

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-21577	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 1021-32L	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL (FOOTAGES): AT SURFACE: 1795'FSL, 472'FWL 621157X AT PROPOSED PRODUCING ZONE: 4417589Y		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 10S 21E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 17.05 MILES SOUTH OF OURAY, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 472'	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: 9,190	20. BOND DESCRIPTION: RLB0005237	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5374'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#	9,190	1950 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 *Sheila Upchego* DATE 3/14/2007

(This space for State use only)
 API NUMBER ASSIGNED: 43-047-30131

Approved by the
Utah Division of
Oil, Gas and Mining
APPROVAL:

RECEIVED
MAR 16 2007

Date: 06-25-07
 By: *[Signature]*

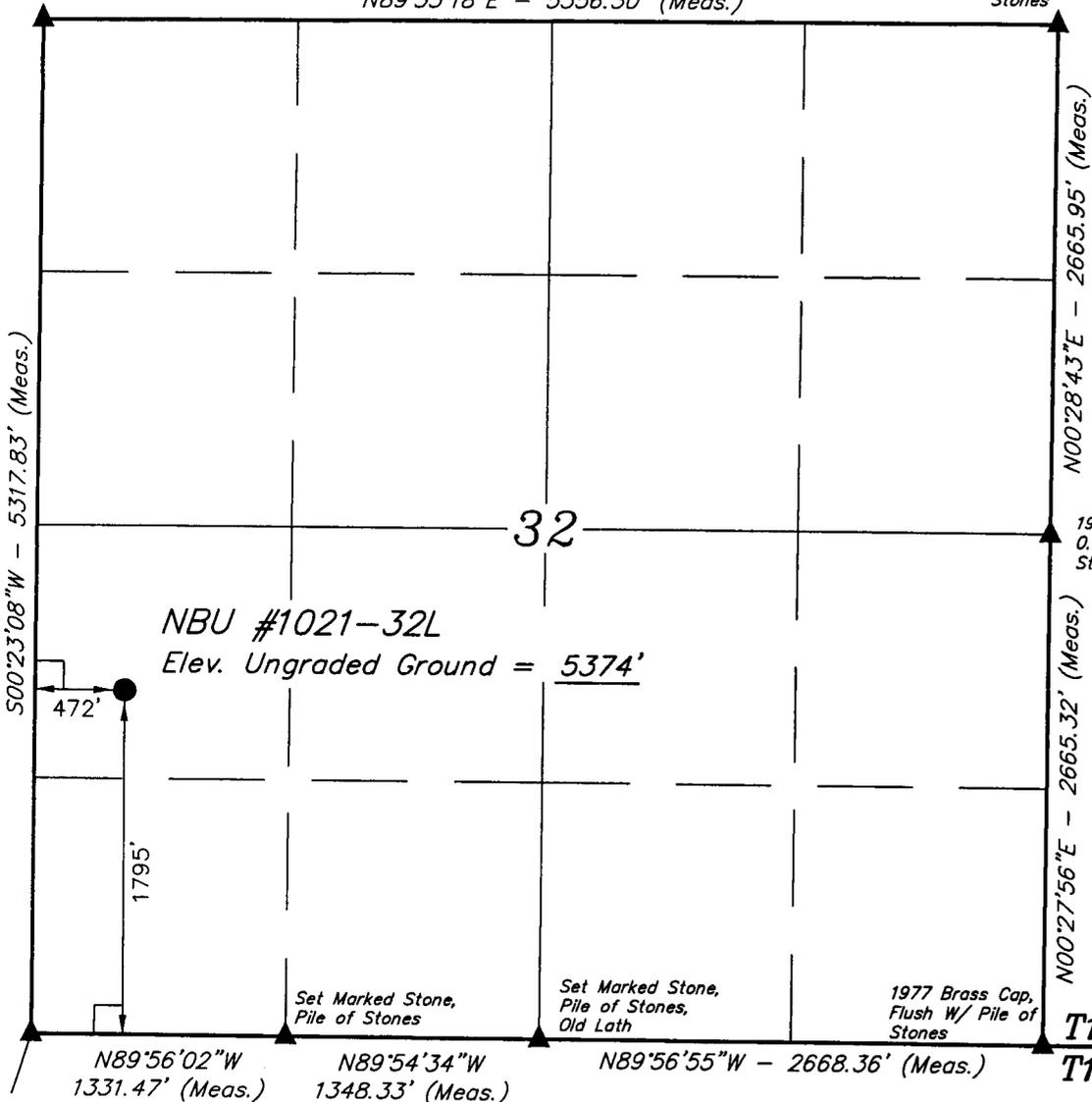
DIV. OF OIL, GAS & MINING

1/2" Rebar 0.6' High,
Pile of Stones, Set
Stone

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

1977 Brass Cap,
0.8' High, Pile of
Stones

N89°55'18"E - 5356.30' (Meas.)

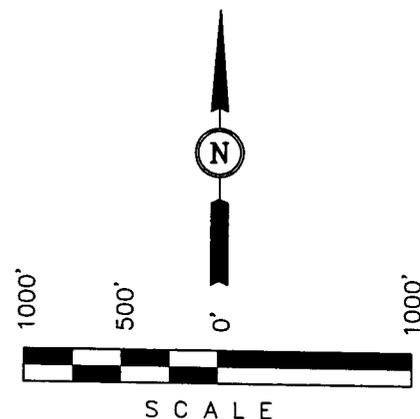


Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1021-32L, located as shown in the NW 1/4 SW 1/4 of Section 32, T10S, R21E, S.L.B.&M., Uintah County, Utah.

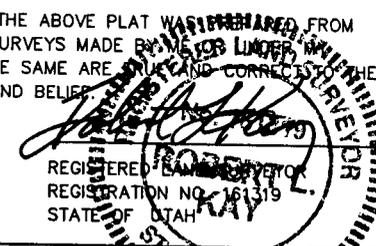
BASIS OF ELEVATION

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



CERTIFICATE

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



1928 Brass Cap,
1.2' High, Pile of
Stones

BASIS OF BEARINGS

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

(NAD 83)
LATITUDE = 39°54'05.67" (39.901575)
LONGITUDE = 109°35'00.11" (109.583364)
(NAD 27)
LATITUDE = 39°54'05.79" (39.901608)
LONGITUDE = 109°34'57.63" (109.582675)

LEGEND:

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

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

SCALE 1" = 1000'	DATE SURVEYED: 12-7-06	DATE DRAWN: 12-20-06
PARTY D.K. L.K. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

**STATE 1021-32L
NW/SW SEC. 32, T10S, R21E
UINTAH COUNTY, UTAH
ML-21577**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1002'
Top of Birds Nest Water	1239'
Mahogany	1759'
Wasatch	4161'
Mesaverde	7032'
MVU2	8047'
MVL1	8553'
TD	9190'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	1002'
	Top of Birds Nest Water	1239'
	Mahogany	1759'
Gas	Wasatch	4161'
Gas	Mesaverde	7032'
Gas	MVU2	8047'
Gas	MVL1	8553'
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 9170' TD, approximately equals 5698 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3676 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP
DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0 to 1800	32.30	H-40	STC	2270 0.65*****	1370 1.63	254000 4.99
PRODUCTION	4-1/2"	0 to 9190	11.60	I-80	LTC	7780 2.24	6350 1.16	201000 2.16

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
 (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
 MASP 3474 psi
 ***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	LEAD	1500	NOTE: If well will circulate water to surface, option 2 will be utilized Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,660'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	400	60%	11.00	3.38
	TAIL	5,530'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1550	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

