

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-47060	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:	
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE L.P.			9. WELL NAME and NUMBER: STATE 1021-36N	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078			10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 834'FSL, 1394'FWL AT PROPOSED PRODUCING ZONE: _____			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 36 10S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 23 MILES SOUTH OF OURAY, UTAH			12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 834'	16. NUMBER OF ACRES IN LEASE: 640.00	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: 8,510	20. BOND DESCRIPTION: RLB0005237		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5308'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#	1,800	265 SX CLASS G	1.18 YIELD	15.6 PPG
7 7/8"	4 1/2	I-80	11.6#	8,510	1810 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 SENIOR LAND ADMIN SPECIALIST
 SIGNATURE *[Signature]* DATE 11/8/2006

(This space for State use only)

Approved by the **RECEIVED**
Utah Division of Oil, Gas and Mining **NOV 13 2006**

API NUMBER ASSIGNED: 43-047-38848 APPROVAL: DIV. OF OIL, GAS & MINING
 Date: 02-14-07
 By: *[Signature]*

(11/2001)

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

Kerr McGee Oil & Gas Onshore LP

Well location, STATE 1021-36N, located as shown in the SE 1/4 SW 1/4 of Section 36, T10S, R21E, S.L.B.&M. Uintah County, Utah.

1977 Brass Cap, Flush W/Pile of Stones
 S89°43'43"W 1329.29' (Meas.)
 S89°44'06"W 1328.69' (Meas.)
 S89°44'27"W - 2655.41' (Meas.)

R 21
R 22
E E

BASIS OF ELEVATION

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

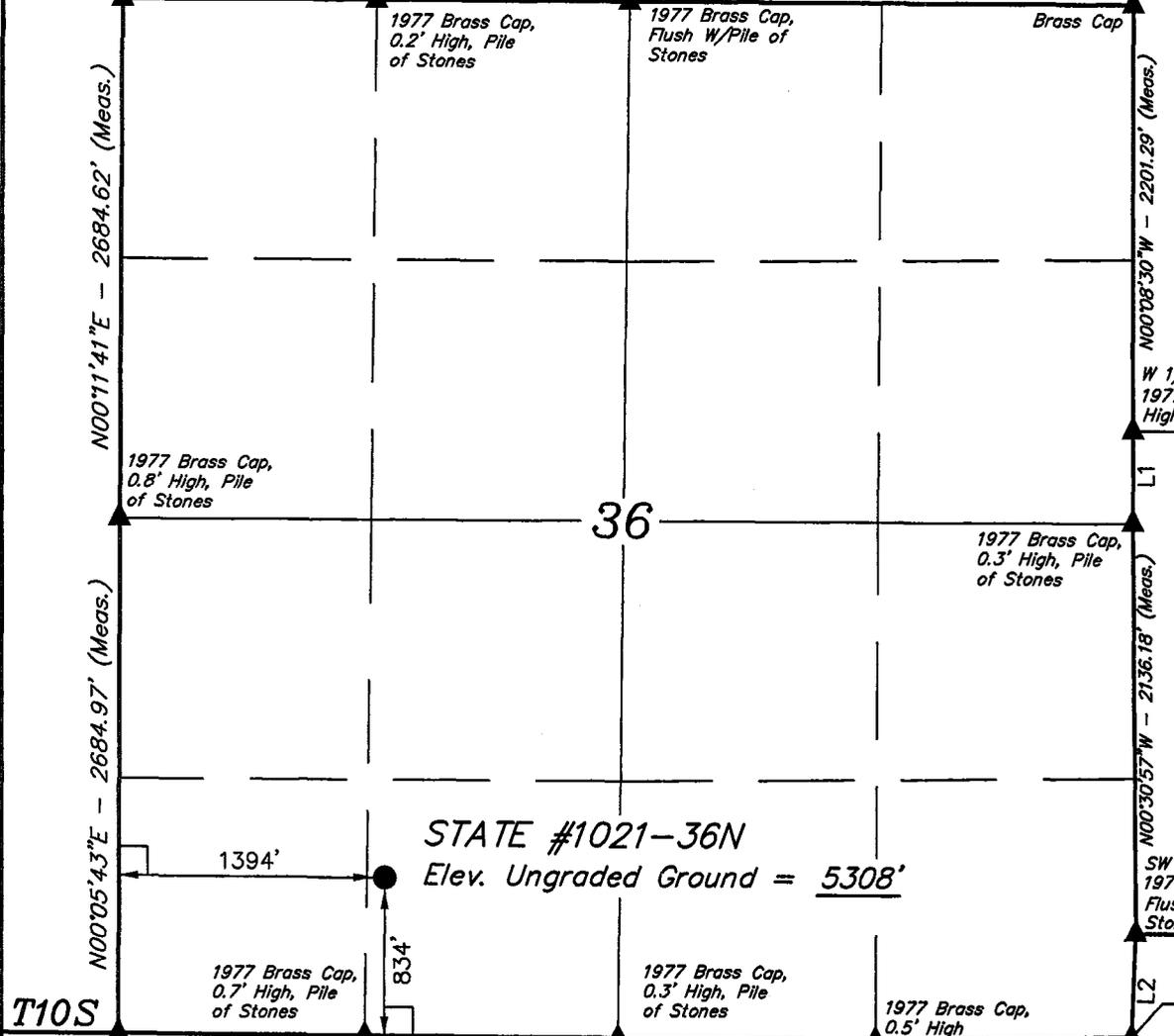
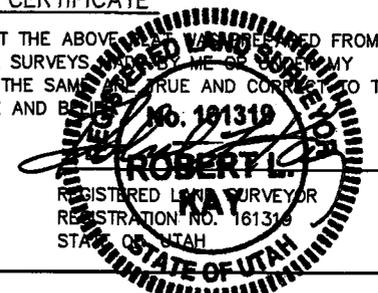
BASIS OF BEARINGS

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



SCALE CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS AND WAS MADE UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



STATE #1021-36N
 Elev. Ungraded Ground = 5308'

T10S
 T11S
 S89°57'43"E 1309.20' (Meas.)
 S89°58'15"E 1316.90' (Meas.)
 N89°58'54"W - 1360.59' (Meas.)
 S88°47'38"W - 1346.08' (Meas.)

LINE TABLE		
LINE	DIRECTION	LENGTH
L1	N00°13'23"W	484.64'
L2	N02°12'25"E	546.05'

(NAD 83)
 LATITUDE = 39°53'56.06" (39.898906)
 LONGITUDE = 109°30'14.34" (109.503983)
 (NAD 27)
 LATITUDE = 39°53'56.18" (39.898939)
 LONGITUDE = 109°30'11.88" (109.503300)

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

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

SCALE 1" = 1000'	DATE SURVEYED: 10-05-06	DATE DRAWN: 10-11-06
PARTY L.K. J.M. C.H.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr McGee Oil & Gas Onshore LP	

STATE 1021-36N
SESW SEC 36, T10S, R21E
UINTAH COUNTY, UTAH
ML-47060

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	771'
Top of Birds Nest Water	1042'
Mahogany	1553'
Wasatch	3859'
Mesaverde	6450'
MVU2	7418'
MVL1	8039'
TD	8510'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	771'
	Top of Birds Nest Water	1042'
	Mahogany	1553'
Gas	Wasatch	3859'
Gas	Mesaverde	6450'
Gas	MVU2	7418'
Gas	MVL1	8039'
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 8510' TD, approximately equals 5276 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3404 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

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 1800	32.30	H-40	STC	0.73*****	1.63	4.99
PRODUCTION	4-1/2"	0 to 8510	11.60	I-80	LTC	2.49	1.27	2.33

- 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 = 11.3 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 3128 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	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	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		NOTE: If well will circulate water to surface, option 2 will be utilized					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,350'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	370	60%	11.00	3.38
	TAIL	5,160'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1440	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.

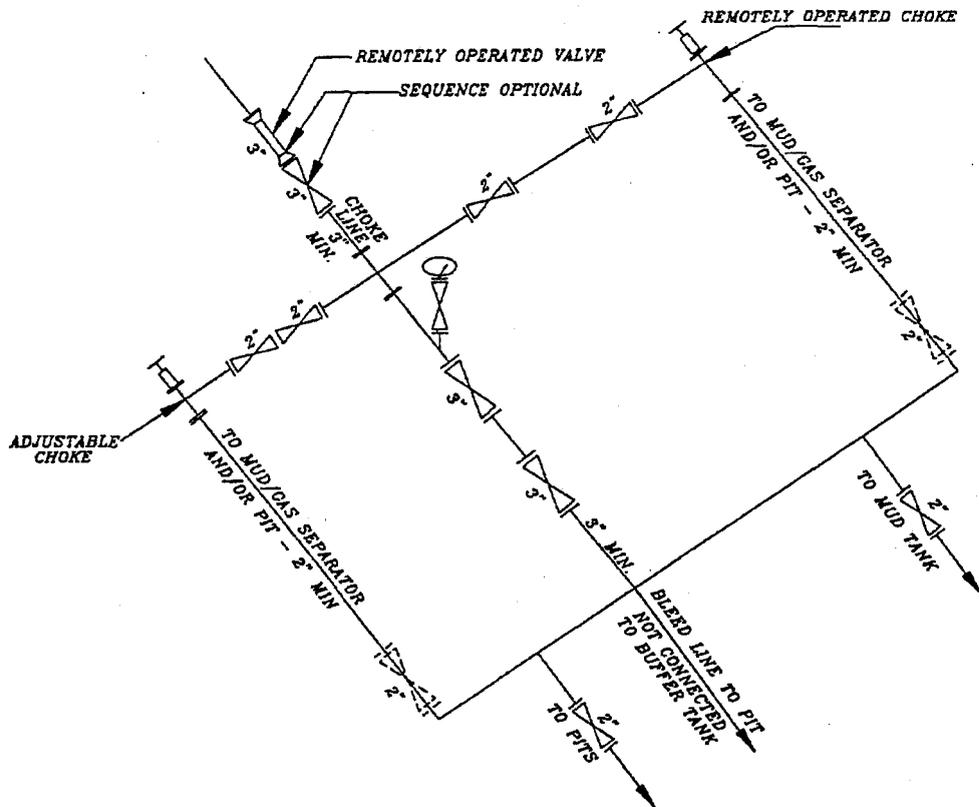
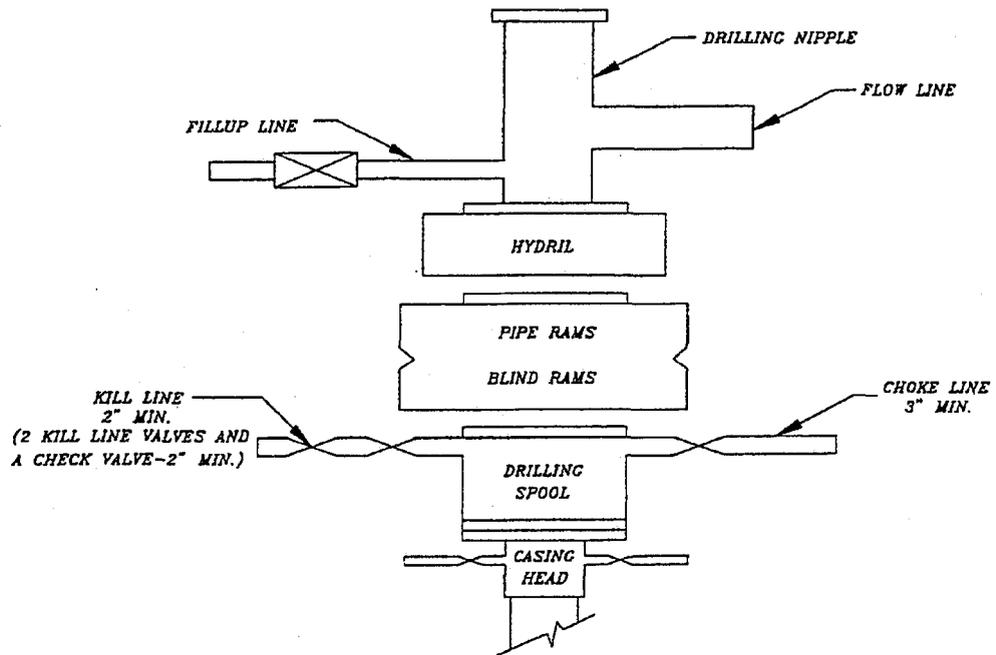
DRILLING ENGINEER: _____
 Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
 Randy Bayne STATE1021-36N DHD.xls

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



STATE 1021-36N
SESW SEC 36, T10S, R21E
Uintah County, UT
ML-47060

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:**

BLM Rights-of-Way Required:

A 30' of rights-of-way will be required for approximately 0.5 +/- miles of proposed access road is proposed. The access road will come from Sec.6, T11S, R22E (Lease #UTU-25880) to the proposed location. Please refer to the attached Topo Map B.

