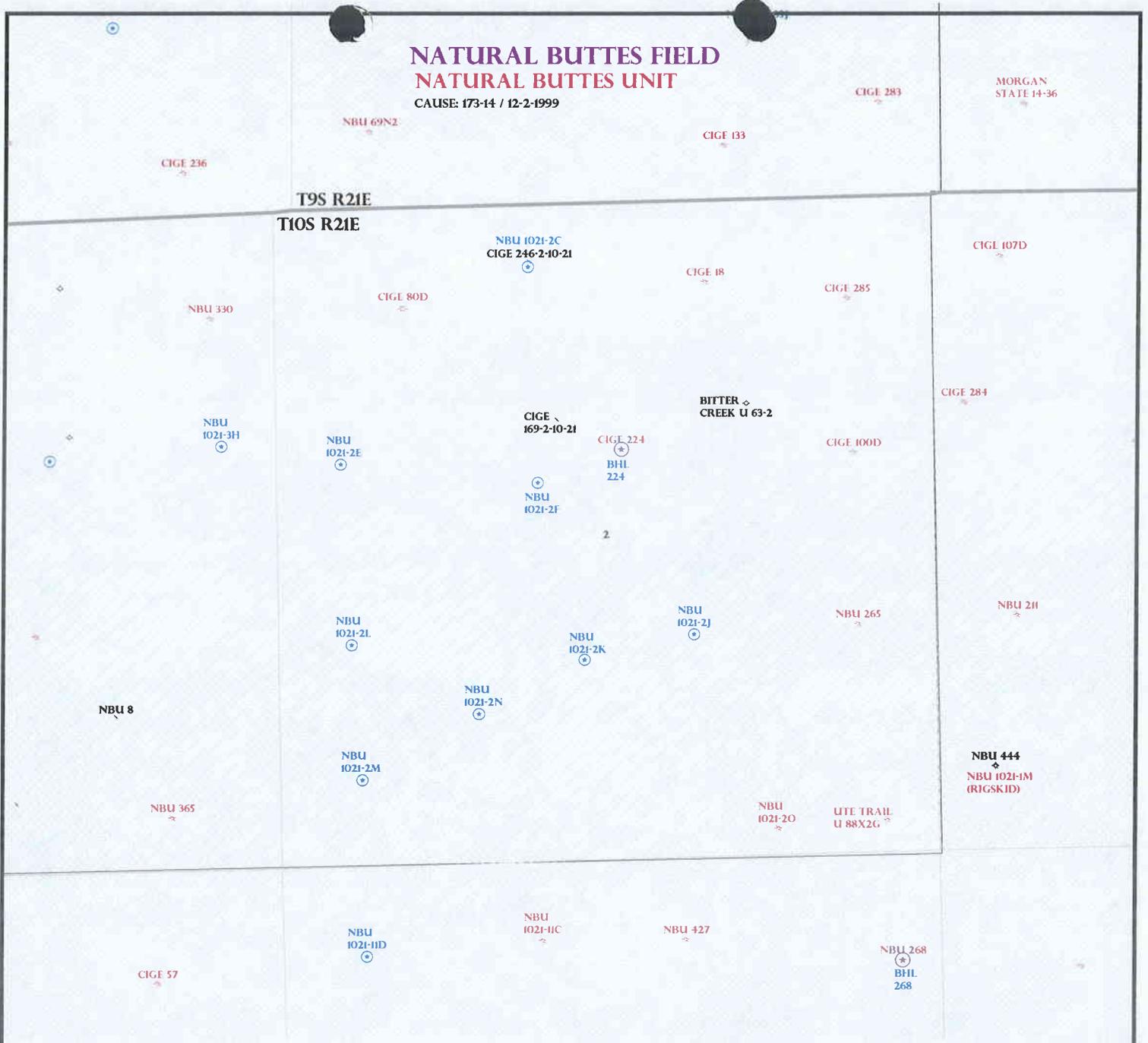
- R649-2-3.
- Unit: NATURAL BUTTES
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 460' fr u bdr of Uncomm. Tracts
- R649-3-11. Directional Drill

COMMENTS: Needs Permit (11-17-06)

STIPULATIONS: 1- STATEMENT OF BASIS
2- OIL SHALE
3- Surf. Csg Cont St. p

NATURAL BUTTES FIELD NATURAL BUTTES UNIT

CAUSE: 173-14 / 12-2-1999



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 2 T.10S R. 21E

FIELD: NATURAL BUTTES (630)

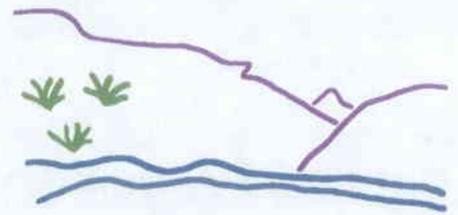
COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status	
	ABANDONED
	ACTIVE
	COMBINED
	INACTIVE
	PROPOSED
	STORAGE
	TERMINATED

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

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



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON
DATE: 16-NOVEMBER-2006

Application for Permit to Drill

Statement of Basis

11/30/2006

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
159	43-047-38841-00-00		GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, LP		Surface Owner-APD		
Well Name	NBU 1021-2M	Unit			
Field	UNDESIGNATED	Type of Work			
Location	SWSW 2 10S 21E S 0 FL 0 FL GPS Coord (UTM) 625889E 4425502N				

Geologic Statement of Basis

Kerr McGee proposes to set 2,200' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,600'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of section 2. The well is approximately .75 miles from the proposed location. It produces from a depth of 2,640 and is listed as being used for oil field drilling water. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought to above the base of the moderately saline groundwater in order to isolate it from fresher waters uphole.

Brad Hill
APD Evaluator

11/30/2006
Date / Time

Surface Statement of Basis

The surface and minerals for the proposed location are both owned by SITLA. Mr. Jim Davis represented SITLA at the pre-site and had no concerns not covered in the APD. The proposed location appears to be the best site for drilling and operating a well in the immediate area.

The general area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 18 miles southeast of Ouray, Utah. Access is by State of Utah Highways, Uintah County and oilfield development roads a distance of 51 miles from Vernal, UT.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 3 miles. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

This proposed location is on a relatively flat side slope of a ridge near a outcrop on the ridge which lies to the east.

Floyd Bartlett
Onsite Evaluator

11/17/2006
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 20 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, LP
Well Name NBU 1021-2M
API Number 43-047-38841-0 **APD No** 159 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SWSW **Sec** 2 **Tw** 10S **Rng** 21E 0 FL 0 FL
GPS Coord (UTM) 625886 4425510 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Carroll Estes and Tony Kazneik (Kerr McGee), David Kay (UELS).

Regional/Local Setting & Topography

The general area is the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 18 miles southeast of Ouray, Utah. Access is by State of Utah Highways, Uintah County and oilfield development roads a distance of 51 miles from Vernal, UT.