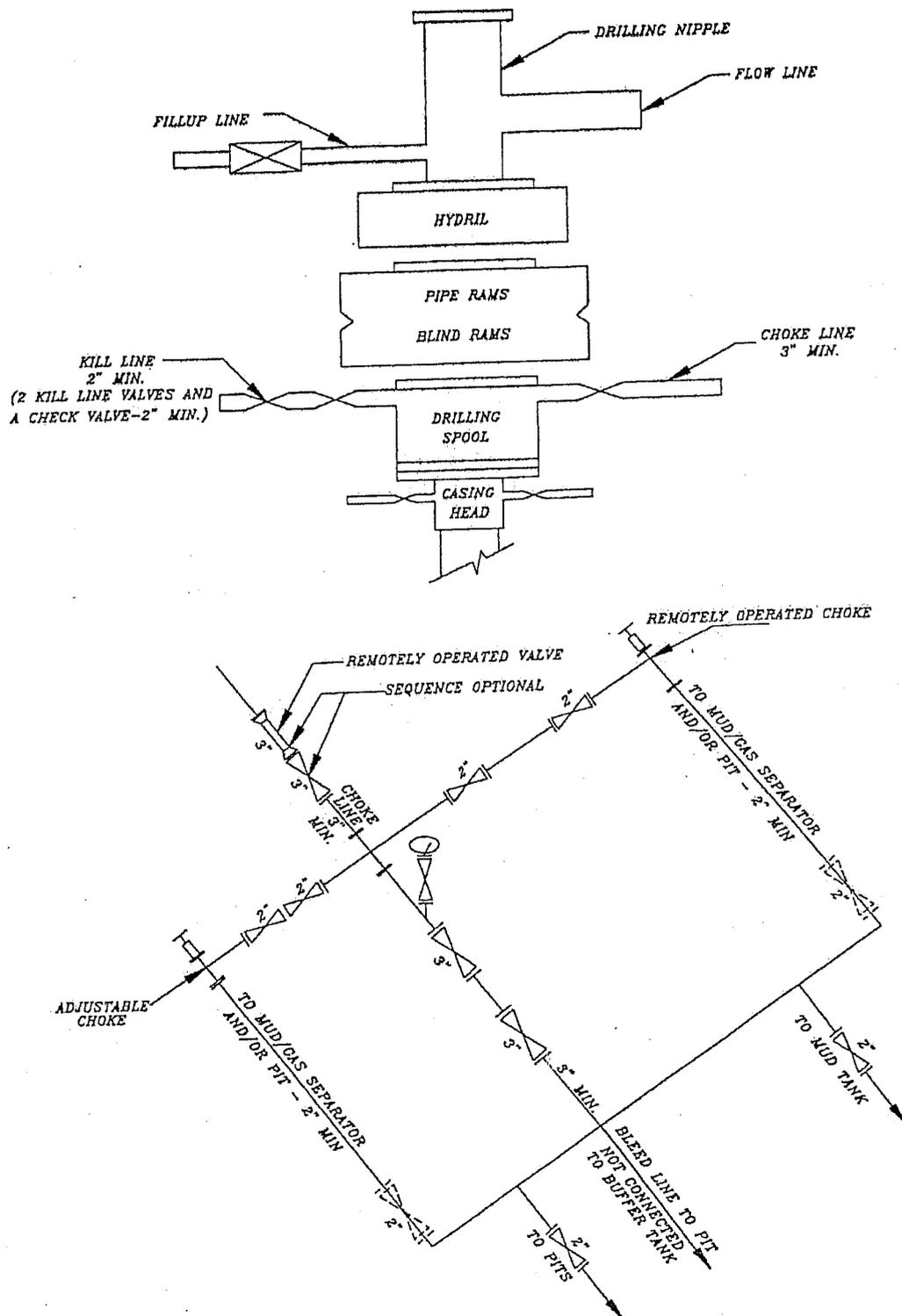
SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

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: _____ DATE: _____
 Brad Laney
 DRILLING SUPERINTENDENT: _____ DATE: _____
 Randy Bayne

5M BOP STACK and CHOKE MANIFOLD SYSTEM



STATE 1021-32L
NW/SW SEC. 32, T10S, R21E
Uintah County, UT
ML-21577

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

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

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

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

2. Planned Access Roads:

Approximately 340' +/- of new access road is proposed. Refer to Topo Map B for the location of the proposed access road.

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

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

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

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

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

The following guidelines will apply if the well is productive.

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

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

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

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

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

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

Approximately 371' +/- of 4" steel pipeline is proposed from the location to an tie-in point. Refer to Topo Map D.

5. Location and Type of Water Supply:

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

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

No water well is to be drilled on this lease.

6. Source of Construction Materials:

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

Any gravel will be obtained from a commercial source.

7. Methods of Handling Waste Materials:

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

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

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

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

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

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

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

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

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

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

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

8. Ancillary Facilities:

None are anticipated.

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

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

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

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

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

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

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

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

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

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

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

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

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

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

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

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

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

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

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

Dry Hole/Abandoned Location:

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

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

Reseeding operations will be performed after completion of other reclamation operations.

11. Surface Ownership:

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

12. Other Information:

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

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

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

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

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

Sheila Upchego
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

3/14/2007

Date

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32L SECTION 32, 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 15.6 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 340' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.05 MILES.

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32L

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T10S, R21E, S.L.B.&M.