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.

BLM Rights-of-Way Required:

A 30' of rights-of-way will be required for approximately 4773' +/- 4" steel pipeline is proposed. The pipeline will cross into Sec. 6, T11S, R22E to tie-in to the Bitter Creek 1122-6L (Lease #UTU-25880) location. Approximately 6583' +/- of 4" steel pipeline is proposed. The pipeline will cross into Sec. 6, T11S, R22E onto Lease #UTU-25880, and will tie-in to the proposed pipeline for the Bitter Creek 1122-6F pipeline. Please refer to the attached 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
Senior Land Admin Specialist
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

11/8/2006

Date

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-36N SECTION 36, 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; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 3.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.0 MILES.

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-36N

LOCATED IN UINTAH COUNTY, UTAH
SECTION 36, T10S, R21E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

LOCATION PHOTOS

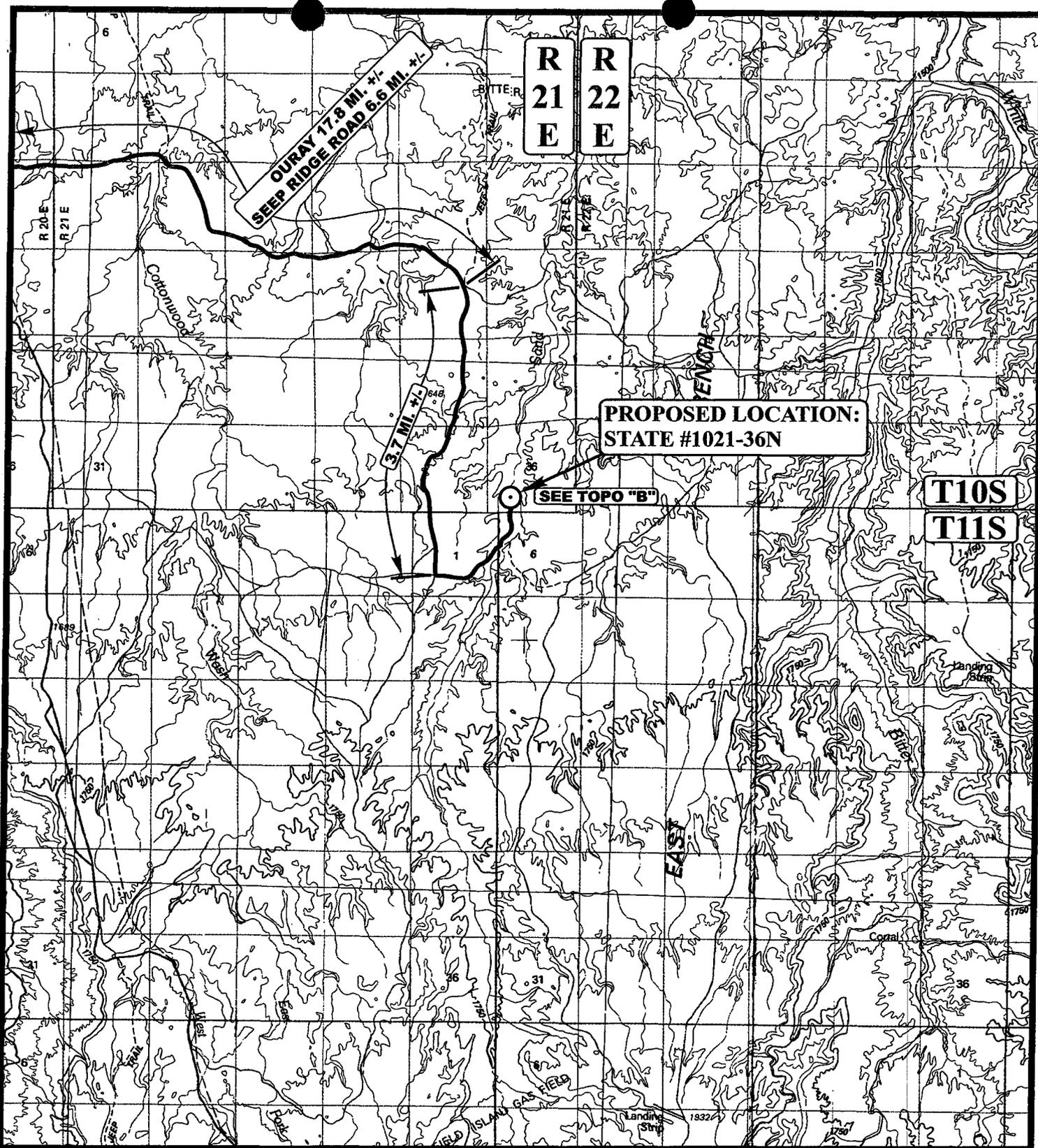
10 10 06
MONTH DAY YEAR

PHOTO

TAKEN BY: L.K.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

STATE #1021-36N

SECTION 36, T10S, R21E, S.L.B.&M.

834' FSL 1394' FWL

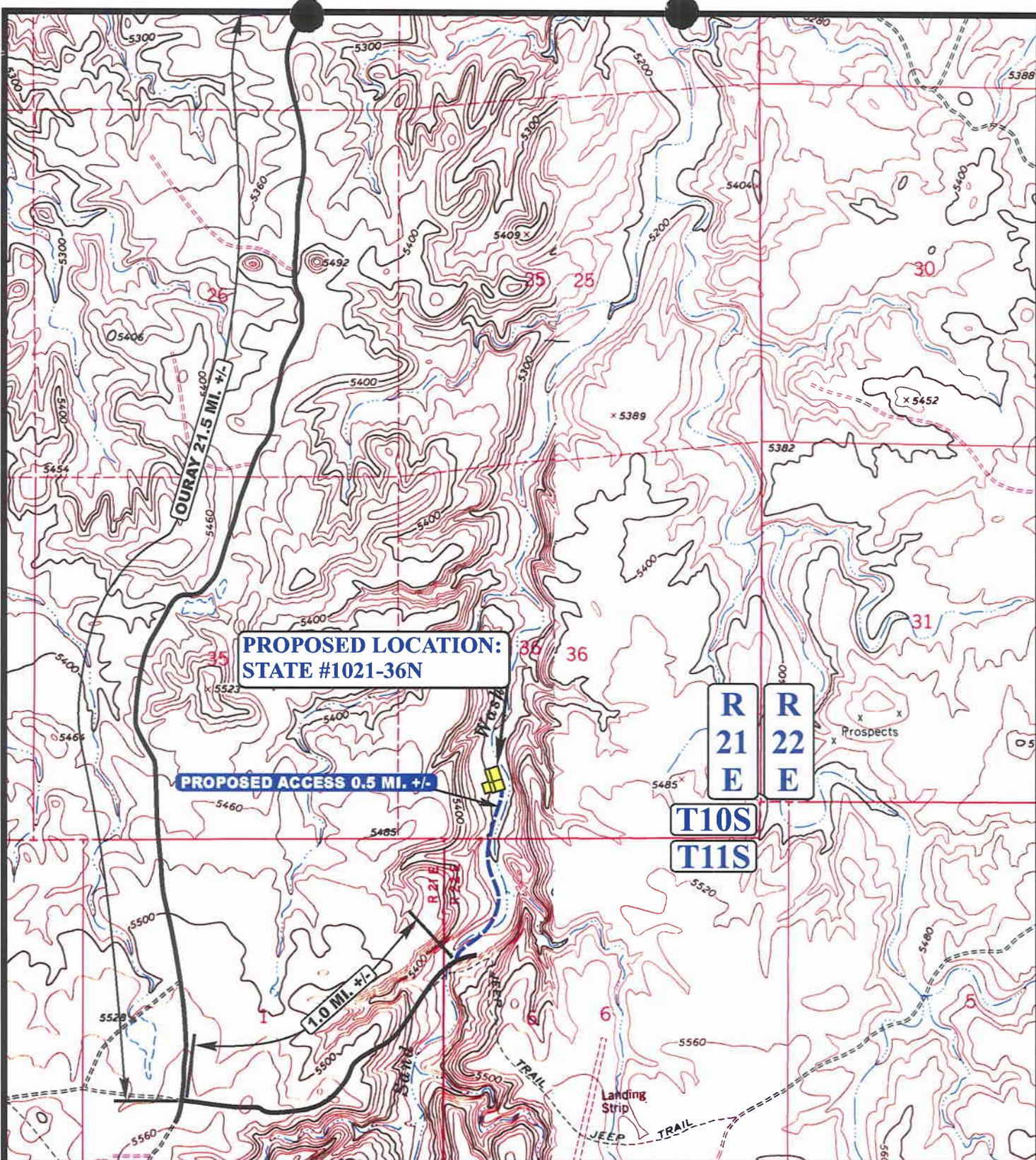


Uints Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 10 10 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

STATE #1021-36N
SECTION 36, T10S, R21E, S.L.B.&M.
834' FSL 1394' FWL

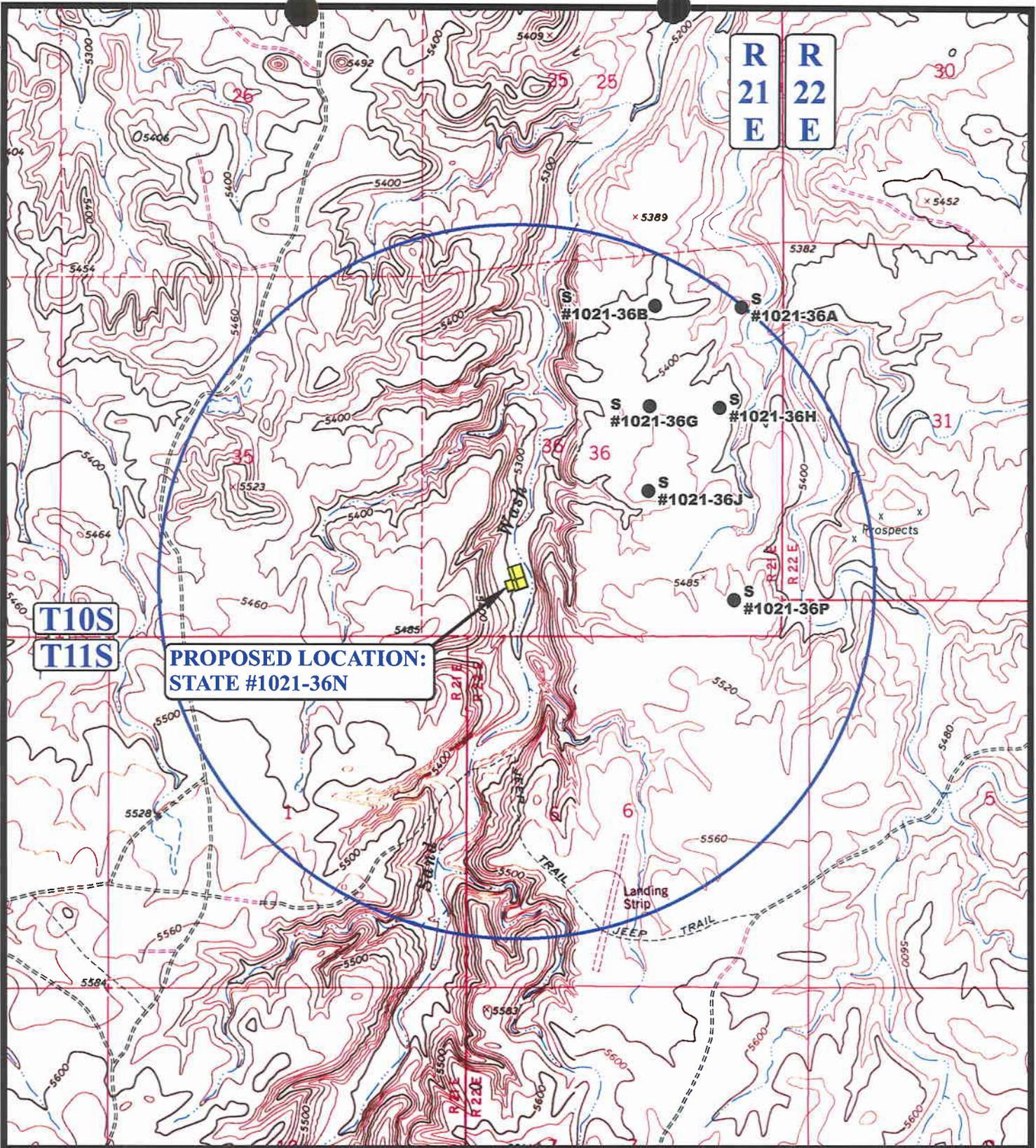


Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 10 10 06
MAP MONTH DAY YEAR