Topography is characterized by broad open flats dissected by numerous sub-drainages, which often become steep with ridges and draws with exposed sandstone layers. No perennial streams occur in drainage. Individual draws or washes are ephemeral with spring runoff or flows from sometimes-intense summer rainstorms. White River is to the northeast about 3 miles. No springs exist in the area. An occasional constructed pond occurs furnishing water for antelope or livestock.

This proposed location is on a relatively flat side slope of a ridge near a outcrop on the ridge to the east.

Surface Use Plan

Current Surface Use

Grazing
Wildlfe Habitat

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.15	Width 278	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

A sparse vegetative cover of shadscale, horsebrush, prickly pear, halogeton, curly mesquite, cheat grass and Indian ricegrass exists. Antelope, rabbits, small reptiles, birds and mammals. Sheep graze the area in the winter.

Soil Type and Characteristics

Deep sandy loam with no surface rock.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y Paleo Potential Observed? N Cultural Survey Run? Y Cultural Resources?

Reserve Pit

Site-Specific Factors		Site Ranking	
Distance to Groundwater (feet)	>200	0	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)	300 to 1320	10	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)	<10	0	
Affected Populations	<10	0	
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	25	1 Sensitivity Level

Characteristics / Requirements

150' by 70' and 10' deep. The reserve pit is all within cut on the south east side of the location. A 15' wide bench is planned around the outer edges and 2' of freeboard.

A pit liner is required. Kerr McGee lines all pits with a 20 mil liner and a felt sub-liner.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 20 Pit Underlayment Required? Y

Other Observations / Comments

Floyd Bartlett
Evaluator

11/17/2006
Date / Time

Casing Schematic

Surface

BHP

$0.052(9400)11.5 = 5621 \text{ psi}$

anticipate 3760 @ Surf.

Gas

$.12(9400) = 1128$

$5621 - 1128 = 4493 \text{ psi}$

MASP 5/8" MW 8.4 Frac 19.3

BOPE = 5M ✓

Burst 2270

70% = 1589 psi

Max P @ surf. shoe

$.22(7200) = 1584$

$5621 - 1584 = 4037 \text{ psi}$

test to 1589 psi ✓

tip ⇒ surf. cmt. (top-off planned)

✓ Adequate Dec 12/13/04

4-1/2" MW 11.5

12% 18%

TOC @ 0.

Uinta TOC to surf w/4% w/o

✓ Surf stop

TOC @ 841.

1306

Green River

1575

TOP of Bird's Nest Water

2212

Surface

Mahogany

2200. MD

3600' ± BMSW

4545' Wasatch

7342' Mesaverde

8228' MVU 2

8815' MV L 1

Production 9400. MD

Well name:	2006-12 Kerr McGee NBU 1021-2M	
Operator:	Kerr McGee Oil & Gas Onshore, LP	
String type:	Surface	Project ID: 43-047-38841
Location:	Uintah County, Utah	

Design parameters:

Collapse

Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 106 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: 841 ft

Burst

Max anticipated surface pressure: 1,936 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,200 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,929 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 9,400 ft
Next mud weight: 11,500 ppg
Next setting BHP: 5,616 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,200 ft
Injection pressure: 2,200 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2200	9.625	32.30	H-40	ST&C	2200	2200	8.876	972.1
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	960	1370	1.427	2200	2270	1.03	62	254	4.08 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: December 11, 2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2200 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	2006-12 Kerr McGee NBU 1021-2M	
Operator:	Kerr McGee Oil & Gas Onshore, LP	
String type:	Production	Project ID: 43-047-38841
Location:	Uintah County, Utah	

Design parameters:

Collapse

Mud weight: 11.500 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 207 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

Burst

Max anticipated surface pressure: 3,548 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,616 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Non-directional string.

Tension is based on buoyed weight.

Neutral point: 7,784 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	9400	4.5	11.60	I-80	LT&C	9400	9400	3.875	820.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5616	6360	1.133	5616	7780	1.39	90	212	2.35 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: December 11, 2006
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9400 ft, a mud weight of 11.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

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)

November 22, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2006 Plan of Development Natural Buttes Unit
Uintah County, Utah.

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

API#	WELL NAME	LOCATION
------	-----------	----------

(Proposed PZ Wasatch/MesaVerde)

43-047-38838	NBU 1021-2E	Sec 2 T10S R21E 2068 FNL 0471 FWL
43-047-38839	NBU 1021-2F	Sec 2 T10S R21E 2271 FNL 2090 FWL
43-047-38840	NBU 1021-2N	Sec 2 T10S R21E 1253 FSL 1545 FWL
43-047-38841	NBU 1021-2M	Sec 2 T10S R21E 0730 FSL 0576 FWL
43-047-38842	NBU 1021-2K	Sec 2 T10S R21E 1682 FSL 2432 FWL
43-047-38843	NBU 1021-2L	Sec 2 T10S R21E 1849 FSL 0520 FWL
43-047-38844	NBU 1021-2J	Sec 2 T10S R21E 1868 FSL 1998 FEL
43-047-38851	State 1022-250	Sec 25 T10S R22E 1274 FSL 2121 FEL

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

/s/ Michael L. Coulthard

bcc: File - Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:11-22-06

From: Ed Bonner
To: Mason, Diana
Date: 2/14/2007 9:50 AM
Subject: The following wells have been given cultural resource clearance by the Trust Lands Cultural Resource

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil; sheila.upchego...
The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

- Kerr McGee Oil & Gas Onshore LP
- NBU 1022-7H-4 (API 43 047 38570)
- NBU 1021-2E (API 43 047 38838)
- NBU 1021-2F (API 43 047 38839)
- NBU 1021-2M (API 43 047 38841)
- NBU 1021-2K (API 43 047 38842)
- NBU 1021-2L (API 43 047 38843)
- NBU 1021-2J (API 43 047 38844)
- NBU 1021-36D (API 43 047 38845)
- NBU 1021-36E (API 43 047 38846)
- NBU 1021-36F (API 43 047 38847)
- NBU 1021-36N (API 43 047 38848)
- NBU 1021-36K (API 43 047 38849)
- NBU 1021-36C (API 43 047 38850)
- NBU 1021-1G (API 43 047 39001)
- NBU 1021-1O (API 43 047 39002)
- NBU 1021-1P (API 43 047 39003)
- NBU 1021-30I (API 43 047 39020)
- NBU 1021-30J (API 43 047 39021)
- NBU 1021-30K (API 43 047 39022)
- NBU 1021-30L (API 43 047 39023)
- NBU 1021-30M (API 43 047 39024)
- NBU 1021-30N (API 43 047 39025)

If you have any questions regarding this matter please give me a call.



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

February 14, 2007

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

Re: NBU 1021-2M Well, 730' FSL, 576' FWL, SW SW, Sec. 2, T. 10 South,
R. 21 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 43-047-38841.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor (via e-mail)
Bureau of Land Management, Vernal District Office
SITLA

Operator: Kerr-McGee Oil & Gas Onshore LP
Well Name & Number NBU 1021-2M
API Number: 43-047-38841
Lease: ML-22452

Location: SW SW Sec. 2 T. 10 South R. 21 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

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office
(801) 733-0983 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office
(801) 733-0983 home

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. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. 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.
7. Surface casing shall be cemented to the surface.