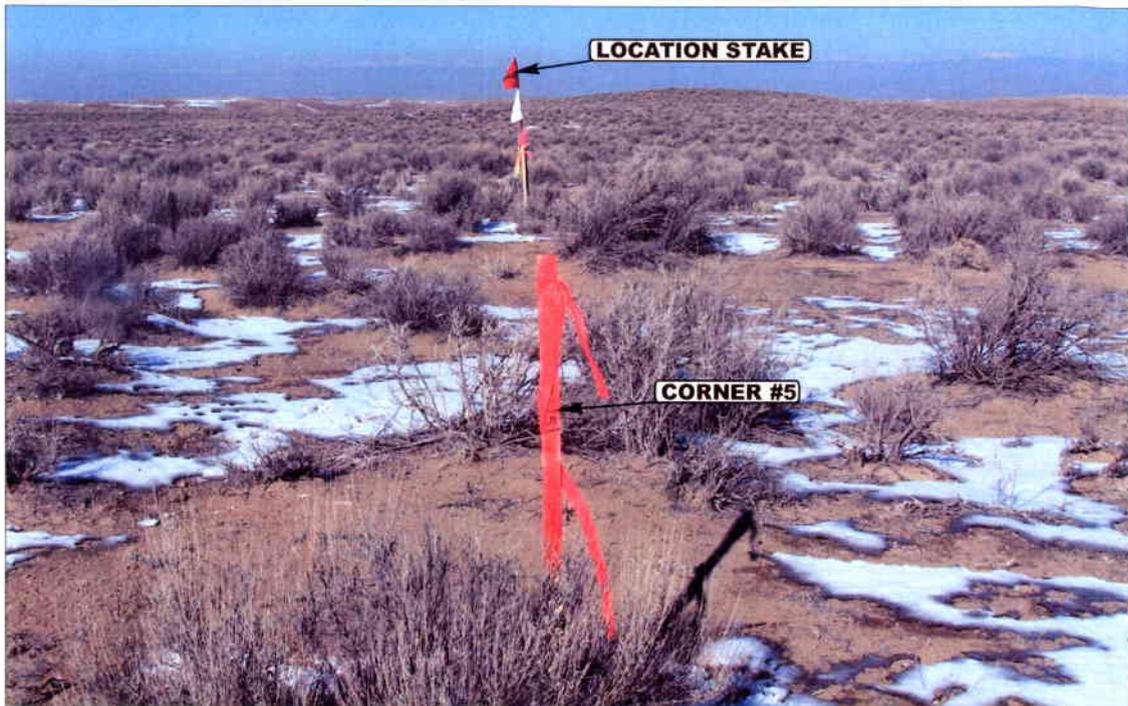


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

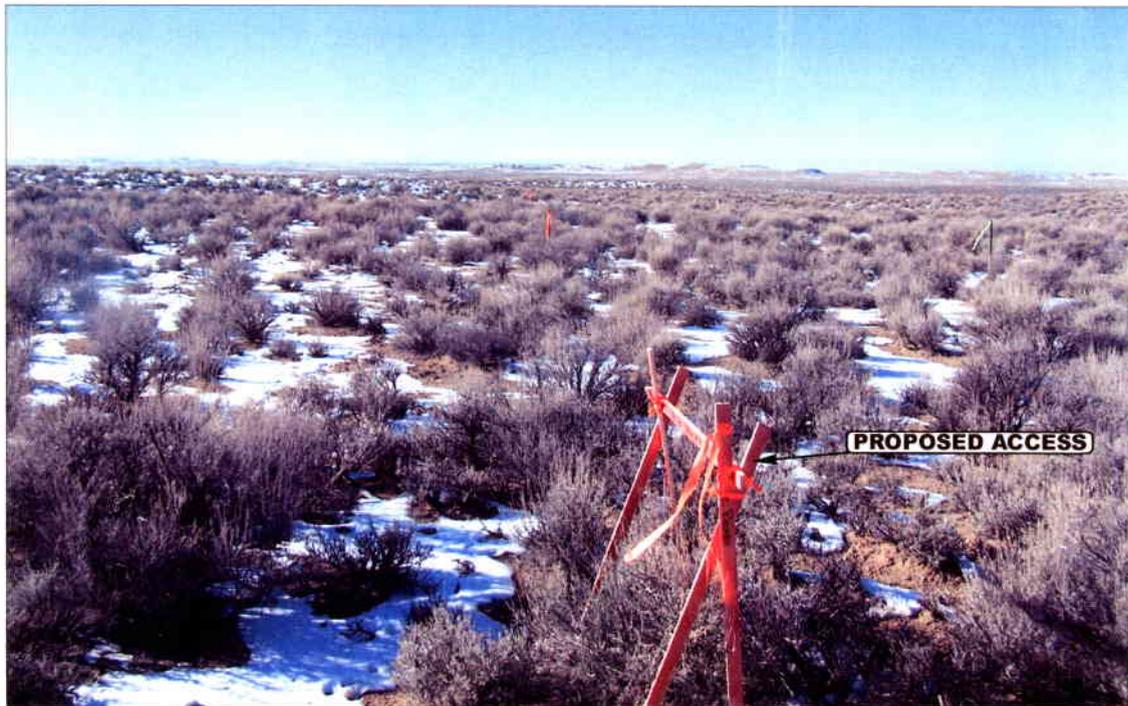


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

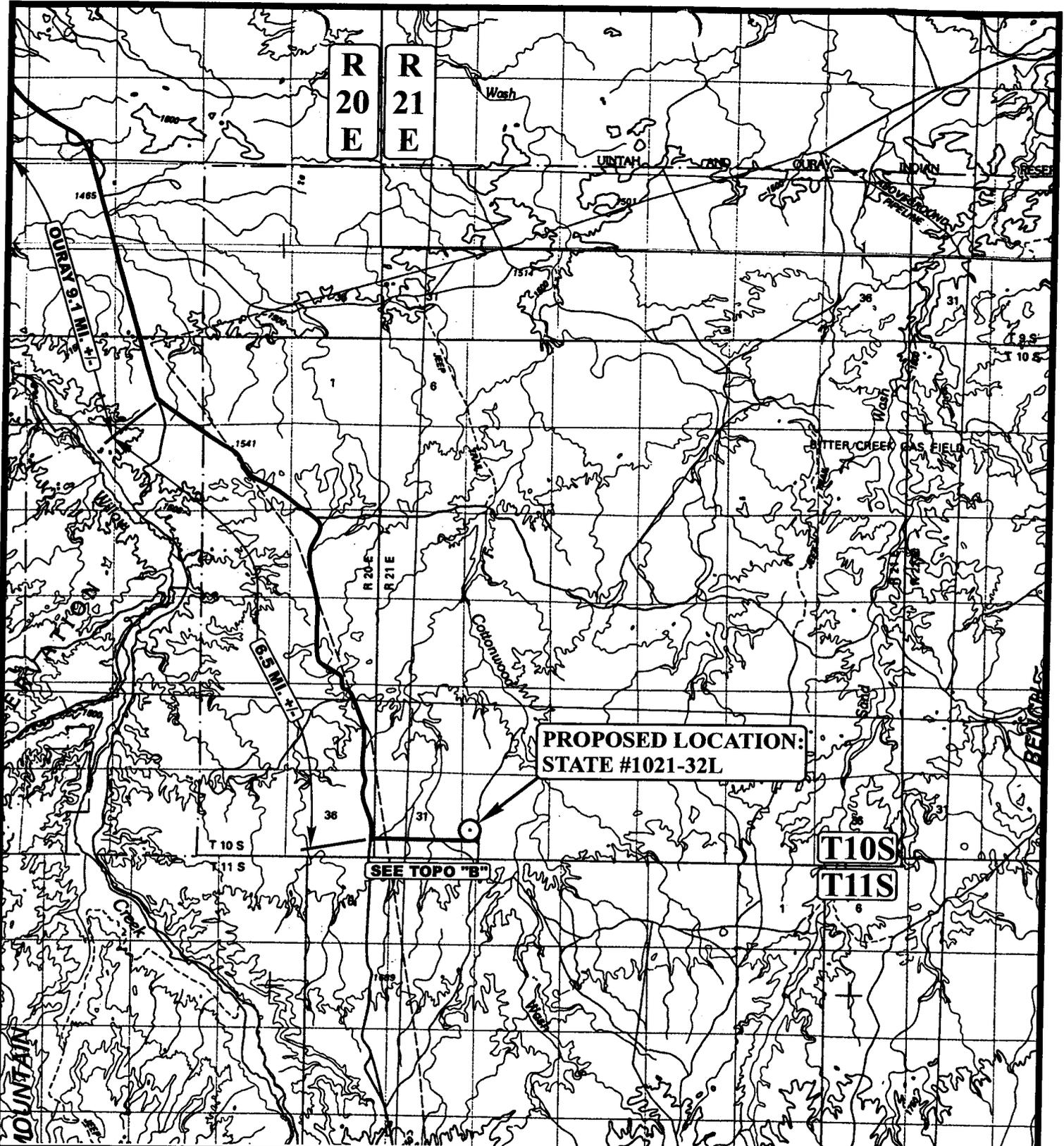
12 19 06
MONTH DAY YEAR

PHOTO

TAKEN BY: L.K.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION

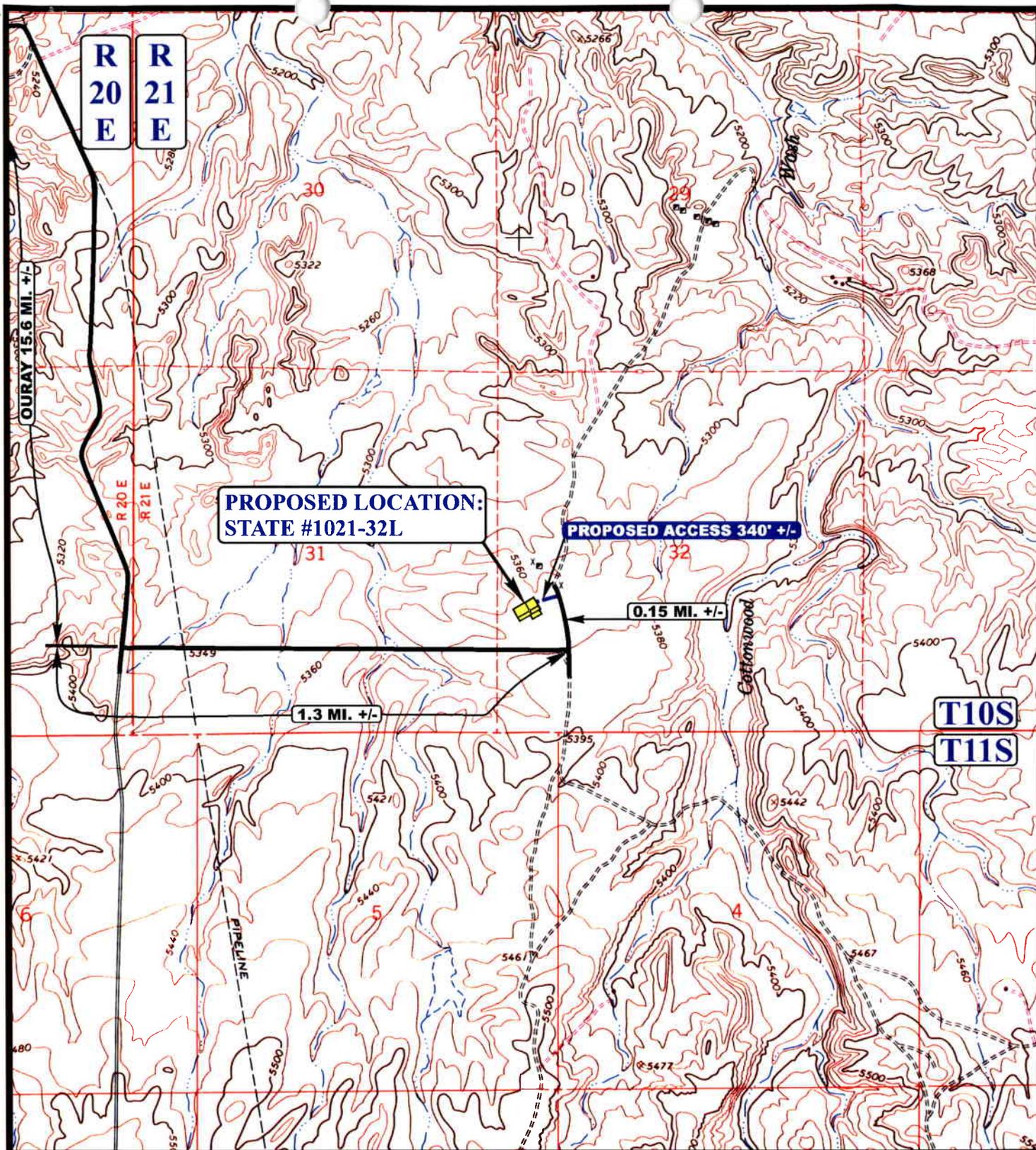
Kerr-McGee Oil & Gas Onshore LP
STATE #1021-32L