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





T10S
T11S

**PROPOSED LOCATION:
STATE #1021-36N**

R 21 E
R 22 E

LEGEND:

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

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-36N
SECTION 36, T10S, R21E, S.L.B.&M.
834' FSL 1394' FWL



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

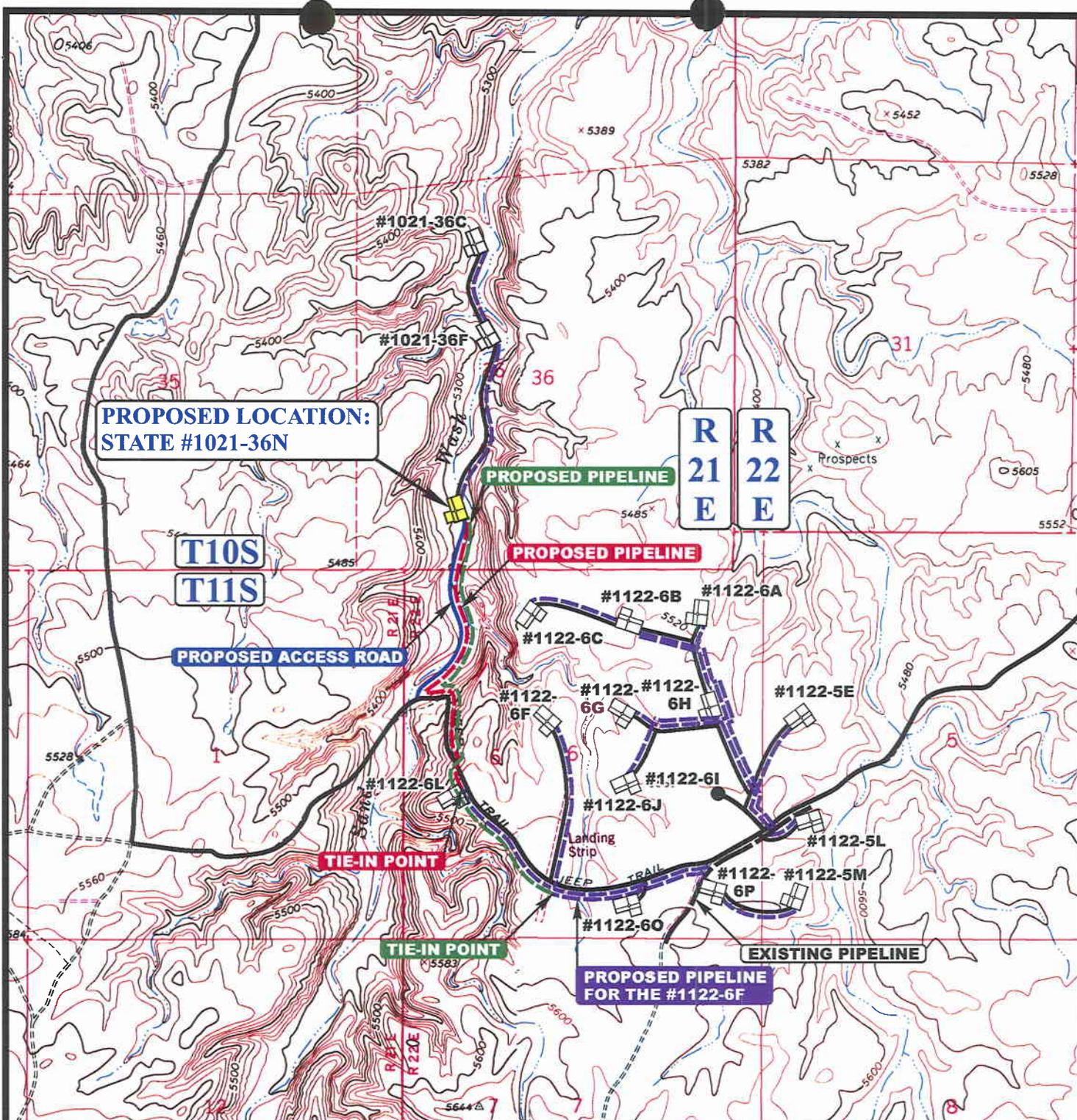


TOPOGRAPHIC
MAP

10 10 06
MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 6,583' +/-

APPROXIMATE TOTAL PIPELINE DISTANCE = 4,773' +/-

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP

**STATE #1021-36N
SECTION 36, T10S, R21E, S.L.B.&M.
834' FSL 1394' FWL**



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TOPOGRAPHIC 10 10 06
MAP MONTH DAY YEAR

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



Kerr-McGee Oil & Gas Onshore LP

STATE #1021-36N

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 36, T10S, R21E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

PIPELINE PHOTOS	10	10	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: C.P.		REVISED: 00-00-00	

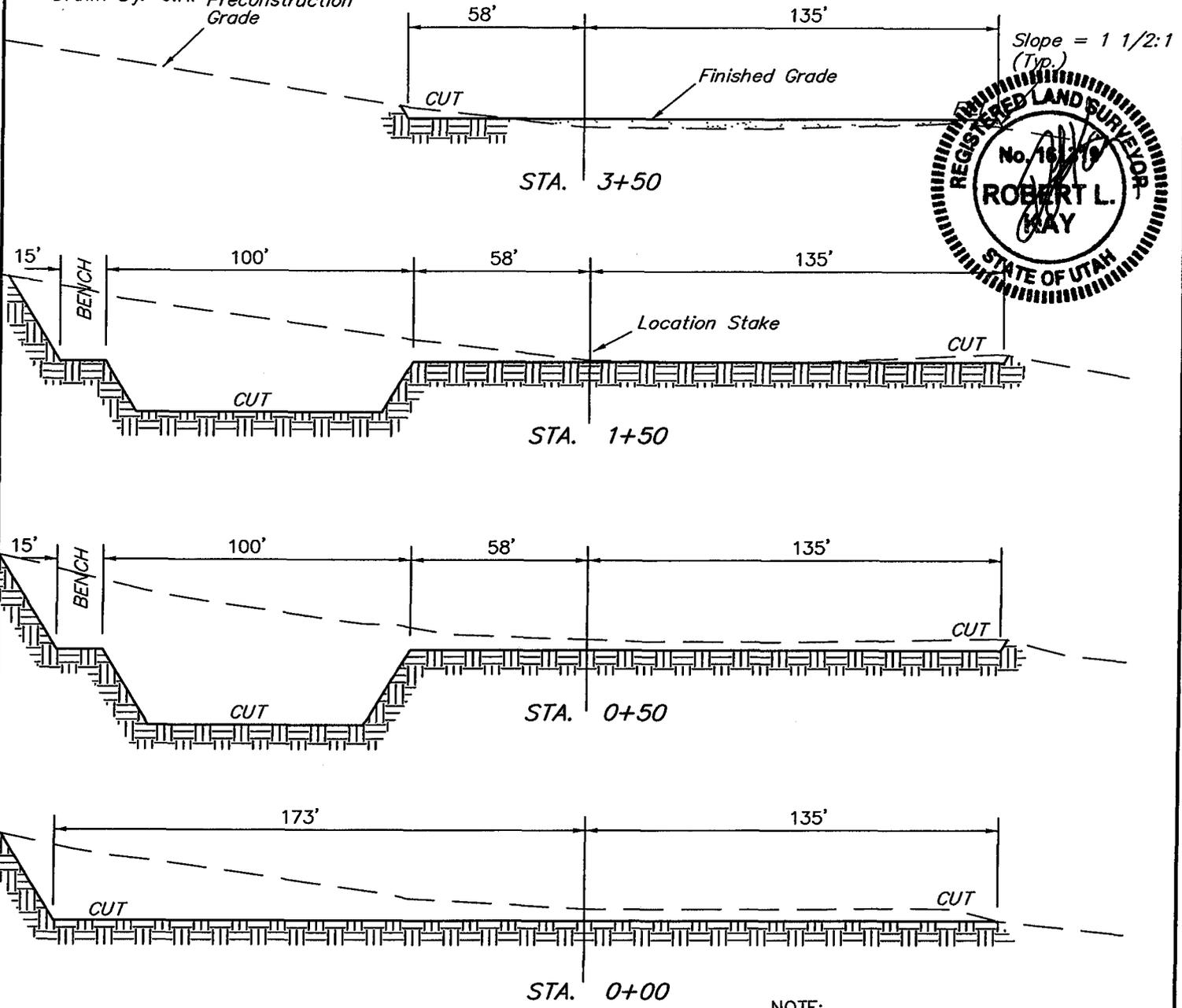
Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR
STATE #1021-36N
SECTION 36, T10S, R21E, S.L.B.&M.
834' FSL 1394' FWL

X-Section
Scale
1" = 50'

DATE: 10-11-06
Drawn By: C.H. Preconstruction
Grade



* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

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

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,810 Cu. Yds.
Remaining Location	= 10,550 Cu. Yds.
TOTAL CUT	= 12,360 CU.YDS.
FILL	= 1,230 CU.YDS.

EXCESS MATERIAL	= 11,130 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,950 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 7,180 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: 43-047-38848

WELL NAME: STATE 1021-36N
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:
 SESW 36 100S 210E
 SURFACE: 0834 FSL 1394 FWL
 BOTTOM: 0834 FSL 1394 FWL
 COUNTY: UINTAH
 LATITUDE: 39.89894 LONGITUDE: -109.5033
 UTM SURF EASTINGS: 627956 NORTHINGS: 4417403
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	12/13/06
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-47060
 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:

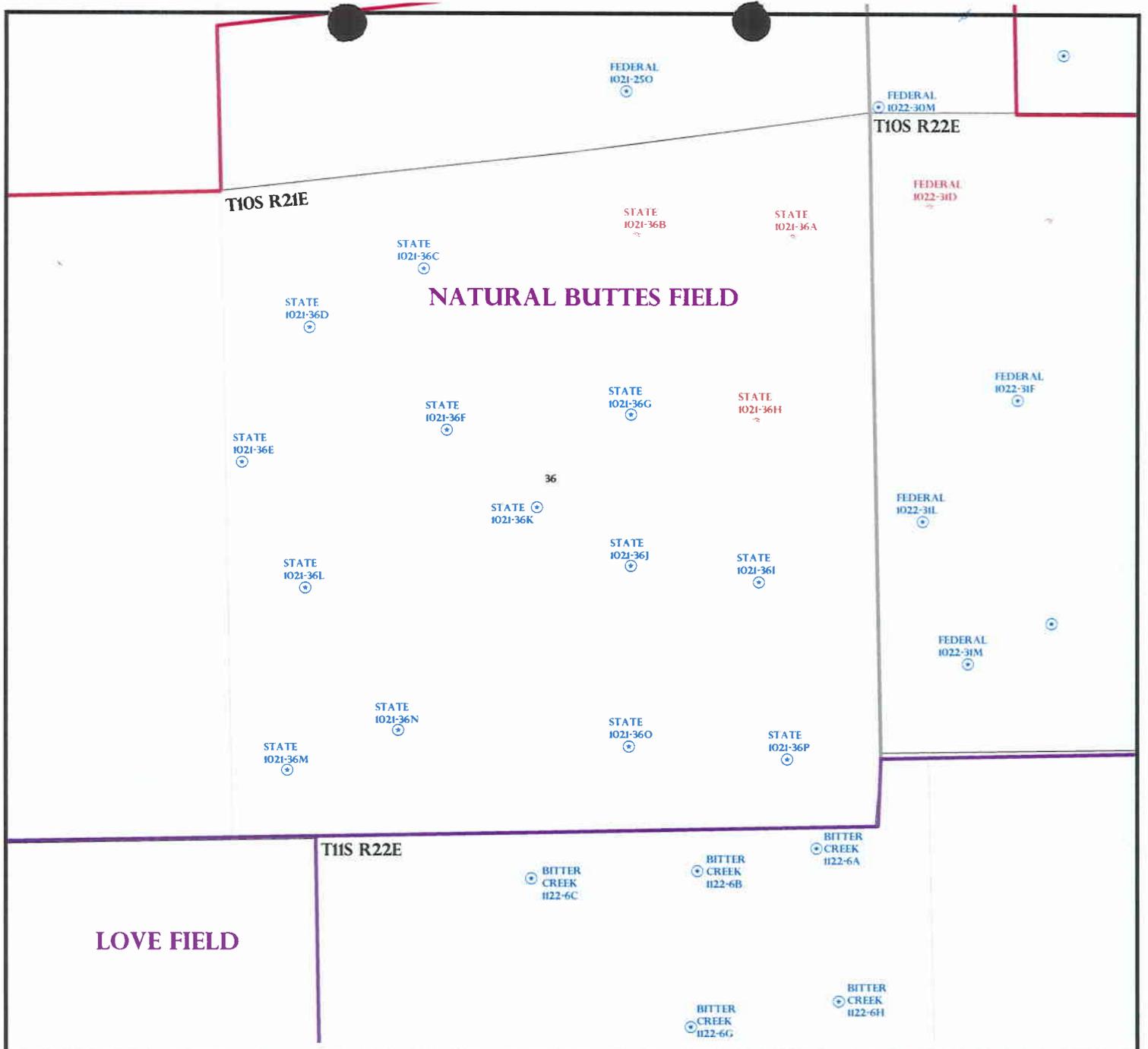
- _____ R649-2-3.
- Unit: _____
- _____ R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- _____ Drilling Unit
- Board Cause No: _____
- Eff Date: _____
- Siting: _____
- _____ R649-3-11. Directional Drill

COMMENTS:

Needs Permit (11-28-06)

STIPULATIONS:

- 1- Spacing Strip
- 2- OIL SHALE
- 3- STATEMENT OF BASIS
- 4- Surf Csg Cont Strip



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 36 T.10S R. 21E

FIELD: NATURAL BUTTES (630)

COUNTY: Uintah

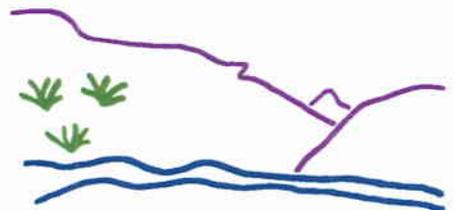
SPACING: R649-3-3 / EXCEPTION LOCATION

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

12/4/2006

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
167	43-047-38848-00-00		GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, LP		Surface Owner-APD		
Well Name	STATE 1021-36N		Unit		
Field	UNDESIGNATED		Type of Work		
Location	SESW 36 10S 21E S 0 FL 0 FL GPS Coord (UTM) 627956E 4417403N				

Geologic Statement of Basis

Kerr McGee proposes to set 1,800' 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 3,300'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 36. 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 up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill
APD Evaluator

12/4/2006
Date / Time

Surface Statement of Basis

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 location is in the flat bottom of Sand Wash which is running to the southeast. The location and Sand Wash are rimmed with high hills with sandstone ledges on the east and west.

The surface and minerals of the site are both owned by SITLA. Mr Jim Davis of SITLA was invited to the Presite but bad weather prevented him from attending. The location appears to be suitable site for drilling and operating a well.

Ben Williams represented the Utah Division of Wildlife Resources. He stated that no wildlife values would be significantly affected by drilling a well at this location. He provided Mr. Estes with a summary of his wildlife evaluations and a UDWR recommended seed mix to use when revegetating the site.

Floyd Bartlett
Onsite Evaluator

11/28/2006
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.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, LP
Well Name STATE 1021-36N
API Number 43-047-38848-0 **APD No** 167 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SESW **Sec** 36 **Tw** 10S **Rng** 21E 0 FL 0 FL
GPS Coord (UTM) 627953 4417402 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Ben Williams (Utah Division of Wildlife Resources), Carroll Estes (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 location is in the flat bottom of Sand Wash which is running to the southeast. The location and Sand Wash are rimmed with high hills with sandstone ledges on the east and west.

Surface Use Plan

Current Surface Use

Wildlife Habitat
Grazing

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.5	Width 308 Length 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Site is outside the flood plain

Flora / Fauna

Barren with sparse greasewood, Russian thistle, annual mustard.

Deer, antelope, coyote, rabbits and small mammals and birds. Sheep graze during the winter.

Soil Type and Characteristics

Deep sandy loam

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required Y

Around the location on the north side

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 west 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

Ben Williams represented the Utah Division of Wildlife Resources. He stated that no wildlife values would be significantly affected by drilling a well at this location. He provided Mr. Estes with a summary of his wildlife evaluations and a UDWR recommended seed mix to use when revegetating the site.

The surface and minerals of the site are both owned by SITLA. Mr Jim Davis of SITLA was invited to the Presite but bad weather prevented him from attending. The location appears to be suitable site for drilling and operating a well.

Floyd Bartlett
Evaluator

11/28/2006
Date / Time

Casing Schematic

Surface

BHP

$$0.052(8510)11.3 = 5000 \text{ psi}$$

Anticipate 5276 psi

Gas

$$.12(8510) = 1021$$

$$5000 - 1021 = 3979 \text{ psi}$$

MASP

9-5/8" MW 8.4 Frac 19.3

BOPE 5M ✓

Burst 2270 psi

$$.70\% = 1589 \text{ psi}$$

Max P @ csg. shoe

$$.22(6710) = 1476$$

$$5000 - 1476 = 3524 \text{ psi}$$

Test to 1589 psi ✓

Stip ⇒ surf. cmt ✓

✓ Adequate data 12/13/06

4-1/2" MW 11.3

Production 8510. MD

126
187

TOC @ 0. Uinta
 TOC to surf w/ 9% w/o
 ✓ * surf stip

771' TOC @ 441. Green River

1042 Bird's Nest Water

1553' Mahogany

Surface 1800. MD

3500' ± BMSW

3859' Wasatch

6450' Mesaverde

7418' MVL 2

8039' MVL 1

Well name:	2006-12 Kerr McGee State 1021-36N		
Operator:	Kerr McGee Oil & Gas Onshore, LP		
String type:	Surface	Project ID:	43-047-38848
Location:	Uintah County, Utah		

Design parameters:	Minimum design factors:	Environment:
<u>Collapse</u>	<u>Collapse:</u>	H2S considered? No
Mud weight: 8.400 ppg	Design factor 1.125	Surface temperature: 75 °F
Design is based on evacuated pipe.		Bottom hole temperature: 100 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 1,490 ft
	<u>Burst:</u>	Cement top: 441 ft
	Design factor 1.00	
<u>Burst</u>		
Max anticipated surface pressure: 1,584 psi	<u>Tension:</u>	Non-directional string.
Internal gradient: 0.120 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 1,800 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	Re subsequent strings:
	Body yield: 1.50 (B)	Next setting depth: 8,510 ft
	Tension is based on buoyed weight.	Next mud weight: 11.300 ppg
	Neutral point: 1,578 ft	Next setting BHP: 4,995 psi
		Fracture mud wt: 19.250 ppg
		Fracture depth: 1,800 ft
		Injection pressure: 1,800 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	1800	9.625	32.30	H-40	ST&C	1800	1800	8.876	795.4

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	785	1370	1.744	1800	2270	1.26	51	254	4.98 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 1800 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 State 1021-36N		
Operator:	Kerr McGee Oil & Gas Onshore, LP		
String type:	Production	Project ID:	43-047-38848
Location:	Uintah County, Utah		

Design parameters:	Minimum design factors:	Environment:
<u>Collapse</u>	<u>Collapse:</u>	H2S considered? No
Mud weight: 11.300 ppg	Design factor 1.125	Surface temperature: 75 °F
Design is based on evacuated pipe.		Bottom hole temperature: 194 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 1,500 ft
	<u>Burst:</u>	Cement top: Surface
	Design factor 1.00	
<u>Burst</u>		
Max anticipated surface pressure: 3,123 psi		
Internal gradient: 0.220 psi/ft		
Calculated BHP 4,995 psi		
No backup mud specified.		
	<u>Tension:</u>	Non-directional string.
	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: 7,073 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	8510	4.5	11.60	I-80	LT&C	8510	8510	3.875	742.6

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	4995	6360	1.273	4995	7780	1.56	82	212	2.58 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 8510 ft, a mud weight of 11.3 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.



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

January 8, 2007

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

RE: State 1021-36N
T10S-R21E
Section 36: SESW
834' FSL, 1394' FWL
Uintah County, Utah

Dear Ms. Mason:

Kerr-McGee Oil & Gas Onshore LP, formerly known as Westport Oil and Gas Company, L.P. has submitted a permit to drill the captioned well to test the Wasatch and Mesaverde formations. The well is located at an exception location to State Rule 649-3-2 (State Wide). The well location was moved for topographic reasons. Kerr-McGee owns 100% of the leasehold within 460 feet of the exception location of the offset lands and has no objection to the exception location.

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

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Chris Latimer', with a long, sweeping horizontal line extending to the right.

W. Chris Latimer, CPL
Senior Landman

cc: Raleen White

RECEIVED

JAN 11 2007

DIV. OF OIL, GAS & MINING

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: State 1021-36N Well, 834' FSL, 1394' FWL, SE SW, Sec. 36, 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38848.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor (via e-mail)
SITLA

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.
8. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

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

Well Name: STATE 1021-36N

Api No: 43-047-38848 Lease Type: STATE

Section 36 Township 10S Range 21E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # RATHOLE

SPUDDED:

Date 09/21/07

Time 12:00 NOON

How DRY

Drilling will Commence: _____

Reported by LOU WELDON

Telephone # (435) 8287035

Date 09/24/07 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
43047 <u>38848</u>	STATE 1021-36N		SESW	36	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>A</u>	99999	<u>16359</u>	9/21/2007		<u>9/25/07</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. SPUD WELL LOCATION ON 09/21/2007 @ 1200 HRS. <u>WSMVD</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304736091	NBU 1022-21G		SWNE	21	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	9/21/2007		<u>9/25/07</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. SPUD WELL LOCATION ON 09/21/2007 @ 1130 HRS. <u>WSMVD</u>							

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

9/24/2007

Date

RECEIVED

SEP 24 2007

(5/2000)

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-47060
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: STATE 1021-36N	
2. NAME OF OPERATOR: KERR-McGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304738848
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: 834'FSL-1394'FWL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 36 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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: 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 8079' TO 8500' ON 10/16/2007. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/325 SX PREM LITE II @ 11.5 PPG 2.82 YLD. TAILED CMT W/1200 SX 50/50 POZ @ 14.3 PPG 1.31 YLD. DISPLACE W/131 BUMP PLUG, FLOAT HELD, CLEAN PITS. RELEASE RIG 41 0600 HRS 10/17/2007.

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

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE	DATE 10/17/2007

(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 47060
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 type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: KERR-McGEE OIL & GAS ONSHORE LP		8. WELL NAME and NUMBER: STATE 1021-36N
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY: VERNAL STATE: UT ZIP: 84078		9. API NUMBER: 4304738848
4. LOCATION OF WELL FOOTAGES AT SURFACE: 834'FSL-1394'FWL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 36 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 checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 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 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 DRILLING BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40". RAN 14" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX. SPUD WELL LOCATION @ 1200 HRS ON 09/21/2007.