RECEIVED

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

NOV 09 2006

FORM 3

AMENDED REPORT
(highlight changes)

BLM

APPLICATION FOR PERMIT TO DRILL

1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		5. FEDERAL LEASE NO: ML-22452	6. SURFACE: State
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE L.P.		8. UNIT or CA AGREEMENT NAME: UNIT #891008900A	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		9. WELL NAME and NUMBER: NBU 1021-2M	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 730'FSL, 576'FWL AT PROPOSED PRODUCING ZONE: 43,047.38841		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 16 MILES SOUTH OF OURAY, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 576'	16. NUMBER OF ACRES IN LEASE: 489.92	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40.00	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): REFER TO TOPO C	19. PROPOSED DEPTH: 9,400	20. BOND DESCRIPTION: RLB0005237	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5069'GL	22. APPROXIMATE DATE WORK WILL START:	23. ESTIMATED DURATION:	

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT		
12 1/4"	9 5/8	H-40	32.3#	2,200	265 SX CLASS G	1.18 YIELD	15.6 PPG
7 7/8"	4 1/2	I-80	11.6#	9,400	1940 SX 50/50 POZ	1.31 YIELD	14.3 PPG

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- COMPLETE DRILLING PLAN
- EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST
 SIGNATURE *Sheila Upchego* DATE 11/7/2006

(This space for State use only)

API NUMBER ASSIGNED: _____

APPROVAL:

ACCEPTED BY BLM FOR
RECEIVED UNIT PURPOSES ONLY

MAR 30 2007 MAR 21 2007



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410



IN REPLY REFER TO:

3160
UT08300

March 22, 2007

Ramey Hoopes
Kerr-McGee Oil & Gas Onshore, LP
1368 South 1200 East
P.O. Box 1148
Vernal, Utah 84078

Re Application for Permit to Drill
NBU 1021-2E;
NBU 1021-2F;
NBU 1021-2J;
NBU 1021-2K;
NBU 1022-2L;
NBU 1021-2M
SITLA Surface Ownership

Dear Ms. Hoopes:

Enclosed are your copies of the above State referenced APDs which we have accepted for Unit purposes.

If you have any questions, please contact me at (435) 781-4422.

Sincerely,

//s// Phyllis Phillips
Legal Instruments Examiner

Enclosures

cc: Well File
Reading File
Division of Oil-Gas-Mining

RECEIVED
MAR 30 2007
DIV. OF OIL, GAS & MINING

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: ML-22452
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		8. WELL NAME and NUMBER: NBU 1021-2M
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	9. API NUMBER: 4304738841
4. LOCATION OF WELL FOOTAGES AT SURFACE: 730'FSL, 576'FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 10S 21E		10. 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 (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>APD EXTENSION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

THE OPERATOR REQUESTS AUTHORIZATION FOR A ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION. SO THAT THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING ON FEBRUARY 14, 2007.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 02-25-08
By: [Signature]

COPY SENT TO OPERATOR
Date: 2-26-2008
Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE <u>[Signature]</u>	DATE 2/6/2008

(This space for State use only)

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



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

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

API: 4304738841
Well Name: NBU 1021-2M
Location: SW/SW SEC. 2, T10S, R21E
Company Permit Issued to: WESTPORT OIL & GAS COMPANY
Date Original Permit Issued: 2/14/2007

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

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

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

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

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

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

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

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

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


Signature

2/6/2008
Date

Title: SENOIR LAND ADMIN SPECIALIST

Representing: KERR-McGEE OIL & GAS ONSHORE LP

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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHORE, LP

Well Name: NBU 1021-2M

Api No: 43-047-38841 Lease Type: STATE

Section 02 Township 10S Range 21E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # RATHOLE

SPUDDED:

Date 05/22/08

Time 9:00 AM

How DRY

Drilling will Commence: _____

Reported by LEW WELDON

Telephone # (435) 828-7035

Date 05/23//08 Signed CHD

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
4304738841	NBU 1021-2M		SWSW	2	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>B</i>	99999	<i>2900</i>	5/22/2008		5/29/08		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 05/22/2008 AT 0900 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

Title

5/22/2008

Date

RECEIVED

MAY 22 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22652
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: NBU 1021-2M
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304738841
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 730'FSL, 576'FWL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 10S 21E		STATE: UTAH

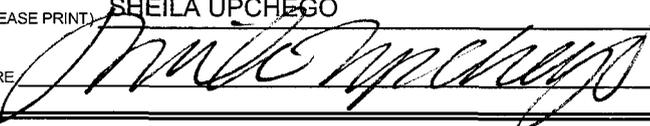
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>WELL SPUD</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

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

SPUD WELL LOCATION ON 05/22/2008 AT 0900 HRS.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>SENIOR LAND ADMIN SPECIALIST</u>
SIGNATURE 	DATE <u>5/22/2008</u>

(This space for State use only)

RECEIVED
MAY 27 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22652
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 730'FSL, 576'FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 10S 21E		8. WELL NAME and NUMBER: NBU 1021-2M
PHONE NUMBER: (435) 781-7024		9. API NUMBER: 4304738841
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

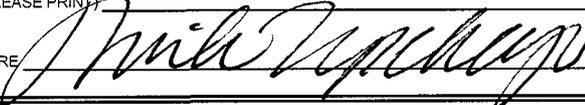
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TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: SET SURFACE CSG
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

MIRU ENSIGN RIG 12 ON 06/08/2008. DRILLED 12 1/4" SURFACE HOLE TO 2315'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/200 SX HIFILL CLASS G @11.0 PPG 3.38 YIELD. TAILED CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE. NO RETURNS TOP OUT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE. NO RETURNS. 2ND TOP OUT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE CMT TO SURFACE W/2 BBLS TO PIT NIPPLE DOWN ROTATING HEAD AND FLOW LINE. CUT OFF CONDUCTOR AND SURFACE CSG INSTALL FMC WELL HEAD ASSEMBLY LET WELL HEAD COOL & TEST CSG TO HEAD SEALS TO 750 INSTALL & TEST WELL HEAD TO BOP ADAPTER TO 5000 PSI NIPPLE UP BOP & RELATED EQUIP. DRILLING AHEAD.

RECEIVED
JUN 17 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE 	DATE 6/12/2008

(This space for State use only)

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: ML-22652
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		8. WELL NAME and NUMBER: NBU 1021-2M
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078	PHONE NUMBER: (435) 781-7024	9. API NUMBER: 4304738841
4. LOCATION OF WELL FOOTAGES AT SURFACE: 730'FSL, 576'FWL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 10S 21E		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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

FINISHED DRILLING FROM 2315' TO 9460' ON 06/19/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/380 SX PREM LITE II @11.2 PPG 2.91 YIELD. TAILED CMT W/1260 SX 50/50 POZ @14.3 PPG 1.31 YIELD. WASH LINES DROP PLUG & DISPLACE W/145 BBLS WATER W/CLAY STAY & MAGNACIDE TO BUMP PLUG W/3175 PSI. RELEASE PSI AND FLOATS HELD HAD 30 BBLS CLEAN CMT RETURNS TO SURFACE. WASH STACK LAND CSG W/75K TEST DTO TO 5000 PSI UNLOCK STACK ND BOPS CLEAN MUD TANKS.