SECTION 32, T10S, R21E, S.L.B.&M.
1795' FSL 472' FWL

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

TOPOGRAPHIC **12** **19** **06**
MAP **MONTH** **DAY** **YEAR**

SCALE: 1:100,000 **DRAWN BY: C.P.** **REVISED: 00-00-00**

TOPO



LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



Kerr-McGee Oil & Gas Onshore LP

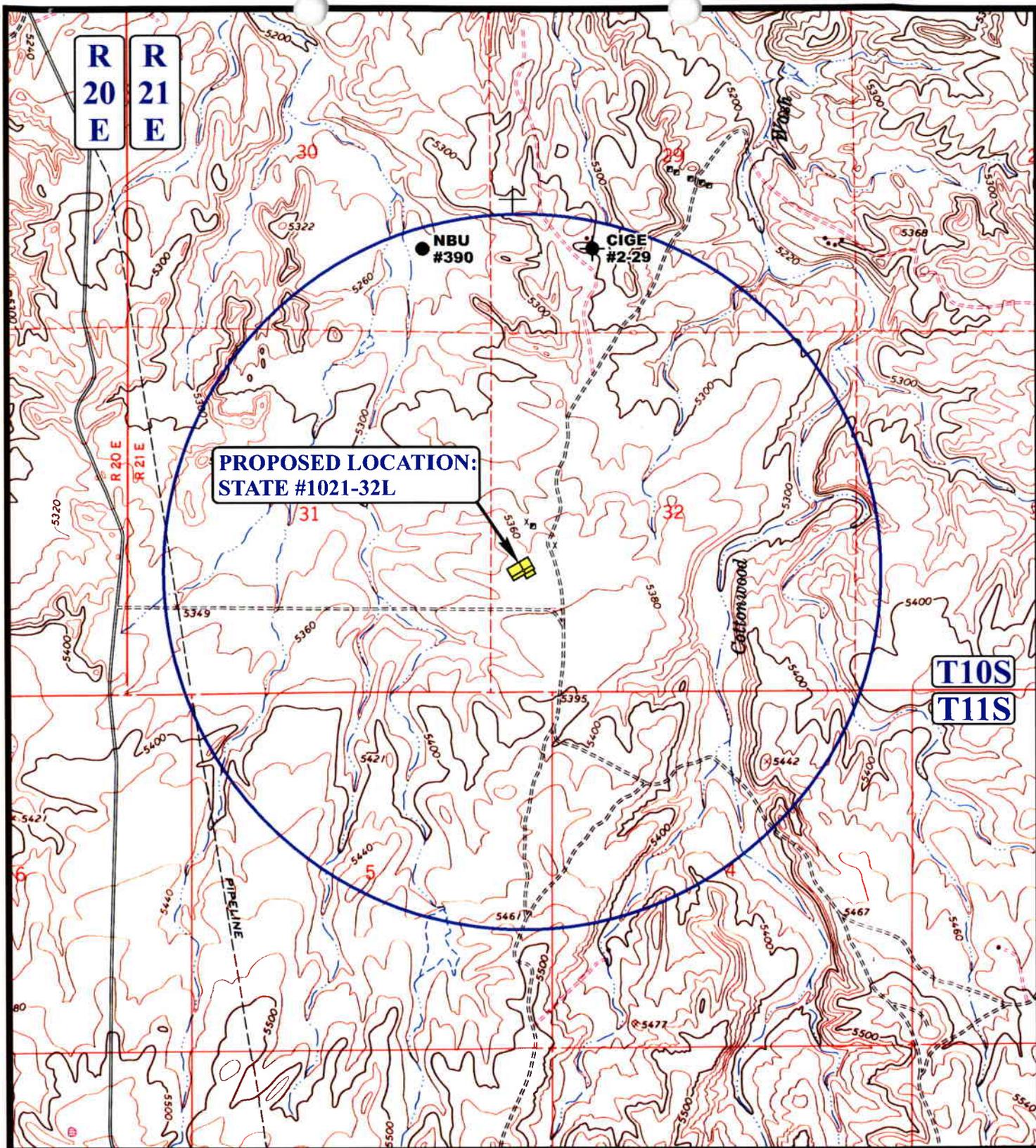
**STATE #1021-32L
SECTION 32, T10S, R21E, S.L.B.&M.
1795' FSL 472' FWL**