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

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE	DATE 9/24/2007

(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 47060
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1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: KERR MCGEE OIL AND GAS ONSHORE LP		8. WELL NAME and NUMBER: STATE 1021-36N
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		9. API NUMBER: 4304738848
4. LOCATION OF WELL FOOTAGES AT SURFACE: 834'FSL-1394'FWL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 36 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: <u>SET SURFACE</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>CSG</u>

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

MIRU BILL MARTIN AIR RIG ON 09/24/2007. DRILLED 12 1/4" SURFACE HOLE TO 1855'. RAN 9 5/8" 44 JTS H-40 32.3# AND 2 JTS OF 36# J-55. SURFACE CSG LEAD CMT W/150 SX PREM CLASS G @ 11 PPG 3.82 YLD. TAILED W/200 SX PREM CLASS G @ 15.8 PPG 1.15 YLD. RAN 200' OF 1" PIPE. CMT W/75 SX PREM CLASS G @ 15.8 PPG 1.15 YLD. TOP OUT W/50 SX PREM CLASS G @ 15.8 PPG 1.15 YLD. DOWN BACKSIDE. GOOD CMT TO SURFACE AND STAYED AT SURFACE. WORT.

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

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>SENIOR LAND ADMIN SPECIALIST</u>
SIGNATURE	DATE <u>9/27/2007</u>

(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

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-47060
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:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 834'FSL, 1394'FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 36 10S 21E		8. WELL NAME and NUMBER: STATE 1021-36N
PHONE NUMBER: (435) 781-7024		9. API NUMBER: 4304738848
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

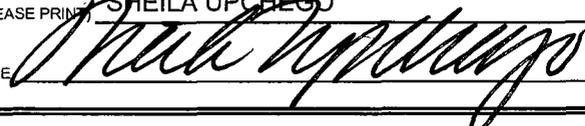
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
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	<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
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	<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>PRODUCTION START-UP</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 SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 01/07/2008 AT 10:00 AM.
PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

RECEIVED
JAN 15 2008

DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGG	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE 	DATE 1/10/2008

(This space for State use only)



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

CHRONOLOGICAL WELL HISTORY

STATE 1021-36N

SESW, SEC. 36, T10S, R21E
 UINTAH COUNTY, UT

DATE	ACTIVITY	PIONEER 41	STATUS
08/29/08	LOCATION STARTED	PIONEER 41	
09/18/07	LOCATION COMPLETED	PIONEER 41	P/L IN, WOBR
09/21/07	SET CONDUCTOR	PIONEER 41	
09/24/07	SET AIR RIG	PIONEER 41	DRILL
10/01/07	9 5/8" @ 1818'	PIONEER 41	WORT
10/08/07	TD: 1873' Csg. 9 5/8" @ 1818' MW: 8.4 SD: 10/XX/07 DSS: 0 RDRT and move to State 1021-36N. Spot rig and RURT. NU BOPE @ report time.		
10/09/07	TD: 2395' Csg. 9 5/8" @ 1818' MW: 8.4 SD: 10/8/07 DSS: 1 NU and test BOPE. PUDS and drill FE. Rotary spud @ 2230 hrs 10/8/07. Drill from 1873'-2395'. DA @ report time.		
10/10/07	TD: 4426' Csg. 9 5/8" @ 1818' MW: 9.2 SD: 10/8/07 DSS: 2 Drill from 2395'-4426'. DA @ report time.		
10/11/07	TD: 6038' Csg. 9 5/8" @ 1818' MW: 10.0 SD: 10/8/07 DSS: 3 Drill from 4426'-6038'. DA @ report time.		
10/12/07	TD: 6805' Csg. 9 5/8" @ 1818' MW: 10.4 SD: 10/8/07 DSS: 4 Drill from 6038'-6805'. DA @ report time.		
10/15/07	TD: 8079' Csg. 9 5/8" @ 1818' MW: 11.3 SD: 10/8/07 DSS: 7 Drill from 6805'-7172'. TFNB and work tight hole @ 4450'. Drill to 8079'. CBU and TFNB and MM. TIH and tag up @ 7964'. W&R to 8079' @ report time.		
10/16/07	TD: 8500' Csg. 9 5/8" @ 1818' MW: 12.0 SD: 10/8/07 DSS: 8 Drill from 8079'-8500' TD. CCH and short trip 10 stds. LDDP @ report time.		
10/17/07	TD: 8500' Csg. 9 5/8" @ 1818' MW: 12.0 SD: 10/8/07 DSS: 9 LDDS. Run Triple Combo. Run and cement 4 1/2" Production Casing. Set slips and release rig @ 0600 hrs 10/17/07. RDRT.		
12/26/07	Frac Days On Completion: 1 Remarks: MIRU HALLIBUTON & CUTTERS STAGE #1 PICK UP 3,3/8 GUNS 23 GM .36 HOLES RIH PERF @7895'-96' 4 SPF 7934'-36' 4 SPF 7976'-78' 4 SPF 8040'-43' 3 SPF 8155'-59' 4 SPF BRK PERF @ 3390# INJ RT 37 BPM INJ PSI 4100# ISIP 3030# FG .82 FRAC W/		

63100# 30/50 SAND + 1709 BBL SALCKWATER MP 5893# MR 44.9 BPM AP 4246# AR 42.2
BPM ISIP 3310# FG .85 NPI 280#

STAGE #2 RIH SET 8K CBP @ 7671' PERF @ 7401'-03' 4 SPF 7441'-44' 4 SPF 7480'-83' 4
SPF 7602'-04' 3 SPF 7639'-41' 3 SPF BRK PERF @ 2552# INJ RT 50 BPM INJ PSI 3250# ISIP
2078# FG .71 FRAC W/ 77520# 30/50 SAND + 2078 BBL SLICKWATER MP 3690# MR 51 BPM
AP 3241# AR 47 BPM ISIP 2460# FG .77 NPI 382#

STAGE #3 RIG SET 8K CBP @7057' PERF @ 6900'-06' 4 SPF 7023'-27' 4 SPF BRK PERF @
2798# INJ RT 49 BPM INJ PSI 3700# ISIP 2100# FG .74 FRAC W/ 88600# 30/50 SAND + 2383
BBL SLICKWATER MP 4100# MR 52 BPM AP 3602# AR 45.7 BPM ISIP 2750# FG .83 NPI 650#

STAGE #2 RIH SET 8K CBP @ 6841' PERF @ 6719'-23' 4 SPF 6775'-77' 4 SPF 6807'-11' 4 SPF

12/27/07

Frac

Days On Completion: 2

Remarks: RIG UP HALLIBUTON FRAC STAGE #4 BRK PERF @ 3398# INJ RT 50 BPM IJN
PSI 4000# ISIP 2298# FG .78 FRAC W/ 32600# 30/50 SAND + 947 BBL SLICKWATER MP
5243# MR 50.5 BPM AP 4176# AR 49.5 BPM ISIP 2909# NPI 611#

STAGE #5 RIH SET 8K CBP @6534' PERF @ 6326'-30' 4 SPF 6391'-94' 4 SPF 6500'-04' 4 SPF
BRK PERF @ 3205# INJ RT 50 BPM INJ PSI 3600# ISIP 1633# FG .69 FRAC W/ 83700# 30/50
SAND + 2224 BBL SLICKWATER MP 3940# MR 53.4 BPM AP 3554# AR 51.2 BPM ISIP 2717#
FG .86 NPI 1084#

STAGE # 6 RIH SET 8K CBP @ 5824' PERF @ 5598'-03' 4 SPF 5789'-94' 4 SPF BRK PERF @
3343# INJ RT 50 BPM INJ PSI 3600# ISIP 1560# FG .71 FRAC W/ 21400# 30/50 SAND + 647
BBL SLICKWATER MP 4655# MR 51.2 BPM AP 3652# AR 49.4 BPM ISIP 2227# FG .83 NPI
667#

STAGE #7 RIH SET 8K CBP @ 4973' PERF @ 4648'-54' 4 SPF 4938'-43' 4 SPF BRK PERF @
2472# INJ RT 52 BPM INJ PSI 2800# ISIP 1061# FG .66 FRAC W/ 47500# 30/50 SAND + 1185
BBL SLICKWATER MP 3335# MR 52.7 AP 3163# AR 51.9 ISIP 2162# FG .88 NPI 1101# RIG

12/31/07

POOH & PERF

Days On Completion: 4

Remarks: 07:00 AM. HSM. CONT RIH W/ 2 3/8" J-55 4.7# TBG. EOT @ 6,611' 210 JTS.
POOH STAND BACK 105 STANDS. ND BOP'S NU FRAC VALVES. MIRU B&C QUICK TEST &
CUTTERS TO PRESSURE TEST & PERFORATE.
PRESSURE TEST CASING & BOTH FRAC VALVES TO 7,500 PSI. GOOD TEST.

STG 1) RIH W/ 3 3/8" EXP GNS, 23 GRM .36 HOLES 180 120 & 90 DEG PHASING.
PERFORATE 8,147' - 52' 4 SPF, 8,071' - 75' 3 SPF, 8,029' - 32' 2 SPF, 38 HOLES.

RDMO B&C QUICK TEST & CUTTERS. WINTERIZE WELL HEAD. SDF HOLIDAY.

01/03/08

D/O Plugs

Days On Completion: 8

Remarks: 7:00- HSM. SITP 0, SICP 0. START EQUIP. OPEN WELL UP. FLUSH PUMP LINES.
RUN 3-JTS IN W/ PWR SWIVEL AND TAG SAND AT 4541'. #1 CBP- TAG SAND AT 4541'. C/O
7' SAND TO CBP #1 AT 4548' W/ 145-JTS IN. D/O IN 7-MIN, 400 PSI INCREASE. CONT RIH.
#2 CBP- TAG SAND AT 4923'. C/O 50' SAND TO CBP #2 AT 4973' W/ 157-JTS IN. D/O IN 7-
MIN, 0 PSI INCREASE. KILLED FLOW. CONT RIH. #3 CBP- TAG SAND AT 5782'. C/O 42'
SAND TO CBP #3 AT 5824' W/ 186-JTS IN. D/O IN 15-MIN, 50 PSI INCREASE. CONT RIH. #4
CBP- TAG SAND AT 6490'. C/O 44' SAND TO CBP #4 AT 6534' W/ 208-JTS IN. D/O IN 10 MIN,
PSI INCREASE. CONT RIH. #5 CBP- TAG SAND AT 6810'. C/O 31' SAND TO CBP #5 AT 6841'

W/ 218-JTS IN. D/O IN 8-MIN, 200 PSI INCREASE. CONT RIH. #6 CBP- TAG SAND AT 7015'. C/O 42' SAND TO CBP #6 AT 7057' W/ 225-JTS IN. D/O IN 20-MIN, 0 PSI INCREASE. CONT RIH. #7 CBP- TAG SAND AT 7635'. C/O 36' SAND TO CBP #7 AT 7671' W/ 245-JTS IN. D/O IN 10-MIN, 150 PSI INCREASE. CONT RIH.

TAG SAND AT 8215'. C/O 56' SAND TO 8271' (112' RATHOLE). CIRC 15-MIN. RD PWR SWIVEL. POOH AS LD 32-JTS 2-3/8" TBG. PU HANGER AND LUB IN. LAND W/ 231-JTS 2-3/8" 4.7# J-55 TBG IN, EOT AT 7279'. RD FLOOR. ND BOP. NU WH. DROP BALL DOWN TBG. HOOK UP AND PUMP 30 BBLS DOWN TBG. (TBG VOL 28 BBLS) DID NOT SEE POBS RELEASE. HOOK UP LINES TO PIT. OPEN WELL UP. SICP 900. TBG FLOWING TO PIT. TURN WELL OVER TO FLOW BACK CREW. DRAIN PUMP AND LINES. WILL RD IN AM.

FRAC JOB 11,173 BBLS
PMP AS D/O 290 BBLS

RCVR 1770 BBLS
LTR 9693 BBLS

TBG DETAIL	KB	18.00
	HANGER	.83
	231-JTS J-55	7258.27
	POBS W/ 1.87" R	2.20
	EOT	7279.30

AZTEC DELIVERED 278-JTS 2-3/8" J-55 EUE. RETURNED 47-JTS 2-3/8" J-55 TO AZTEC.