RELEASED ENSIGN RIG 12 ON 06/20/2008 AT 1400 HRS.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>SENIOR LAND ADMIN SPECIALIST</u>
SIGNATURE	DATE <u>6/23/2008</u>

(This space for State use only)

RECEIVED
JUN 26 2008
DIV. OF OIL, GAS & MINING

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: ML-22652
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3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		9. API NUMBER: 4304738841
4. LOCATION OF WELL FOOTAGES AT SURFACE: 730'FSL, 576'FWL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 10S 21E		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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: PRODUCTION START-UP
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 07/26/2008 AT 8:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE	DATE 7/28/2008

(This space for State use only)

RECEIVED
JUL 31 2008
DIV. OF OIL, GAS & MINING

Wins No.: 95121

NBU 1021-2M

Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 05/22/2008	GL 5,069	KB 5083	ROUTE
API 4304738841	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.97223 / 109.52659	Q-Q/Sec/Town/Range: SWSW / 2 / 10S / 21E	Footages: 730.00' FSL 576.00' FWL			

Wellbore: NBU 1021-2M

MTD 9,460	TVD 9,457	PBMD 5,083	PBTVD 5,083
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EVENT INFORMATION:	EVENT ACTIVITY: DRILLING	START DATE: 5/22/2008
	OBJECTIVE: DEVELOPMENT	END DATE: 6/20/2008
	OBJECTIVE 2: ORIGINAL	DATE WELL STARTED PROD.: .
	REASON: SURF FACILITIES	Event End Status:

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PETE MARTIN DRILLING / UI	05/22/2008	05/22/2008	05/22/2008	05/22/2008	05/22/2008	05/22/2008	05/22/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation	MD:
5/22/2008	SUPERVISOR: LEW WELDON							54
	9:00 - 14:00	5.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 0900 HR 5/20/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 12 BLM AND STATE NOTFIED OF SPUD	
5/26/2008	SUPERVISOR: LEW WELDON							510
	16:30 - 0:00	7.50	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 1630 HR 5/26/08 DA AT REPORT TIME 510'	
5/27/2008	SUPERVISOR: LEW WELDON							1,470
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1140'	
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1470'	
5/28/2008	SUPERVISOR: LEW WELDON							1,770
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD HIT TRONA WATER @ 1500' WELL CIRCULATING DA 1710'	
	12:00 - 18:00	6.00	DRLSUR	16		X	DRILL TO 1770' STUCK PIPE WORK PIPE FREE AND WAS DECIDED TO LDDS AND RIG DOWN AIR RIG LEAVE HOLE OPEN FOR ENSIGN 12 TO SET THERE OWN SURFACE	
6/8/2008	SUPERVISOR: KENNETH GATHINGS							1,770
	12:30 - 0:00	11.50	MIRU	01	A	P	RIG DOWN EQUIPMENT	
6/7/2008	SUPERVISOR: KENNETH GATHINGS							1,770
	0:00 - 6:30	6.50	RDMO	01	A	P	RIG DOWN EQUIPMENT TO MOVE	
	6:30 - 18:00	11.50	RDMO	01	A	P	MOVE & SET EQUIPEMT ON NEW LOCATION	

Wins No.:	95121	NBU 1021-2M	API No.:	4304738841			
	6:30 - 18:00	11.50	RDMO	01	A	P	MOVE & SET EQUIPEMT ON NEW LOCATION
	18:00 - 0:00	6.00	RDMO	01	B	P	RIG UP EQUIPMENT / INSTALL 13 5/8 ROTATING HEAD / RAISE DERRICK / RIG UP PUMPS & PITS
6/8/2008	<u>SUPERVISOR:</u> KENNETH GATHINGS						MD: 1,798
	0:00 - 9:00	9.00	MIRU	01	B	P	RIG UP EQUIPMENT / FLARE LINES & GAS BUSTER
	9:00 - 13:00	4.00	MIRU	13	A	P	NIPPLE UP 13 3/8 ROTATING HEAD + RELATED EQUIPMENT
	13:00 - 14:00	1.00	MIRU	08	E	P	I.A.D.C. RIG INSPECTION / PRE-SPUD
	14:00 - 19:00	5.00	MIRU	05	A	P	SAFETY MEETING / PICK UP B.H.A. #1 / TIH TO TAG (PICK UP 8" DC WITH RIG ONLY DUE TO WEIGHT)
	19:00 - 19:30	0.50	MIRU	05	A	P	R.D.M.O. WEATHERFORD EQUIPMENT
	19:30 - 21:30	2.00	MIRU	13	B	P	INSTALL ROTATING RUBBER / CENTER CONDUCTOR UNDER TABLE / PREPARE TO BLIND DRILL SURFACE
	21:30 - 0:00	2.50	MIRU	02	A	P	DRILL F/ 1770' - T/ 1798' (28' @ 11.2 fph) DRILL W/ WATER - NO RETURNS
6/9/2008	<u>SUPERVISOR:</u> KENNETH GATHINGS						MD: 2,203
	0:00 - 1:00	1.00	DRLSUR	02	A	P	DRILL F/ 1798' - T/ 1813' (15' @ 15 fph) NO RETURNS
	1:00 - 1:30	0.50	DRLSUR	06	A	P	SERVICE RIG & EQUIPMENT
	1:30 - 9:00	7.50	DRLSUR	02	A	P	DRILL F/ 1813 - T/ 1886' (73' @ 9.73 fph) NO RETURNS
	9:00 - 11:00	2.00	DRLSUR	05	A	P	P.O.O.H. FOR BIT #2
	11:00 - 11:30	0.50	DRLSUR	06	A	P	SERVICE RIG & EQUIPMENT
	11:30 - 13:30	2.00	DRLSUR	05	A	P	MAKE UP BIT #2 / T.I.H. W/ NO PROBLEMS
	13:30 - 0:00	10.50	DRLSUR	02	A	P	DRILL F/ 1886' - T/ 2203' (317' @ 30.19 fph) NO RETURNS
6/10/2008	<u>SUPERVISOR:</u> KENNETH GATHINGS						MD: 2,215
	0:00 - 1:00	1.00	DRLSUR	02	A	P	DRILL F/ 2303' - T/ 2315' (12' @ 12 fph) NO RETURNS
	1:00 - 2:00	1.00	DRLSUR	04		P	CIRCULATE & CONDITION HOLE FOR CASING / PUMP HIGH VIS PILL (100 BBLs)