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

TOPOGRAPHIC 12 19 06
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





**PROPOSED LOCATION:
STATE #1021-32L**

LEGEND:

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

Kerr-McGee Oil & Gas Onshore LP

**STATE #1021-32L
SECTION 32, T10S, R21E, S.L.B.&M.
1795' FSL 472' FWL**

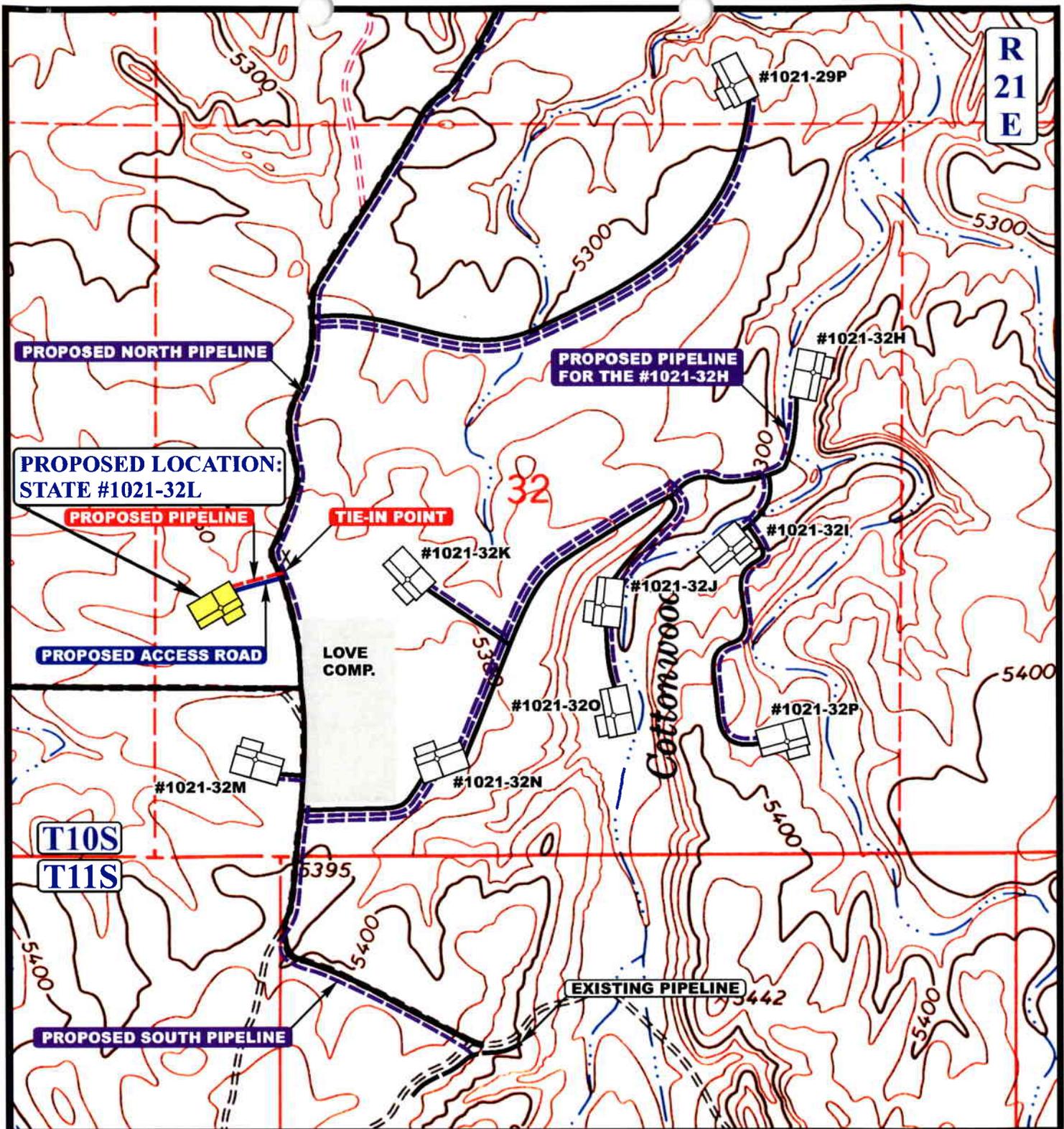


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TOPOGRAPHIC MAP 12 19 06
MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 371' +/-

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32L
SECTION 32, T10S, R21E, S.L.B.&M.
1795' FSL 472' FWL



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

TOPOGRAPHIC 12 19 06
MAP MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00



Kerr-McGee Oil & Gas Onshore LP
STATE #1021-32L
PIPELINE ALIGNMENT
LOCATED IN UINTAH COUNTY, UTAH
SECTION 32, T10S, R21E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHWESTERLY

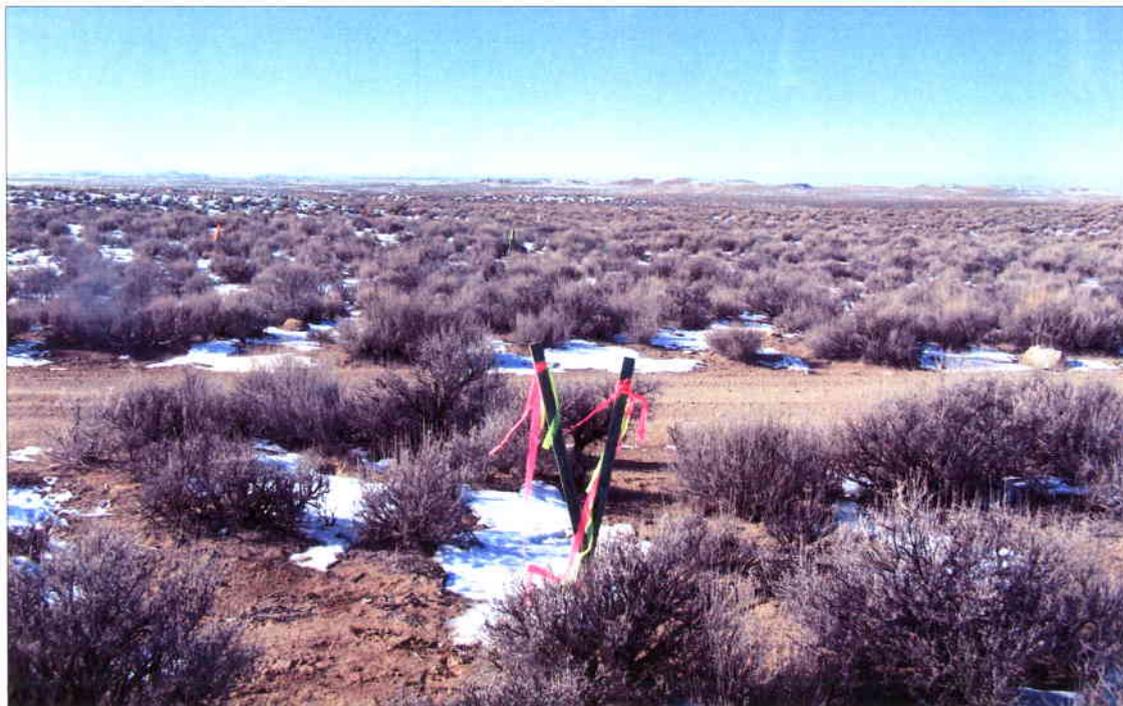


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

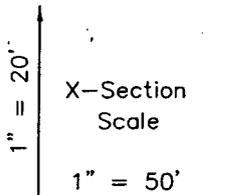
PIPELINE PHOTOS			12	19	06	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: C.P.	REVISED: 00-00-00				