- 01/04/08 **FLOWBACK REPORT:** CP 1000#, TP 975#, CK 20/64", 55 BWPH, LOAD REC'D 880 BBLS, REMAINING LTR 8813 BBLS
- 01/05/08 **FLOWBACK REPORT:** CP 1400#, TP 850#, CK 20/64", 40 BWPH, LOAD REC'D 1055 BBLS, REMAINING LTR 6530 BBLS
- 01/06/08 **FLOWBACK REPORT:** CP 1925#, TP 925#, CK 20/64", 35 BWPH, LOAD REC'D 970 BBLS, REMAINING LTR 5560 BBLS
- 01/07/08 **FLOWBACK REPORT:** CP 1975#, TP 1000#, CK 20/64", 20 BWPH, LOAD REC'D 550 BBLS, REMAINING LTR 5010 BBLS
ON SALES: 494 MCF, 0 BC, 480 BW, TP: 1007#, CP: 1984#, 20/64 CHK, 12 HRS, LP: 187#.
- 01/09/08 **ON SALES:** 1061 MCF, 0 BC, 360 BW, TP: 994#, CP: 1843#, 20/64 CHK, 24 HRS, LP: 216#.

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-47060

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:
STATE 1021-36N

9. API NUMBER:
4304738848

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SESW 36 10S 21E

12. COUNTY
UINTAH

13. STATE
UTAH

14. DATE SPUDDED: **9/21/2007**

15. DATE T.D. REACHED: **10/16/2007**

16. DATE COMPLETED: **1/7/2008**

ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL):
5308'GL

18. TOTAL DEPTH: MD **8,500** TVD

19. PLUG BACK T.D.: MD **8,271** 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, SD, DSN, ACTR

23.
WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (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 H-40	32.3# 36#		1,855		475			
7 7/8"	4 1/2 I-80	11.6#		8,500		1525			

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"	7,279							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) WASATCH	4,648	5,794			4,648 5,794	0.36	66	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B) MESAVERDE	6,326	8,159			6,326 8,159	0.36	172	Open <input checked="" 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
4648'-5794'	PMP 1832 BBLs SLICK H2O & 68,900# 30/50 SD
6326'-8159'	PMP 9341 BBLs SLICK H2O & 345,520# 30/50 SD

RECEIVED

JAN 28 2008

DIV. OF OIL, GAS & MINING

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
PROD

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 1/7/2008		TEST DATE: 1/18/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 1,457	WATER - BBL: 418	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 840	CSG. PRESS. 1,327	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,457	WATER - BBL: 418	INTERVAL STATUS: PROD	

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED: 1/7/2008		TEST DATE: 1/18/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 0	GAS - MCF: 1,457	WATER - BBL: 418	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 840	CSG. PRESS. 1,327	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 1,457	WATER - BBL: 418	INTERVAL STATUS: PROD	

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: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	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: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:	

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

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

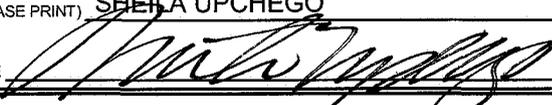
Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH MESAVERDE	3,890 6,377	6,377			

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 SENIOR LAND ADMIN SPECIALIST
 SIGNATURE  DATE 1/25/2008

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
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
 Fax: 801-359-3940

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47060
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: STATE 1021-36N
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047388480000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0834 FSL 1394 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 36 Township: 10.0S Range: 21.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 50px;" type="text"/>
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/15/2010			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input type="checkbox"/> DRILLING REPORT Report Date:			

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

This well returned to production on 12/15/2010.

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

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 12/27/2010

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-47060
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 Gas Well		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		8. WELL NAME and NUMBER: STATE 1021-36N
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		9. API NUMBER: 43047388480000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0834 FSL 1394 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 36 Township: 10.0S Range: 21.0E Meridian: S		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 11/3/2011		
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input type="checkbox"/> DRILLING REPORT Report Date:		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. THE SUBJECT WELL WAS RETURNED BACK TO PRODUCTION ON 11/03/2011.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY		
NAME (PLEASE PRINT) Sheila Wopsock	PHONE NUMBER 435 781-7024	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 12/6/2011	

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
Various	NBU REVISION						UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
E	Various	2900	3/13/2012			2/1/2012	
Comments: MOVE THE ATTACHED WELLS INTO THE NATURAL BUTTES UNIT REVISION EFFECTIVE 02/01/2012. <i>72 wells</i> 5/31/2012							

Well 2

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

Well 3

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

ACTION CODES:

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

SHEILA WOPSOCK

Name (Please Print)

Signature

REGULATORY ANALYST

Title

5/30/2012

Date

RECEIVED

MAY 31 2012

Div. of Oil, Gas & Mining

Entity Action Form Attachment for wells moved into the Natural Buttes Unit Effective 02/01/2012.

API	Well Name	QTR/QTR / Section	TWNSHP	RANGE	Producing Intervals
4304737079	FEDERAL 920-25I	NESE <i>15431</i> 25 9S	25 9S	20E	WASATCH/MESAVERDE
4304737080	FEDERAL 920-25H	SENE <i>15761</i> 25 9S	25 9S	20E	WASATCH/MESAVERDE
4304737081	FEDERAL 920-25A	NENE <i>15553</i> 25 9S	25 9S	20E	WASATCH/MESAVERDE <i>from MURD</i>
4304739098	STATE 1021-28M	SWSW <i>16499</i> 28 10S	28 10S	21E	WASATCH <i>To WSMVD</i>
4304737918	FEDERAL 1021-26L	NWSW <i>16390</i> 26 10S	26 10S	21E	MESAVERDE <i>To WSMVD</i>
4304737919	FEDERAL 1021-26N	SESW <i>16391</i> 26 10S	26 10S	21E	WASATCH/MESAVERDE
4304737916	FEDERAL 1021-25O	SWSE <i>16277</i> 25 10S	25 10S	21E	WASATCH/MESAVERDE
4304739112	STATE 1021-31M	SWSW <i>16454</i> 31 10S	31 10S	21E	WASATCH <i>To WSMVD</i>
4304739127	STATE 1021-32P	SESE <i>16471</i> 32 10S	32 10S	21E	WASATCH/MESAVERDE
4304739128	STATE 1021-32O	SWSE <i>17513</i> 32 10S	32 10S	21E	WASATCH/MESAVERDE
4304739131	STATE 1021-32L	NWSW <i>16902</i> 32 10S	32 10S	21E	WASATCH/MESAVERDE
4304739133	STATE 1021-32J	NWSE <i>17529</i> 32 10S	32 10S	21E	WASATCH/MESAVERDE
4304739134	STATE 1021-32I	NESE <i>16905</i> 32 10S	32 10S	21E	<i>WSMVD</i>
4304739135	STATE 1021-32H	SENE <i>17528</i> 32 10S	32 10S	21E	WASATCH/MESAVERDE
4304735714	FEDERAL 1022-29H	SENE <i>15147</i> 29 10S	29 10S	22E	WASATCH/MESAVERDE
4304735715	FEDERAL 1022-29F	SENW <i>15162</i> 29 10S	29 10S	22E	WASATCH/MESAVERDE
4304735716	FEDERAL 1022-29B	NWNE <i>11492</i> 29 10S	29 10S	22E	WASATCH/MESAVERDE
4304735737	FEDERAL 1022-29I	NESE <i>15001</i> 29 10S	29 10S	22E	WASATCH/MESAVERDE
4304735738	FEDERAL 1022-29D	NWNW <i>15016</i> 29 10S	29 10S	22E	MESAVERDE <i>To WSMVD</i>
4304734862	FEDERAL 31-10-22	SESE <i>13879</i> 31 10S	31 10S	22E	MESAVERDE <i>To WSMVD</i>
4304735173	FEDERAL 1022-31D	NWNW <i>14132</i> 31 10S	31 10S	22E	WASATCH/MESAVERDE
4304736492	FEDERAL 1022-31N	SESW <i>16255</i> 31 10S	31 10S	22E	WASATCH/MESAVERDE
4304736493	FEDERAL 1022-31I	NESE <i>15089</i> 31 10S	31 10S	22E	WASATCH/MESAVERDE
4304736494	FEDERAL 1022-31G	SWNE <i>15075</i> 31 10S	31 10S	22E	WASATCH/MESAVERDE
4304736495	FEDERAL 1022-31F	SENE <i>15230</i> 31 10S	31 10S	22E	WASATCH/MESAVERDE
4304736574	FEDERAL 1022-31C	NENW <i>15090</i> 31 10S	31 10S	22E	WASATCH/MESAVERDE
4304736575	FEDERAL 1022-31J	NWSE <i>15214</i> 31 10S	31 10S	22E	WASATCH/MESAVERDE
4304736576	FEDERAL 1022-31L	NWSW <i>16276</i> 31 10S	31 10S	22E	WASATCH/MESAVERDE
4304734317	STATE 1-32	NESW <i>13419</i> 32 10S	32 10S	22E	WASATCH/MESAVERDE
4304734831	STATE 2-32	SESW <i>13842</i> 32 10S	32 10S	22E	MESAVERDE <i>To WSMVD</i>
4304734832	STATE 3-32	NWSW <i>13844</i> 32 10S	32 10S	22E	WASATCH/MESAVERDE
4304735095	STATE 1022-32J	NWSE <i>114097</i> 32 10S	32 10S	22E	<i>WSMVD</i>
4304735096	STATE 1022-32A	NENE <i>13914</i> 32 10S	32 10S	22E	WASATCH/MESAVERDE
4304735186	STATE 1022-32P	SESE <i>14131</i> 32 10S	32 10S	22E	MESAVERDE <i>To WSMVD</i>
4304735315	STATE 1022-32O	SWSE <i>14114</i> 32 10S	32 10S	22E	WASATCH/MESAVERDE
4304735647	STATE 1022-32H	SENE <i>14348</i> 32 10S	32 10S	22E	MESAVERDE <i>To WSMVD</i>
4304736413	STATE 1021-36O	SWSE <i>15619</i> 36 10S	36 10S	21E	WASATCH/MESAVERDE
4304738157	WELL BELONGS TO QEP ENERGY CORP "GH 8-20-8-21" PERMIT NOT APPROVED				
4304734839	FEDERAL 1022-15F	SENW <i>14618</i> 15 10S	15 10S	22E	WASATCH/MESAVERDE
4304736414	STATE 1021-36J	NWSE <i>15651</i> 36 10S	36 10S	21E	WASATCH/MESAVERDE
4304738152	STATE 1021-36L	NWSW <i>16012</i> 36 10S	36 10S	21E	WASATCH/MESAVERDE
4304735440	FEDERAL 1022-15J	NWSE <i>14617</i> 15 10S	15 10S	22E	WASATCH/MESAVERDE
4304736415	STATE 1021-36I	NESE <i>15684</i> 36 10S	36 10S	21E	WASATCH/MESAVERDE
4304738845	STATE 1021-36D	NWNW <i>16455</i> 36 10S	36 10S	21E	WASATCH/MESAVERDE