Wins No.: 95121

NBU 1021-2M

API No.: 4304738841

1:00 - 2:00	1.00	DRLSUR	04	P	CIRCULATE & CONDITION HOLE FOR CASING / PUMP HIGH VIS PILL (100 BBLs)	
2:00 - 4:00	2.00	DRLSUR	05	D	P	P.O.O.H. TO 8" TOOLS
4:00 - 6:00	2.00	DRLSUR	05	A	P	SAFETY MEETING / M.I.R.U. LAY DOWN EQUIPMENT / L.D. 8" TOOLS
6:00 - 9:30	3.50	DRLSUR	11	B	P	SAFETY MEETING / M.I.R.U. CASING EQUIPMENT / RUN 51 JTS 9 5/8 #36.0 J-55 LT&C CASING SET @ 2200' / R.D.M.O. CASING EQUIPMENT
9:30 - 13:00	3.50	DRLSUR	15	A		SAFETY MEETING / M.I.R.U. PRO-PETRO EQUIPMENT / CEMENT 9 5/8 CASING W/ 200 SX LEAD @ 11.0 ppg + 100 SX TAIL @ 15.8 ppg - PLUG DOWN @ 12:30 HOURS W/ NO RETURNS / CEMENT 1st TOP JOB W/ 100 SX @ 15.8 ppg - 2% CACL / DOWN 1" PIPE / NO RETURNS
13:00 - 15:30	2.50	DRLSUR	12	B	P	WAIT ON CEMENT TO PUMP #2 TOP JOB
15:30 - 16:00	0.50	DRLSUR	15	A	X	PUMP #2 TOP JOB W/ 125 SX @ 15.8 ppg - 4% CACL / DOWN 1" PIPE / NO RETURNS
16:00 - 18:00	2.00	DRLSUR	12	B	X	WAIT ON CEMENT TO PUMP #3 TOP JOB
18:00 - 18:30	0.50	DRLSUR	15	A	X	PUMP #3 TOP JOB W/ 125 SX @ 15.8 ppg - 4% CACL / DOWN 1" PIPE / CEMENT TO SURFACE W/ 2 BBLs TO PIT
18:30 - 19:00	0.50	DRLSUR	12	B	P	WAIT ON CEMENT / NIPPLE DOWN ROTATING HEAD + FLOW LINE
19:00 - 21:30	2.50	DRLSUR	18	A	P	CUT OFF CONDUCTOR & SURFACE CASING / INSTALL FMC WELL HEAD ASSEMBLY
21:30 - 23:30	2.00	DRLSUR	18	A	P	LET WELL HEAD COOL & TEST CASING TO HEAD SEALS TO 750 PSI / INSTALL & TEST WELL HEAD TO BOP ADAPTER TO 5000 PSI
23:30 - 0:00	0.50	DRLSUR	13	A	P	NIPPLE UP B.O.P. + RELATED EQUIPMENT

6/11/2008

SUPERVISOR: KENNETH GATHINGS

MD: 2,935

0:00 - 5:30	5.50	DRLPRO	13	A	P	NIPPLE UP BOP + RELATED EQUIPMENT
5:30 - 11:00	5.50	DRLPRO	13	C	P	PRESSURE TEST BLIND RAMS, PIPE RAMS, INNER & OUTER KILL LINE VALVES + KILL LINE; INNER AND OUTER CHOKE LINE VALVES + CHOKE LINE; MANIFOLD & ALL MANIFOLD VALVES; UPPER & LOWER KELLY VALVES + KELLY; INSIDE BOP + FLOOR VALVE TO 5000 PSI @ 10 MIN & 250 PSI @ 5 MIN / TEST ANNULAR TO 2500 PSI @ 10 MIN & 250 PSI @ 5 MIN / TEST SURFACE CASING TO 1500 PSI @ 30 MIN

5:30 - 11:00	5.50	DRLPRO	13	C	P	PRESSURE TEST BLIND RAMS, PIPE RAMS, INNER & OUTER KILL LINE VALVES + KILL LINE; INNER AND OUTER CHOKE LINE VALVES + CHOKE LINE; MANIFOLD & ALL MANIFOLD VALVES; UPPER & LOWER KELLY VALVES + KELLY; INSIDE BOP + FLOOR VALVE TO 5000 PSI @ 10 MIN & 250 PSI @ 5 MIN / TEST ANNULAR TO 2500 PSI @ 10 MIN & 250 PSI @ 5 MIN / TEST SURFACE CASING TO 1500 PSI @ 30 MIN
11:00 - 11:30	0.50	DRLPRO	13	B	P	INSTALL WEAR BUSHING
11:30 - 14:00	2.50	DRLPRO	05	A	P	PICK UP MOTOR / MAKE UP BIT & T.I.H.
14:00 - 16:00	2.00	DRLPRO	02	F	P	DRILL CEMENT & FLOAT EQUIPMENT
16:00 - 17:00	1.00	DRLPRO	02	B	P	DRILL F/ 2215' - T/ 2332' (117' @ 117 fph) 28 vis / 8.5 ppg
17:00 - 17:30	0.50	DRLPRO	09	A	P	WIRELINE SURVEY @ 2250' - .97 DEG
17:30 - 22:30	5.00	DRLPRO	02	B	P	DRILL F/ 2332' - T/ 2836' (504' @ 100.8 fph) 34 vis / 8.5 ppg
22:30 - 23:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT
23:00 - 0:00	1.00	DRLPRO	02	B	P	DRILL F/ 2836' - T/ 2935' (99' @ 99.0 fph) 34 vis / 8.5 ppg

6/12/2008	<u>SUPERVISOR:</u> KENNETH GATHINGS					<u>MD:</u> 4,600
0:00 - 5:00	5.00	DRLPRO	02	B	P	DRILL F/ 2935' - T/ 3340' (405' @ 81 fph) 37 vis / 8.6 ppg
5:00 - 5:30	0.50	DRLPRO	09	A	P	WIRELINE SURVEY @ 3259' - 2.25 deg
5:30 - 13:30	8.00	DRLPRO	02	B	P	DRILL F/ 3340' - T/ 3903' (563' @ 70.37 fph) 38 vis / 9.0 ppg
13:30 - 14:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT
14:00 - 20:00	6.00	DRLPRO	02	B	P	DRILL F/ 3903' - T/ 4343' (440' @ 73.3 fph) 43 vis / 9.0 ppg
20:00 - 20:30	0.50	DRLPRO	09	A	P	WIRELINE SURVEY @ 4262' - 1.54 deg
20:30 - 0:00	3.50	DRLPRO	02	B	P	DRILL F/ 4343' - T/ 4600' (257' @ 73.4 fph) 44 vis / 9.0 ppg

6/13/2008	<u>SUPERVISOR:</u> KENNETH GATHINGS					<u>MD:</u> 6,005
0:00 - 13:30	13.50	DRLPRO	02	B	P	DRILL F/ 4600' - T/ 5443' (843' @ 62.44 fph) 42 vis / 9.4 ppg
13:30 - 14:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT

Wins No.: 95121		NBU 1021-2M				API No.: 4304738841	
13:30 - 14:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT	
14:00 - 21:00	7.00	DRLPRO	02	B	P	DRILL F/ 5443' - T/ 5851' (408' @ 58.28 fph) 41 vis / 9.5 ppg	
21:00 - 21:30	0.50	DRLPRO	09	A	P	WIRELINE SURVEY @ 5770' - 1.68 deg	
21:30 - 0:00	2.50	DRLPRO	02	B	P	DRILL F/ 5851' - T/ 6005' (164' @ 65.6 fph) 40 vis / 9.6 ppg	
6/14/2008	<u>SUPERVISOR:</u> KENNETH GATHINGS					<u>MD:</u> 6,898	
0:00 - 15:30	15.50	DRLPRO	02	B	P	DRILL F/ 6005' - T/ 6730' (725' @ 46.77 fph) 40 vis / 10.1 ppg	
15:30 - 16:00	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT	
16:00 - 21:30	5.50	DRLPRO	02	B	P	DRILL F/ 6730' - T/ 6898' (168' @ 30.54 fph) 40 vis / 10.3 PPG	
21:30 - 22:00	0.50	DRLPRO	04	C	P	CIRCULATE & CONDITION HOLE FOR BIT TRIP / MIX WEIGHT PILL	
22:00 - 0:00	2.00	DRLPRO	05	A	P	PUMP PILL / DROP SURVEY / P.O.O.H. W/ BIT #3	
6/15/2008	<u>SUPERVISOR:</u> KENNETH GATHINGS					<u>MD:</u> 7,902	
0:00 - 2:00	2.00	DRLPRO	05	A	P	P.O.O.H. W/ BIT #3	
2:00 - 5:30	3.50	DRLPRO	05	A	P	MAKE UP BIT #4 / T.I.H. (CHANGE OUT ROTATING RUBBER @ SHOE & BREAK CIRCULATION)	
5:30 - 6:00	0.50	DRLPRO	03	D	P	PRECAUTIONARY REAM 104' TO BOTTOM W/ 4' OF FILL	
6:00 - 15:00	9.00	DRLPRO	02	B	P	DRILL F/ 6898' - T/ 7450' (552' @ 61.3 fph) 42 vis / 9.2 ppg	
15:00 - 15:30	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT / WORK PIPE RAMS	
15:30 - 0:00	8.50	DRLPRO	02	B	P	DRILL F/ 7450' - T/ 7902' (452' @ 53.17 fph) 45 vis / 10.3 ppg	
6/16/2008	<u>SUPERVISOR:</u> KENNETH GATHINGS					<u>MD:</u> 8,790	
0:00 - 15:00	15.00	DRLPRO	02	B	P	DRILL F/ 7902' - T/ 8517' (615' @ 41.0 fph) 47 vis / 10.6 ppg	
15:00 - 15:30	0.50	DRLPRO	06	A	P	SERVICE RIG & EQUIPMENT	
15:30 - 0:00	8.50	DRLPRO	02	B	P	DRILL F/ 8517' - T/ 8790' (273' @ 32.11 fph) 43 vis / 10.8 ppg	
6/17/2008	<u>SUPERVISOR:</u> 1930					<u>MD:</u> 9,081	

0:00 - 12:30	12.50	DRLPRO	02	B	P	DRILL F/ 8790' - T/ 9081' (291' @ 23.28 fph) 44 vis / 11.3 ppg / LOST APPROXIMATELY 85 BBLs WHILE RAISING MUD WEIGHT TO 11.3 ppg
12:30 - 14:30	2.00	DRLPRO	04	C	P	CIRCULATE & CONDITION HOLE FOR BIT TRIP / BUILD VOLUME & RAISE WEIGHT TO REDUCE GAS
14:30 - 19:30	5.00	DRLPRO	05	A	P	PUMP PILL / DROP SURVEY / P.O.O.H. FOR BIT #5
19:30 - 20:00	0.50	DRLPRO	13	C	P	FUNCTION TEST BOP EQUIPMENT
20:00 - 21:00	1.00	DRLPRO	05	A	P	MAKE UP BIT #5 / T.I.H. TO SHOE
21:00 - 22:00	1.00	DRLPRO	06	D	P	SLIP & CUT 150' OF DRILL LINE
22:00 - 0:00	2.00	DRLPRO	05	A	P	T.I.H. W/ BIT #5

6/18/2008	<u>SUPERVISOR:</u> BRUCE TAYLOR						<u>MD:</u> 9,460
0:00 - 1:00	1.00	DRLPRO	05	A	P	T.I.H. W. BIT #5	
1:00 - 1:30	0.50	DRLPRO	03	D	P	REAM F/ 9040' - T/ 9081'	
1:30 - 13:00	11.50	DRLPRO	02	B	P	DRILL 9081' - 9460' (379') 32.9'/HR. 14/16K WOB, 90 BIT RPM, 11.4/45 LOST 130 BBLs WHILE DRILLING.	
13:00 - 13:30	0.50	DRLPRO	06	A	P	SERVICE RIG.	
13:30 - 16:00	2.50	DRLPRO	04	C	P	CIRCULATE BOTTOMS UP, BUILD VOLUME AND ADD LCM TO 8% DUE TO LOSS OF 130 BBLs AND SEEPAGE. 100% RETURNS.	
16:00 - 18:00	2.00	DRLPRO	05	E	P	SHORT TRIP 20 STANDS.	
18:00 - 22:30	4.50	DRLPRO	04	C	P	CIRCULATE BOTTOMS UP. (LOST 50 BBLs ON TRIP) LOST ADDITIONAL 150 BBLs WHILE CIRCULATING AND RAISING LCM TO 12-18% REGAINING FULL RETURNS. HELD SAFETY MEETING AND RU LAY DOWN MACH.	
22:30 - 0:00	1.50	DRLPRO	05	B	P	POOH LDDS. 7400' AT REPORT TIME.	

6/19/2008	<u>SUPERVISOR:</u> BRUCE TAYLOR						<u>MD:</u> 9,460
0:00 - 8:00	8.00	DRLPRO	05	B	P	FINISH LDDS, BREAK KELLY, LD BHA. PULL WEAR BUSHING.	

8:00 - 17:30	9.50	DRLPRO	08	A	P	HELD SAFETY MEETING, RU HALLIBURTON LOGGING. RIH WITH QUAD COMBO, LOST DEPTH READING AT 4700'. POOH AND RESET COMPUTER. RIH WITH QUAD TO TIGHT SPOT AT 7490', UNABLE TO GET THROUGH AND TOOL STICKING. POOH, REMOVE SONIC AND ALL CENTRALIZERS. RIH WITH TRIPLE COMBO AND LOG FROM 9458' TO SURF. SHOE WITH NO PROBLEMS. RAN GR TO SURFACE. RDMO HALLIBURTON.
17:30 - 18:30	1.00	DRLPRO	11	A	P	HELD SAFETY MEETING WITH WEATHERFORD CASING CREW, RU SAME.
18:30 - 0:00	5.50	DRLPRO	11	B	P	RUN CSG: 8000' AT REPORT TIME.