TYPICAL CROSS SECTIONS FOR

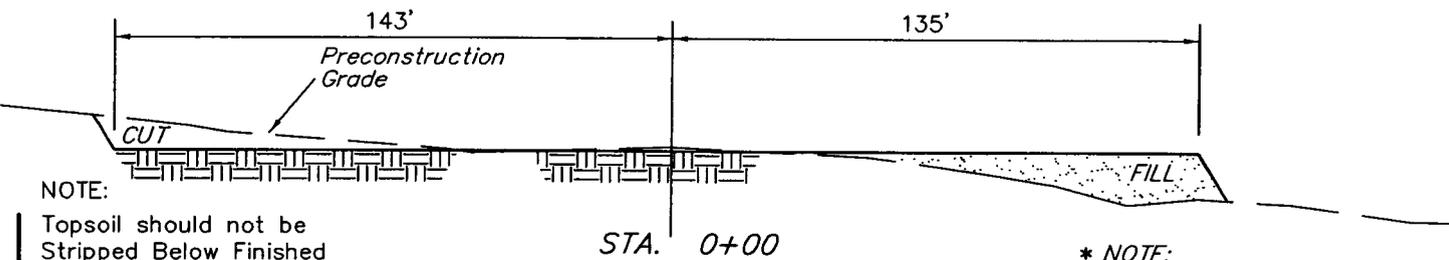
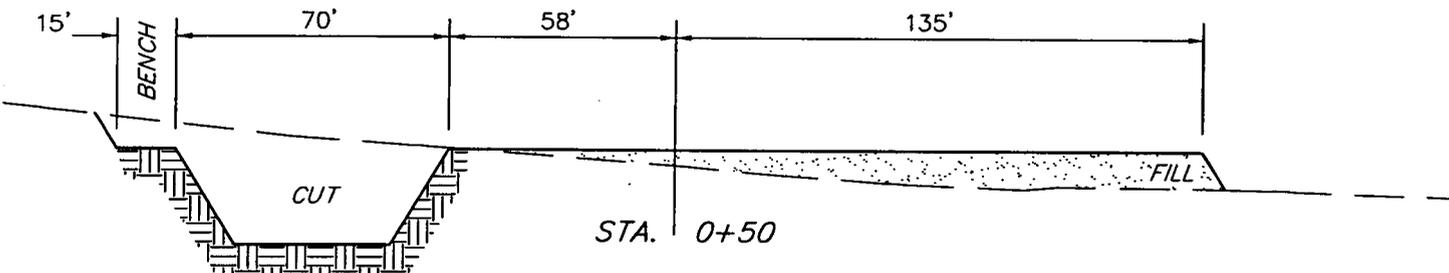
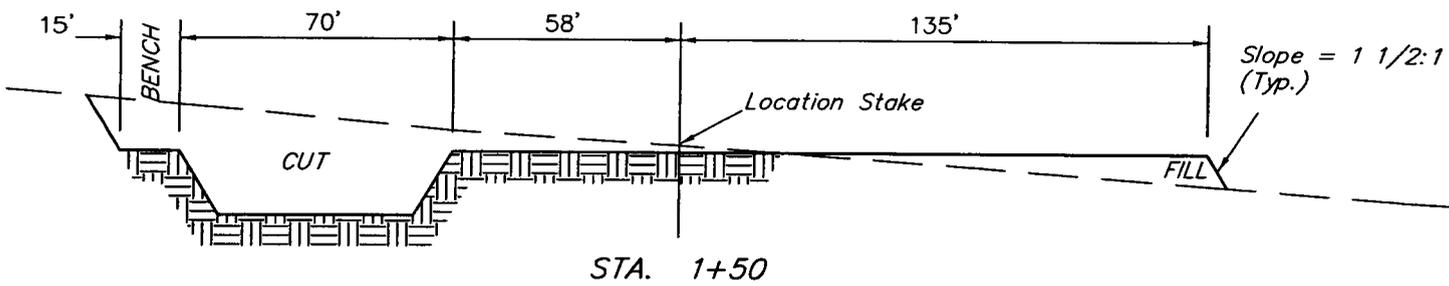
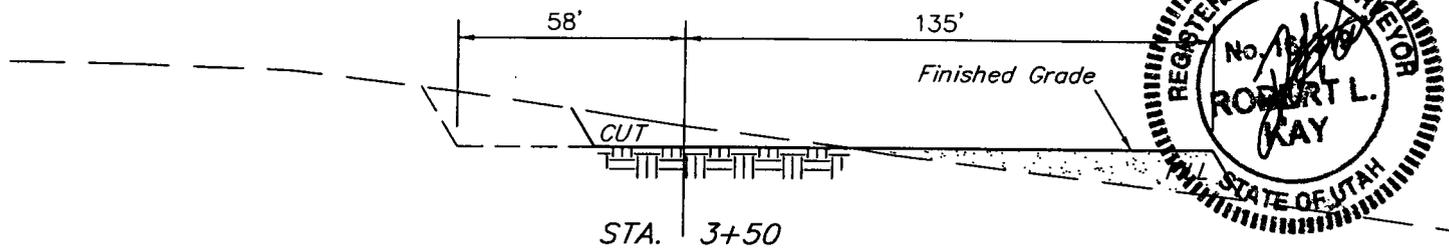
NBU #1021-32L

SECTION 32, T10S, R21E, S.L.B.&M.

1795' FSL 472' FWL



DATE: 12-20-06
Drawn By: C.G.



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

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,710 Cu. Yds.
Remaining Location	= 5,860 Cu. Yds.
TOTAL CUT	= 7,570 CU.YDS.
FILL	= 4,470 CU.YDS.

EXCESS MATERIAL	= 3,100 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,100 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/16/2007

API NO. ASSIGNED: 43-047-39131

WELL NAME: STATE 1021-32L

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 435-781-7024

CONTACT: SHEILA UPCHEGO

PROPOSED LOCATION:

NWSW 32 100S 210E
 SURFACE: 1795 FSL 0472 FWL
 BOTTOM: 1795 FSL 0472 FWL
 COUNTY: UINTAH
 LATITUDE: 39.90162 LONGITUDE: -109.5827
 UTM SURF EASTINGS: 621157 NORTHINGS: 4417589
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DAD	4/24/07
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ML-21577
 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 (04-04-07)

STIPULATIONS:

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

Application for Permit to Drill

Statement of Basis

4/16/2007

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
331	43-047-39131-00-00		GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, LP		Surface Owner-APD		
Well Name	STATE 1021-32L		Unit		
Field	UNDESIGNATED		Type of Work		
Location	NWSW 32 10S 21E S 1795 FSL 472 FWL GPS Coord (UTM) 621157E 4417589N				

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 4,400'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 32. 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

4/16/2007
Date / Time

Surface Statement of Basis

The general area is within the Love Unit of the Natural Buttes Area in the upper Cottonwood Wash Drainage. The area is characterized by rolling hills and benches, which are frequently intersected by somewhat gentle draws, which flow into Cottonwood Wash. The draws are occasionally rimmed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 11 miles to the White River. No seeps, springs or streams exist in the area.

This location is approximately 17 miles southeast of Ouray, Utah and is accessed by the Seep Ridge Road then by existing or planned oil field development roads to within 340 feet of the proposed site. New construction will be required from this point.

The proposed location is on gentle rolling terrain with a gentle slope to the north. A small drainage intersects the east corner of the location and will be diverted around the pad. Cottonwood Wash is about 5/8 mile to the east.