4304750096	FEDERAL 1022-27H	SENE	17626	27 10S	22E	WASATCH/MESAVERDE	
4304736416	STATE 1021-36H	SENE	15335	36 10S	21E	WASATCH/MESAVERDE	
4304738846	STATE 1021-36E	SWNW	16523	36 10S	21E	WASATCH/MESAVERDE	
4304735676	FEDERAL 1022-28L	NWSW	15110	28 10S	22E	WASATCH/MESAVERDE	
4304736417	STATE 1021-36G	SWNE	15297	36 10S	21E	WASATCH/MESAVERDE	
4304738847	STATE 1021-36F	SENE	16394	36 10S	21E	WASATCH/MESAVERDE	
4304735713	FEDERAL 1022-28N	SESW	15145	28 10S	22E	WASATCH/MESAVERDE	
4304736418	STATE 1021-36B	NWNE	14953	36 10S	21E	WASATCH/MESAVERDE	
4304738848	STATE 1021-36N	SESW	16359	36 10S	21E	WASATCH/MESAVERDE	
4304735735	FEDERAL 1022-28O	SWSE	15285	28 10S	22E	WASATCH/MESAVERDE	from MURD
4304736419	STATE 1021-36A	NENE	15035	36 10S	21E	WASATCH/MESAVERDE	
4304738849	STATE 1021-36K	NESW	16084	36 10S	21E	WASATCH/MESAVERDE	
4304735736	FEDERAL 1022-28M	SWSW	15286	28 10S	22E	WASATCH/MESAVERDE	
4304736420	STATE 1021-36P	SESE	15372	36 10S	21E	WASATCH/MESAVERDE	
4304738850	STATE 1021-36C	NENW	16396	36 10S	21E	WASATCH/MESAVERDE	
4304734861	FEDERAL 29-10-22	SESE	14006	29 10S	22E	MESAVERDE	TO WSMVD
4304735577	FEDERAL 1022-33O	SWSE	15080	33 10S	22E	WASATCH/MESAVERDE	
4304735739	FEDERAL 1022-33E	SWNW	15193	33 10S	22E	WASATCH/MESAVERDE	
4304735740	FEDERAL 1022-33M	SWSW	15373	33 10S	22E	WASATCH/MESAVERDE	
4304735741	FEDERAL 1022-33L	NWSW	15511	33 10S	22E	WASATCH/MESAVERDE	
4304735742	FEDERAL 1022-33G	SWNE	15404	33 10S	22E	WASATCH/MESAVERDE	from MURD
4304735743	FEDERAL 1022-33C	NENW	15405	33 10S	22E	WASATCH/MESAVERDE	
4304735744	FEDERAL 1022-33A	NENE	15539	33 10S	22E	WASATCH/MESAVERDE	
4304737105	FEDERAL 1022-33D	NWNW	16502	33 10S	22E	WASATCH/MESAVERDE	
4304737106	FEDERAL 1022-33F	SENE	16560	33 10S	22E	WASATCH/MESAVERDE	from WSTC
4304737107	FEDERAL 1022-33K	NESW	16124	33 10S	22E	WASATCH/MESAVERDE	
4304737109	FEDERAL 1022-33N	SESW	16126	33 10S	22E	WASATCH/MESAVERDE	
4304737110	FEDERAL 1022-33B	NWNE	16561	33 10S	22E	WASATCH/MESAVERDE	
4304735810	STATE 1021-36E	SWNW	14295	36 10S	21E	WASATCH/MESAVERDE	

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-47060
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	8. WELL NAME and NUMBER: STATE 1021-36N
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0834 FSL 1394 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 36 Township: 10.0S Range: 21.0E Meridian: S	9. API NUMBER: 43047388480000
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
10. PHONE NUMBER: 720 929-6456	COUNTY: UINTAH
	STATE: UTAH

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 8/10/2016	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

Kerr-McGee Oil & Gas Onshore, LP respectfully requests to plug and abandon the STATE 1021-36N well. Please see the attached procedure for details. Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: September 19, 2016

By: *D. K. Quist*

Please Review Attached Conditions of Approval

NAME (PLEASE PRINT) Candice Barber	PHONE NUMBER 435 781-9749	TITLE HSE Representative
SIGNATURE N/A	DATE 8/10/2016	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047388480000

- 1. Notify the Division at least 24 hours prior to conducting abandonment operations. Please call Dan Jarvis at 801-538-5338.**
- 2. Amend Plug #1: A minimum of 8 sx of cement shall be spotted on the CIBP @ 6525'.**
- 3. All balanced plugs shall be tagged to ensure that they are at the depth specified.**
- 4. All annuli shall be cemented from a minimum depth of 100' to the surface.**
- 5. Surface reclamation shall be done in accordance with R649-3-34 – Well Site Restoration.**
- 6. All requirements in the Oil and Gas Conservation General Rule R649-3-24 shall apply.**
- 7. If there are any changes to the procedure or the wellbore configuration, notify Dustin Doucet at 801-538-5281 (ofc) or 801-733-0983 (home) prior to continuing with the procedure.**
- 8. All other requirements for notice and reporting in the Oil and Gas Conservation General Rules shall apply.**

9/19/2016

Wellbore Diagram

r263

API Well No: 43-047-38848-00-00 Permit No: Well Name/No: STATE 1021-36N

Company Name: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Location: Sec: 36 T: 10S R: 21E Spot: SESW

Coordinates: X: 627894 Y: 4417608

Field Name: NATURAL BUTTES

County Name: Uintah

String Information

String	Bottom (ft sub)	Diameter (inches)	Weight (lb/ft)	Length (ft)
HOL1	40	20		
COND	40	14	36.7	40
HOL2	1855	12.25		
SURF	1855	9.625	32.3	1855
HOL3	8500	7.875		
PROD	8500	4.5	11.6	8500
T1	7279	2.375		

Capacity (fct)

11.459

Plug #7
 $100' = 85 \times \checkmark$

Plug #6
 $65 \times = 210'$
 TOC @ 650' \checkmark

Plug #5
 $(48 \times)(1.15)(11.459) = 632'$
 TOC @ 1760' \checkmark

Plug #4
 $16 \times = 210'$ TOC @ 2932' \checkmark

Plug #3
 $(16 \times)(1.15)(11.459) = 210'$
 TOC @ 3680' \checkmark

Plug #2
 $(8 \times)(1.15)(11.459) = 105'$
 TOC @ 4493' \checkmark

Plug #1
 $100' / (1.15)(11.459) = 85 \times$
 TOC @ 6425'

Cement Information

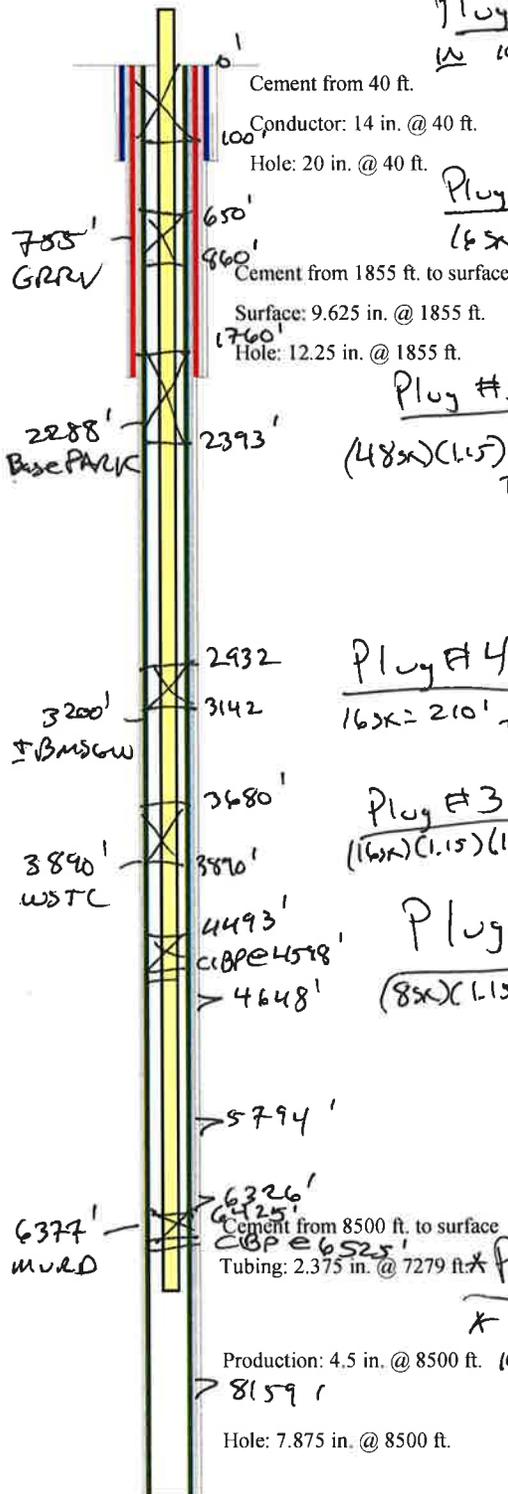
String	BOC (ft sub)	TOC (ft sub)	Class	Sacks
COND	40		UK	28
PROD	8500	0	CBL PM	325
PROD	8500	0	50	1200
SURF	1855	0	PM	150
SURF	1855	0	G	325

Perforation Information

Top (ft sub)	Bottom (ft sub)	Shts/Ft	No Shts	Dt Squeeze
4648	5794			
6326	8159			

Formation Information

Formation	Depth
GRRV	755
PARCK	2288
BMSW	3200
WSTC	3890
MVRD	6377



TD: 8500 TVD: 8500 PBTD: 8271

STATE 1021-36N
 834' FSL & 1394' FWL
 SESW SEC. 36, T10S, R21E
 UINTAH UT

KBE: 5321' API NUMBER: 4304738848
 GLE: 5308' LEASE NUMBER: ML-47060
 TD: 8500' LAT/LONG: 39.898908/-109.503988
 PBTD: 8497'

CASING : 12.25' hole
 SURFACE 9.625" 36# H-40 @ 1818'

PRODUCTION 7.875" hole
 4.5" 11.6# I-80 @ 8496'
 Est. TOC @ 100' CBL

PERFORATIONS: WASATCH-MESAVERDE TOP-BOTTOM 4648'-8043'

TUBING: 2.375" 4.7# J-55 tbg at 7018'

Tubular/Borehole	ID	Drift inches	Collapse psi	Burst psi	Capacities		
	inches				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg	1.995	1.901	8100	7700	0.1624	0.02171	0.00387
2.375" 4.7# P-110 tbg	1.995	1.901	13800	15400	0.1624	0.02171	0.00387
2.375" 4.7# L-80 tbg	1.995	1.901	11780	11200	0.1624	0.02171	0.00387
4.5" 11.6# I-80 csg	4	3.875	6350	7780	0.65282	0.08727	0.01554
9.625" 36# J-55 csg	9.001	8.845	1400	2270	3.30549	0.44188	0.0787

Annular Capacities	Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" tbg. X 4.5" csg	0.42272	0.05651	0.01006
4.5" csg. X 9.625" csg	2.47927	0.33143	0.05903
4.5" csg X 7.875 borehole	1.70406	0.2278	0.04057

GEOLOGIC INFORMATION:

Formation	Depth to top, ft.
Uinta	Surface
Top Green River	755'
Top Mahogany	1457'
Base Parachute	2288'
Top Wasatch	3890'
Top Mesaverde	6525'

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

BMSW Elevation ~2179' MSL
 BMSW Depth ~3142'