6/20/2008 SUPERVISOR: BRUCE TAYLOR MD: 9,460

0:00 - 2:00	2.00	CSG	11	B	P	RUN CSG. AS FOLLOWS: FLOAT SHOE, 1 JT. CSG. FLOAT COLLAR, 116 JTS. CSG. 1 MARKER JTS. SET AT 4533', 117 JTS. 4 1/2" 11.6 PPF I-80 CSG. OVER ALL LENGTH 9451.17' SET AT 9451.17. CENTRALIZED WITH 15 BOW SPRINGS, 1 ON FIRST 3 JTS. THEN EVERY 3RD JT. SPACE OUT, PU HANGER, INSTALL PLUG RETAINER.
2:00 - 5:00	3.00	CSG	04	E	P	CIRCULATE BOTTOMS UP WITH RIG PUMPS. HELD SAFETY MEETING WITH HALLIBURTON AND RIG UP SAME.
5:00 - 7:30	2.50	CSG	15	A	P	SWITCH TO HOWCO, TEST LINES TO 5000 PSI AND CEMENT 4 1/2" AS FOLLOWS: 20 BBLS MUD FLUSH @ 8.3 PPG, 20 SKS PL2 SCAVENGER MIXED @ 9.5 PPG, LEAD W/ 380 SKS PL2 MIXED @ 11.2 PPG, TAIL W/ 1260 SKS 50:50 POZ MIXED @ 14.3 PPG, WASH LINES, DROP PLUG & DISPLACE W/145 BBLS WATER W/ CLAYSTAY & MAGNACIDE TO BUMP PLUG W/ 3175 PSI. RELEASE PSI AND FLOATS HELD. HAD 30 BBLS CLEAN CEMENT RETURNS TO SURFACE.
7:30 - 8:30	1.00	CSG	11	C	P	WASH STACK, LAND CASING WITH 75K. TEST DTO TO 5000 PSI. UNLOCK STACK.
8:30 - 14:00	5.50	CSG	13	A	P	ND BOP'S, CLEAN MUD TANKS, RELEASE RIG @ 14:00 HRS. 6-20-08

EVENT INFORMATION: EVENT ACTIVITY: COMPLETION START DATE: 7/5/2008
 OBJECTIVE: CONSTRUCTION END DATE: 7/7/2008
 OBJECTIVE 2: ORIGINAL DATE WELL STARTED PROD.:
 REASON: SURF FACILITIES Event End Status: COMPLETE

RIG OPERATIONS: Begin Mobilization Rig On Location Rig Charges Rig Operation Start Finish Drilling Rig Release Rig Off Location

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
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7/5/2008 SUPERVISOR: HAL BLANCHARD MD:

EVENT INFORMATION: EVENT ACTIVITY: COMPLETION START DATE: 7/17/2008
 OBJECTIVE: DEVELOPMENT END DATE:
 OBJECTIVE 2: ORIGINAL DATE WELL STARTED PROD.:
 REASON: MV Event End Status:

RIG OPERATIONS: Begin Mobilization Rig On Location Rig Charges Rig Operation Start Finish Drilling Rig Release Rig Off Location

KEY 243 / 243

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation	
7/17/2008	SUPERVISOR: KEN WARREN							MD:
	7:00 - 7:15	0.25	COMP	48		P	HSM. R/D	
	7:15 - 15:00	7.75	COMP	30	A	P	ROAD RIG FROM BONANZA 1023-5L TO NBU 1023-2M, MIRU SPOT EQUIP, N/D WELL HEAD \, N/U BOPE, SWI. WAITING ON TBG	
7/18/2008	SUPERVISOR: KEN WARREN							MD:
	7:15 - 18:00	10.75	COMP	33	C	P	P/U 3-7/8 MILL W/ X-OVER, TALLEY & P/U	
7/21/2008	SUPERVISOR: KEN WARREN							MD:
	7:00 - 7:15	0.25	COMP	48		P	HSM. PRE FRAC SAFETY	
	7:15 - 15:30	8.25	COMP	36	E	P	MIRU WEATHERFORD FRAC EQUIP & CUTTERS WIRE LINE, FRAC MESAVERDE 9236'-9324'. STG #1] WHP=550#, BRK DN PERFS @ 3365#, INJT PSI=5150#, INJT RT=50.1, ISIP=2658#, FG=.73, PUMP'D 1354.6 BBLS SLK WTR W/ 41438# 30/50 MESH W/ 5000# RESIN COAT IN TAIL. ISIP=2981#, FG=.76, AR=50.5, AP=5009#, MR=56, MP=6884#, NPI=323#, 30/40 CALC PERFS OPEN [75%] STG #2] P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 9174', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36", 2 SPF, 180" PH, 9142'-9144' 4 HOLES, 9127'-9128' 2 HOLES, 9074'-9076' 4 HOLES, 9064'-9066' 4 HOLES, 9030'-9032' 4 HOLES, 9024'-9026' 4 HOLES, 8996'-8998' 4 HOLES, 8978'-8980' 4 HOLES, 8940'-8942' 4 HOLES, 8920'-8922' 4 HOLES, 8910'-8912' 4 HOLES, 8891'-8892' 2 HOLES. WHP=100#, BRK DN PERFS @ 3214#, INJT PSI=4700#, INJT RT=49.3, ISIP=2785#, FG=.75, PUMP'D 2615.3 BBLS SLK WTR W/ 74118# 30/50 MESH W/ 0# RESIN COAT IN TAIL, ISIP=3184#, FG=.79, AR=49.5, AP=4799, MR=49.9, MP=6913#, NPI=399#, 41/44 CALC PERFS OPEN 93% [PRESSUURE SPIKED / CUT SAND WENT TO FLUSH W/ 39486# SAND LEFT DID NOT GET RESIN PUMP'D] STG #3] P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 8858', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90" PH, 8826'-8828' 8 HOLES, 8788'-8790' 8 HOLES, 8772'-8774' 8 HOLES, 8730'-8782' 8 HOLES, 8685'-8686' 4 HOLES, 8642'-8644' 8 HOLES. WHP=2620#, BRK DN PERFS @ 3129#, INNJT PSI=4550#, INNJT RT=51, ISIP=2515#, FG=.73, PUMP'D 3883.5 BBLS SLK WTR W/ 121467# 30/50 MESH W/ 0# RESIN CAOT IN TAIL. ISIP=3128#, FG=.80, AR=51.3, AP=461, MR=51.7, MP=6128, NPI=613#, 38/44 CALC PERFS OPEN 86% [DID NOT GET RESIN COAT IN TAIL, PUMP'D 130 BBL SWEEP PRESSURE CONTINUED TO CLIMB DID NOT GET BACK INTO SAND,CUT SAND 40,000# SHORT] STG #4] P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 8584', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90" PH, 8552'-8554' 8 HOLES, 8498'-8500' 8 HOLES, 8476'-8478' 8 HOLES, 8462'-8464' 8 HOLES, 8430'-8432' 8 HOLES [40 HOLES] SWIFN.	
7/22/2008	SUPERVISOR: KEN WARREN							MD:
	7:00 - 7:15	0.25	COMP	48		P	HSM, P/U PERF GUNS.	