Both the surface and minerals are owned by SITLA. Jim Davis represented SITLA at the pre-site investigation. Mr. Davis had no concerns pertaining to this location. The selected location appears to be the best site for drilling and operating a well in the immediate area.

Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave Jim Davis of SITLA and Carroll Estes of Kerr McGee a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when re-vegetating the location.

ATV's were used to access the site

Floyd Bartlett
Onsite Evaluator

4/4/2007
Date / Time

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

4/16/2007

Page 2

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 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 1021-32L
API Number 43-047-39131-0 **APD No** 331 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NWSW **Sec** 32 **Tw** 10S **Rng** 21E 1795 FSL 472 FWL
GPS Coord (UTM) 621162 4417592 **Surface Owner**

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Carroll Estes, Tony Keznic, and Clay Einerson (Kerr McGee), David Kay (Uintah Engineering and Land Surveying), and Ben Williams (UDWR)

Regional/Local Setting & Topography

The general area is within the Love Unit of the Natural Buttes Area in the upper Cottonwood Wash Drainage. The area is characterized by rolling hills and benches, which are frequently intersected by somewhat gentle draws, which flow into Cottonwood Wash. The draws are occasionally rimmed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 11 miles to the White River. No seeps, springs or streams exist in the area.

This location is approximately 17 miles southeast of Ouray, Utah and is accessed by the Seep Ridge Road then by existing or planned oil field development roads to within 340 feet of the proposed site. New construction will be required from this point.

The proposed location is on gentle rolling terrain with a gentle slope to the north. A small drainage intersects the east corner of the location and will be diverted around the pad. Cottonwood Wash is about 5/8 mile to the east.

Both the surface and minerals are owned by SITLA.

Surface Use Plan

Current Surface Use

Grazing
Recreational
Wildlife Habitat

New Road

Miles	Well Pad	Src Const Material	Surface Formation
0.08	Width 278	Length 350	Onsite
			UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Vegetation is a desert shrub type of moderate density. Sagebrush, spiny hopsage, curly mesquite, horsebrush, bud sage, prickly pear and spring annuals are present.

Antelope, cattle, rabbits, coyotes, and small mammals, birds and raptors.

Soil Type and Characteristics

Deep sandy loam with no visable rock.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? **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

The proposed reserve pit is 70' x 150' x 10' deep located in a cut on the southeast corner of the location. A 20 mil liner with a felt sub-liner is planned by Kerr McGee.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly affected. He gave Jim Davis of SITLA and Carroll Estes of Kerr McGee a copy of his wildlife evaluation and a UDWR recommended seed mix to be used when re-vegetating the location.

ATV's were used to access the site

Floyd Bartlett
Evaluator

4/4/2007
Date / Time

Casing Schematic

Surface

1276

182

BHP $0.052(9190)11.5 = 5496 \text{ psi}$
anticipate 5698 psi

Gas $.12(9190) = 1103$
 $5496 - 1103 = 4393 \text{ psi, MASP}$

BOPE 5M ✓

Burst 2270
70% 1589 psi

Max P @ surf. shoe

$.22(7390) = 1626$
 $5496 - 1626 = 3870 \text{ psi}$

✓ $1800 \text{ psi} = \text{max allowed press. @ surf. shoe}$ (1 psi/ft fine grad.)

test to 1589 psi ✓

Strip surf. cnt. ✓

✓ Adequate OK 4/24/07

9-5/8"
MW 8.3
Frac 19.3

4-1/2"
MW 11.5

Vinta

TOC @ 442.

TOC @ to surf w/9% w/o
* Surf. csg cnt std ✓

1002' Green River
-1239' Birds Nest Water

1759' Mahogany
Surface
1800. MD

4161' Wasatch
-4400' ± BMSW

✓

7032' Mesa Verde

8047' MV U2

8553' MV L1

Production
9190. MD

Well name:

2007-04 Kerr McGee State 1021-32LOperator: **Kerr McGee Oil & Gas Onshore L.P.**String type: **Surface**

Project ID:

43-047-39131

Location: **Uintah County, Utah****Design parameters:****Collapse**Mud weight: 8.300 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 100 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,400 ft

Cement top: 442 ft

BurstMax anticipated surface
pressure: 1,584 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,800 psi

No backup mud specified.

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

Tension is based on buoyed weight.

Neutral point: 1,581 ft

Non-directional string.**Re subsequent strings:**Next setting depth: 9,190 ft
Next mud weight: 11.500 ppg
Next setting BHP: 5,490 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 (ft ³)
1	1800	9.625	32.30	H-40	ST&C	1800	1800	8.876	795.3
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	776	1370	1.765	1800	2270	1.26	51	254	4.98 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: April 20, 2007
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 1800 ft, a mud weight of 8.3 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.

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

Well name:

2007-04 Kerr McGee State 1021-32LOperator: **Kerr McGee Oil & Gas Onshore L.P.**String type: **Production**

Project ID:

43-047-39131

Location: **Uintah County, Utah****Design parameters:****Collapse**Mud weight: 11.500 ppg
Design is based on evacuated pipe.**Minimum design factors:****Collapse:**

Design factor 1.125

Burst:

Design factor 1.00

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 204 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

BurstMax anticipated surface
pressure: 3,468 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,490 psi

No backup mud specified.

Tension:8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)**Non-directional string.**

Tension is based on buoyed weight.

Neutral point: 7,610 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 (ft ³)
1	9190	4.5	11.60	I-80	LT&C	9190	9190	3.875	802
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	5490	6360	1.158	5490	7780	1.42	88	212	2.40 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: April 19, 2007
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 9190 ft, a mud weight of 11.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

From: Ed Bonner
To: Mason, Diana
Date: 6/22/2007 10:23 AM
Subject: Well Clearance

CC: Davis, Jim; Garrison, LaVonne; Hill, Brad; Hunt, Gil

The following wells have been given cultural resources clearance by the Trust Lands Cultural Resources Group:

EOG Resources, Inc

Chapita Wells Unit 1330-32 (API 43 047 39293)
Chapita Wells Unit 1326-32 (API 43 047 39294)
Chapita Wells Unit 1327-32 (API 43 047 39295)
Chapita Wells Unit 1325-32 (API 43 047 39296)
Chapita Wells Unit 1331-32 (API 43 047 39300)
Chapita Wells Unit 1328-32 (API 43 047 39301)

Kerr McGee Oil & Gas Onshore LP

NBU 1021-19M (API 43 047 38150)
NBU 1021-32A (API 43 047 39026)
NBU 1021-32B (API 43 047 39027)
NBU 1021-32C (API 43 047 39028)
NBU 1021-32F (API 43 047 39029)
NBU 1021-32P (API 43 047 39127)
NBU 1021-32O (API 43 047 39128)
NBU 1021-32N (API 43 047 39129)
NBU 1021-32M (API 43 047 39130)
NBU 1021-32L (API 43 047 39131)
NBU 1021-32K (API 43 047 39132)
NBU 1021-32J (API 43 047 39133)
NBU 1021-32I (API 43 047 39134)
NBU 1021-32H (API 43 047 39135)
NBU 1021-32G (API 43 047 39136)
NBU 1021-32D (API 43 047 39137)
NBU 1021-32E (API 43 047 39138)

Parallel Petroleum Corporation

Trail Creek Anticline 1-2-6-25 (API 43 047 38324)

QEP Uinta Basin Inc

GB 7SG-36-8-21 (API 43 047 38765)

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



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

June 25, 2007

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

Re: State 1021-32L Well, 1795' FSL, 472' FWL, NW SW, Sec. 32, T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39131.