STATE 1021-36N PLUG & ABANDONMENT PROCEDURE

GENERAL

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

PERTINENT WELL HISTORY: Seat Nipple. @ 7017', p.t. tbg failed

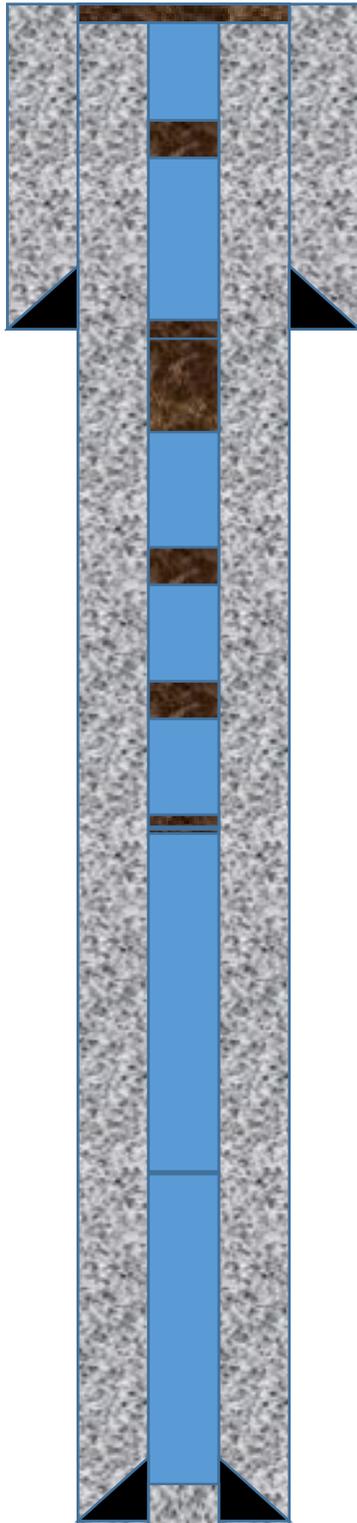
PROCEDURE

Note: Approx. 149 SXS Class "G" cement needed for procedure & (2) 4.5" CIBP

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

1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. POOH W/ TBG & L/D SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL PER FOREMAN DISCRETION.
3. ISOLATE MESAVERDE PERFORATIONS (> 6525'): RIH ON WIRELINE W/ 4.5" CIBP. SET @ ~6525'. RELEASE CIBP.
4. ISOLATE PERFORATIONS (8043'-4648'): RIH ON WIRELINE OR TUBING W/ 4.5" CIBP. SET @ ~4598', (50' above top perf at 4648'). RELEASE CIBP, PUH 10', CIRC ENTIRE HOLE W/ TREATED FRESH WATER AND PRESSURE TEST CASING. SET A 105FT BALANCED CMT PLUG F/ 4598' to 4493'(8 SXS, 9.16 FT3). REVERSE CIRCULATE W/ TREATED WATER (~11.7 BBLS).
5. PROTECT WASATCH TOP (3890'): PUH WITH TUBING AND PUMP A MINIMUM OF (210FT) CMT F/ 3890' to 3680' (16 SXS, 18.32 FT3). REVERSE CIRCULATE W/ TREATED WATER (~11.1 BBLS).
6. PROTECT BMSW (3142'): PUH WITH TUBING AND PUMP A MINIMUM OF (210') CMT F/ 3142'-3037' (16 SXS, 18.32 FT3). REVERSE CIRCULATE W/ TREATED WATER (~ 9.9 BBLS).
7. PROTECT PARACHUTE BASE (2288') & CASING SHOE (1818'): PUH WITH TUBING AND PUMP A MINIMUM OF (628 FT) CMT F/ 2393' to 1765' (48 SXS, 54.76 FT3). REVERSE CIRCULATE W/ TREATED WATER (~17.3 BBLS).
8. PROTECT GREEN RIVER (755'): PUH WITH TUBING AND PUMP A MINIMUM OF (210FT) CMT F/ 860' to 650' (16 SXS, 18.32 FT3). REVERSE CIRCULATE W/ TREATED WATER (~8.4 BBLS).
9. PROTECT SURFACE (101'): PUH WITH TUBING AND PUMP A MINIMUM OF (105 FT) CMT F/ 105'-0' (8 SXS, 9.16 FT3, 1.64 BBLS). POOH AND RUN 1 INCH TUBING DOWN THE PRODUCTION/SURFACE CASING ANNULUS TO AS DEEP AS POSSIBLE AND CEMENT TO SURFACE(29 SXS, 33.21 FT3, 5.92 BBLS).
10. CUT OFF WELLHEAD AND INSTALL MARKER PER REGULATIONS.
11. RDMO. TURN OVER TO OPERATIONS FOR SURFACE REHAB. SURFACE RECLAMATION TO BE PERFORMED IN ACCORDANCE TO REGULATIONS.

STATE 1021-36N



Total SXS: 149, Total CIBP: 2

<- Plug for Surface at 0' from 0' to 105' with 37SXS,105ft.

<- TOC at 100'

<- Plug for GreenRiver at 755' from 860' to 650' with 16SXS,210ft.

<- Mahogany at 1457'

<- Plug for Parachute Base at 2288' & Surface Show at 1818' from 2393' to 1765' with 48 SXS, 628 ft.

<- Plug for BMSW at 3142' from 3247' to 3037' with 16SXS,210ft.

<- Plug for Wasatch at 3890' from 3890' to 3680' with 16SXS,210ft.

<- Plug above CIBP at 4598' from 4598' to 4493' with 8SXS,105ft.

<-CIBP Above Perfs at 4598'

<-Top Perf at 4648'

<-CIBP for Mesaverde at 6525'

<-PBTD at 8497'

<- Production Casing Shoe at 8497'

<-TD at 8500'

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5. LEASE DESIGNATION AND SERIAL NUMBER: ML-47060	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES	
8. WELL NAME and NUMBER: STATE 1021-36N	
9. API NUMBER: 43047388480000	
9. FIELD and POOL or WILDCAT: NATURAL BUTTES	
COUNTY: UINTAH	
STATE: UTAH	

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 Gas Well	3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	PHONE NUMBER: 720 929-6456
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0834 FSL 1394 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 36 Township: 10.0S Range: 21.0E Meridian: S	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 10/19/2016	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input checked="" type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

Kerr-McGee Oil & Gas Onshore, LP has plugged and abandoned the STATE 1021-36N well on 10/19/2016. Please see the operations summary report for details. Thank you.

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

FOR RECORD ONLY

November 16, 2016

NAME (PLEASE PRINT) Candice Barber	PHONE NUMBER 435 781-9749	TITLE HSE Representative
SIGNATURE N/A	DATE 10/24/2016	

US ROCKIES REGION
Operation Summary Report

US ROCKIES REGION								
Operation Summary Report								
Well: STATE 1021-36N					Spud date: 10/8/2007			
Project: UTAH-UINTAH			Site: STATE 1021-36N			Rig name no.: MILES-GRAY 1/1		
Event: ABANDONMENT			Start date: 10/17/2016		End date: 10/19/2016			
Active datum: RKB @5,320.99usft (above Mean Sea Level)				UWI: STATE 1021-36N				
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
10/17/2016	9:00 - 9:45	0.75	ABANDP	30	G	P		ROAD RIG TO LOCATION.
	9:45 - 12:00	2.25	ABANDP	30	F	P		MIRU. FCP & FTP = 75#. BLOW DOWN WELL TO PRODUCTION TANKS. CNTRL TBNG W/ 20BBLS TMAC. CNTRL CSG W/ 20BBLS TMAC. NDWH. UN-LAND TBG (NOT STUCK). LAND TBG BACK ON HANGER. NUBOP. R/U FLOOR & TBG EQUIP. UN-LAND TBG. RMV HANGER. CREW HAD H2S ON MONITORS (SHUT DOWN). SAMPLED H2S BAD. SWI. CALL CHEMICAL COMPANY.
	12:00 - 15:00	3.00	ABANDP	40	D	P		MIRU CHEM COMPANY. PUMP 5GAL H2S SCAVANGER & 5GAL BIOCIDES DOWN TBNG & DISPLACE W/ 15BBLS TMAC. PUMP 5GAL H2S SCAVANGER & 5GAL BIOCIDES DOWN CSG & DISPLACE W/ 20BBLS TMAC. SWIFN. SDFN. NOTE: RICHARD POWELL W/ UDOGM WAS NOTIFIED OF P&A BUT WAS NOT ON LOCATION TO WITNESS WORK. I SPOKE WITH RICHARD AND HE SAID TO PROCEED AS PLANNED.
10/18/2016	7:00 - 7:20	0.33	ABANDP	48	B	P		SAFETY = JSA. TALKED ABOUT H2S SAFETY. SAMPLED GAS STREAM FOR H2S GOOD.
	7:20 - 10:30	3.17	ABANDP	31	I	P		SICP = 300#. SITP = 100#. BLOW DOWN WELL TO FLOWBACK TANK. CNTRL TBNG W/ 20BBLS TMAC. MIRU SCANNERS. POOH WHILE SCANNING 222JTS 2-3/8" J-55 TBNG. L/D ALL TBNG FOR BETTER INSPECTION. SCAN RESULTS AS FOLLOWS: Y-BND = 118JTS R-BND = 104JTS. RDMO SCANNERS.
10/18/2016	10:30 - 14:00	3.50	ABANDP	34	I	P		MIRU WIRELINE. P/U & RIH W/ 4-1/2" GR-JB GOOD @ 6540'. POOH E-LINE. L/D GR-JB. P/U & RIH W/ 4-1/2" WF CIBP. SET CIBP @ 6525'. POOH E-LINE. L/D SETTING TOOL. P/U & RIH W/ DUMP BAILER. SPOT 8SX 15.8# G CMT ON CIBP @ 6525'. (MADE 4 DUMP BAILER RUNS @ 2SX CMT EACH). POOH E-LINE. RDMO E-LINE.
	14:00 - 16:00	2.00	ABANDP	31	G	P		P/U & RIH W/ 4-1/2" WF CIBP + 145JTS 2-3/8" J-55 TBNG. SET CIBP @ 4598'. L/D 1JT TBNG. PUH 12'.
	16:00 - 16:20	0.33	ABANDP	31	H	P		BREAK CONV CIRC W/ TMAC. CIRC WELLBORE CLEAN (OIL & GAS FREE) W/ 72BBLS TMAC.
	16:20 - 16:30	0.17	ABANDP	52	F	P		PRESSURE TEST 4-1/2" PRODUCTION CSNG & 4-1/2" CIBP GOOD @ 500#. LOST 0# IN 5MIN. SWIFN. SDFN. NOTE: RICHARD POWELL W/ UDOGM ON LOCATION FOR +/- 1HR TO WITNESS THE P&A. HE SAID TO PROCEED AS PLANNED.
10/19/2016	7:00 - 7:15	0.25	ABANDP	48	B	P		SAFETY = JSA.

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-36N		Spud date: 10/8/2007	
Project: UTAH-UINTAH		Site: STATE 1021-36N	Rig name no.: MILES-GRAY 1/1
Event: ABANDONMENT		Start date: 10/17/2016	End date: 10/19/2016
Active datum: RKB @5,320.99usft (above Mean Sea Level)		UWI: STATE 1021-36N	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
	7:15 - 12:00	4.75	ABANDP	51	D	P		<p>0# ON WELL. MIRU CMT CREW. PUMP CMT PLUGS WHILE POOH & L/D TBNG. ALL CMT PUMPED @ 15.8# AND IS G CMT. CMT PUMPED AS FOLLOWS:</p> <p>CIBP @ 4598'. PUMP 2.6BBLS FRESH WATER. PUMP 10SX CMT. DISPLACE W/ 1BBL FRESH WATER & 16.2BBLS TMAC. PUH TBNG.</p> <p>EOT @ 3890'. FILL HOLE W/ TMAC. PUMP 2.6BBLS FRESH WATER. PUMP 16SX CMT. DISPLACE W/ 1BBL FRESH WATER & 13.1BBLS TMAC. PUH TBNG.</p> <p>EOT @ 3142'. FILL HOLE W/ TMAC. PUMP 2.6BBLS FRESH WATER. PUMP 16SX CMT. DISPLACE W/ 1BBL FRESH WATER & 10.2BBLS TMAC. PUH TBNG.</p> <p>EOT @ 2393'. FILL HOLE W/ TMAC. PUMP 2.6BBLS FRESH WATER. PUMP 48SX CMT. DISPLACE W/ 1BBL FRESH WATER & 5.5BBLS TMAC. PUH TBNG.</p> <p>EOT @ 860'. FILL HOLE W/ TMAC. PUMP 2.6BBLS FRESH WATER. PUMP 16SX CMT. DISPLACE W/ 1BBL FRESH WATER & 1.4BBLS TMAC. POOH WHILE L/D ALL TBNG.</p> <p>R/D FLOOR & TBG EQUIP. NDBOP. RDMO RIG.</p> <p>MIRU ROUSTABOUT CREW. EXPOSE WELLHEAD. CUT & LOWER WELLHEAD. FOUND FLUID @ 97' INSIDE OF 4-1/2" PRODUCTION CSNG. RIH W/ 1" TBNG INSID OF 4-1/2" X 9-5/8" ANNULUS AND HIT HARD DRILLING MUD @ 25'.</p> <p>SURFACE: PUMP 15SX CMT DOWN 4-1/2" PRODUCTION CSNG UNTIL GOOD CMT @ SURFACE (STAYED FULL). X/O TO 1". RUN 1" TBNG DOWN 4-1/2" X 9-5/8" ANNULUS TO 25' SOLID AND PUMP 35SX CMT UNTIL GOOD CMT @ SURFACE (STAYED FULL).</p> <p>INSTALL MARKER PLATE. BACKFILL WELLHEAD. P&A COMPLETE.</p> <p>WELLHEAD COORDINATES: LAT: 39.898908 LONG: -109.503988</p> <p>NOTE: P&A WITNESSED BY RICHARD POWELL W/ UDOGM. ALL ACTIONS APPROVED BY RICHARD.</p>