	7:15 - 17:00	9.75	COMP	36	E	P	<p>STG #4] WHP=2300#, BRK DN PERFS @ 2901#, INJT PSI=4350#, INJT RT=40.1, ISIP=1810#, FG=.66, PUMP'D 3846.6 BBLS SLK WTR W/ 138397# 30/50 MESH W/ 10840# RESIN COAT IN TAIL. ISIP=3112#, FG=.81, AR=40.3, AP=3865#, MR=41, MP=5814#, NPI=615#, 40/40 CALC PERFS OPEN, 100%</p> <p>STG #5] P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 8064' PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90° PH. 8033'-8034' 4 HOLES, 7966'-7968' 8 HOLES, 7950'-7952' 8 HOLES, 7874'-7876' 8 HOLES, 7830'-7832' 8 HOLES, 7754'-7756' 8 HOLES [44 HOLES]</p> <p>WHP=0#, BRK DN PERFS @ 2376#, INJT PSI=3350#, INJT RT=40.3, ISIP=1810#, FG=.66, PUMP'D 5400 BBLS SLK WTR W/ 181785# 30/50 MESH W/ 10840#, RESIN COAT IN TAIL [PUMNP'D 200 BBL SWEEP IN 1-1/2# STG, GOT BACK INTO SAND @ 1/2# RAMPED UP] ISIP=2501#, FG=.75, AR=40.2, AP=3943#, MR=40.6, MP=5814#, NPI=691#, 43/44 CALC PERFS OPEN 98%.</p> <p>P/U RIH W/ BKR 8K CBP. SET CBP @ 7716', POOH R/D CUTTERS & WEATHERFORD FRAC, N/D FRAC VALVES, N/U BOPE, P/U RIH W/ 3-7/8 BIT W/ POBS PKG, 2-3/8 L-80 TBG, TAG KILL PLUG, P/U PWR SWVL, PULL HIGH KELLEY, SWIFN.</p>
7/23/2008	<u>SUPERVISOR:</u> KEN WARREN						<u>MD:</u>
	7:00 - 7:15	0.25	COMP	48		P	HSM, DRLG PLUGS
	7:15 - 17:00	9.75	COMP	44	C	P	<p>OPEN WELL 0# CSG, EST CIRC, PLUG #1] DRL THROUGH BKR 8K CBP @ 7716' IN 10 MIN. 1000# INCREASE.</p> <p>PLUG #2] CONTINUE TO RIH, TAG SAND @ 8034' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 8064 IN 10 MIN. 300# INCREASE.</p> <p>PLUG #3] CONTINUE TO RIH, TAG SAND @ 8554' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 8584' IN 10 MIN. 400# INCREASE.</p> <p>PLUG #4] CONTINUE TO RIH, TAG SAND @ 8828' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 8858' IN 10 MIN. 400# INCREASE.</p> <p>PLUG #5] CONTINUE TO RIH, TAG SAND @ 9144' [30' FILL] C/O & DRL THROUGH BKR 8K CBP @ 9174' IN 10 MIN. 300# INCREASE.</p> <p>CONTINUE TO RIH & C/O TO PBTD @ 9415' CIRC HOLE, R/D PWR SWVL, L/D 18 JNTS ON FLOAT, [34 TOTAL] DROP BALL, R/D TBG EQUIP, N/D BOPE, N/U WELL HEAD, PUMP OFF BIT W/ 1 BBL @ 2200#, LEFT SHUT IN FOR 1/2 HR, TURN OVER TO F/B CREW. RDMO.</p>
7/25/2008	<u>SUPERVISOR:</u> KEN WARREN						<u>MD:</u>
	7:00 -			33		A	<p>7 AM FLBK REPORT: CP 1550#, TP 1600#, 18/64" CK, 40 BWPB, TRACE SAND, - GAS TTL BBLS RECOVERED: 920 BBLS LEFT TO RECOVER: 16180</p>
7/26/2008	<u>SUPERVISOR:</u> KEN WARREN						<u>MD:</u>
	7:00 -			33		A	<p>7 AM FLBK REPORT: CP 1550#, TP 1600#, 20/64" CK, 45 BWPB, TRACE SAND, - GAS TTL BBLS RECOVERED: 1940 BBLS LEFT TO RECOVER: 15160</p>
7/27/2008	<u>SUPERVISOR:</u> KEN WARREN						<u>MD:</u>
	7:00 -			33		A	<p>7 AM FLBK REPORT: CP 1600#, TP 1550#, 20/64" CK, 30 BWPB, TRACE SAND, - GAS TTL BBLS RECOVERED: 2750 BBLS LEFT TO RECOVER: 14350</p>
7/28/2008	<u>SUPERVISOR:</u> KEN WARREN						<u>MD:</u>
	7:00 -			33		A	<p>7 AM FLBK REPORT: CP 2150#, TP 1400#, 20/64" CK, 20 BWPB, CLEAN SAND, - GAS TTL BBLS RECOVERED: 3300 BBLS LEFT TO RECOVER: 13800</p>

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22452	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
7. UNIT or CA AGREEMENT NAME UNIT #891008900A	
8. WELL NAME and NUMBER: NBU 1021-2M	
9. API NUMBER: 4304738841	
10. FIELD AND POOL, OR WILDCAT NATURAL BUTTES	11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 2 10S 21E
12. COUNTY UINTAH	13. STATE UTAH

14. DATE SPUNDED: 5/22/2008	15. DATE T.D. REACHED: 6/19/2008	16. DATE COMPLETED: 7/26/2008	ABANDONED <input type="checkbox"/>	READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 5069'GL
18. TOTAL DEPTH: MD 9,460 TVD	19. PLUG BACK T.D.: MD 9,415 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *		21. DEPTH BRIDGE MD PLUG SET: TVD	
22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) ✓ CBL-CCL-GR ✓ 30/05N/HRI			23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)		

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,315		650			
7 7/8"	4 1/2 I-80	11.6#		9,460		1640			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8.835							

26. PRODUCING INTERVALS					27. PERFORATION RECORD				
FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) MESAVERDE	7,754	9,324			7,754 9,324	0.36	208	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
7754'-9324'	PMP 17,100 BBLS SLICK H2O & 557,205# 30/50 OTTOWA SD

29. ENCLOSED ATTACHMENTS:	30. WELL STATUS:
<input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION <input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> CORE ANALYSIS <input type="checkbox"/> DST REPORT <input type="checkbox"/> OTHER: _____ <input type="checkbox"/> DIRECTIONAL SURVEY	PROD

RECEIVED

AUG 19 2008

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 7/26/2008	TEST DATE: 7/30/2008	HOURS TESTED: 24	TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,131	WATER - BBL: 1,294	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 1,044	CSG. PRESS. 2,264	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS: PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. 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.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREENRIVER	1,336				
MAHOGANY	2,079				
WASATCH	4,556	7,295			
MESAVERDE	7,346	9,324			

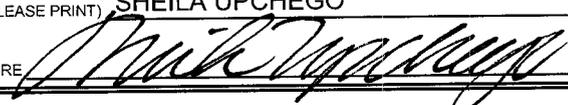
35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE



DATE 8/12/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
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