Sincerely,

Gil Hunt
Associate Director

er
Enclosures

cc: Uintah County Assessor
SITLA

Operator: Kerr-McGee Oil & Gas Onshore, LP
Well Name & Number State 1021-32L
API Number: 43-047-39131
Lease: ML 21577

Location: NW SW **Sec.** 32 **T.** 10 South **R.** 21 East

Conditions of Approval

1. General

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

2. Notification Requirements

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

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

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

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

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

- Dan Jarvis at: (801) 538-5338 office (801) 942-0873 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

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

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
7. 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.
8. Surface casing shall be cemented to the surface.

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-21577
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: KERR MCGEE OIL AND GAS ONSHORE LP		8. WELL NAME and NUMBER: STATE 1021-32L
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078		9. API NUMBER: 43-047-39131
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1795' FSL 472' FWL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 10S 21E		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> 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 checked="" 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: _____
	<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.

An onsite was conducted on 4/4/07 with the Division of Oil, Gas and Mining Representative and SITLA Representative. It was decided to change the proposed pipeline from a 4" pipeline that was approximately 371' +/- to, a 4" pipeline approximately 371' +/-, a 6" pipeline approximately 1,700' +/-, and a 10" pipeline approximately 1,700'

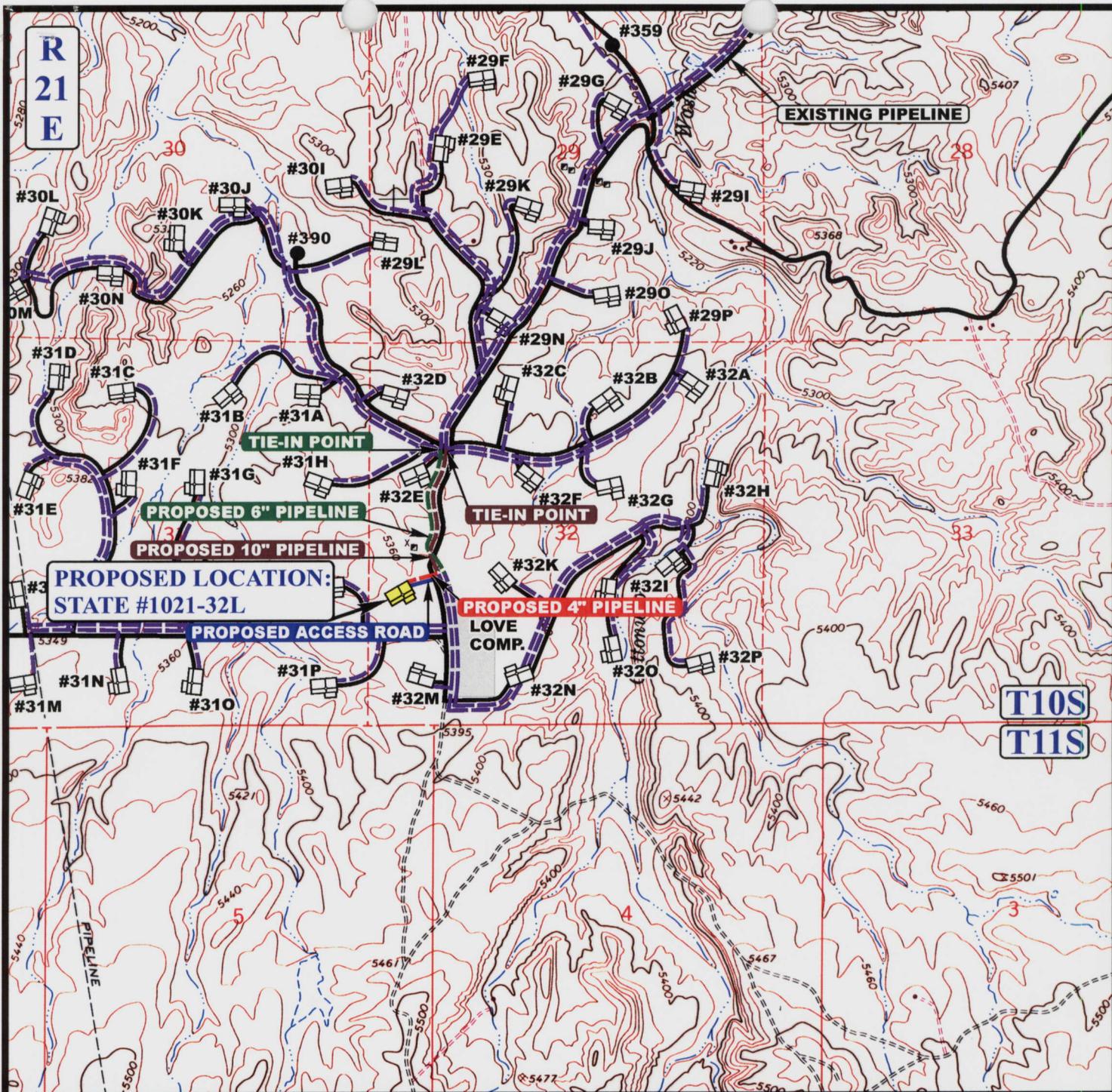
Please refer to the attached Topo D.

Accepted by the
Utah Division of
Oil, Gas and Mining
For Record Only

NAME (PLEASE PRINT) <u>Ramey Hoopes</u>	TITLE <u>Land Specialist I</u>
SIGNATURE <u>Ramey Hoopes</u>	DATE <u>4/18/2007</u>

(This space for State use only)

RECEIVED
APR 23 2007
DIV. OF OIL, GAS & MINING



APPROXIMATE TOTAL 10" PIPELINE DISTANCE = 1,700' +/-

APPROXIMATE TOTAL 6" PIPELINE DISTANCE = 1,700' +/-

APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 371' +/-

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32L
SECTION 32, T10S, R21E, S.L.B.&M.
1795' FSL 472' FWL



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

TOPOGRAPHIC
MAP

12	19	06
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 04-13-07



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-21577
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: 1795'FSL, 472'FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 10S 21E		8. WELL NAME and NUMBER: STATE 1021-32L
		9. API NUMBER: 4304739131
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> 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 checked="" 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: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

THE OPERATOR REQUESTS AUTHORIZATION FOR A SLIMHOLE TEST FOR THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO DRILL AN 8 3/4" HOLE AND SET 7" 23# J/K-55 SURFACE CSG. INSTEAD OF DRILLING A 12 1/4" SURFACE HOLE AND SETTING 9 5/8" CSG. THE OPERATOR PROPOSES TO DRILL A 6.125" HOLE INSTEAD OF 7 7/8" HOLE TO TD. OUR PRODUCTION CSG WILL REMAIN THE SAME AS WELL AS EVERYTHING ELSE. THE OPERATOR PLANS TO START THE DRILLING OPERATIONS WITH AN AIR RIG IN ABOUT 10 DAYS.

VERBAL APPROVAL WAS GIVEN TO BRAD LANEY, APC FROM DUSTIN DOUCET, DOGM.

COPY SENT TO OPERATOR
Date: 6.10.2008
Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE [Signature] DATE 5/22/2008

(This space for State use only) **APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING**
DATE 6/2/08
[Signature]
(See Instructions on Reverse Side)
* Verbal given 5/22/08

RECEIVED
MAY 27 2008

Well name:	2007-04 Kerr McGee State 1021-32Lrev6-08	
Operator:	Kerr McGee Oil & Gas Onshore L.P.	
String type:	Surface	Project ID: 43-047-39131
Location:	Uintah County, Utah	

Design parameters:	Minimum design factors:	Environment:
Collapse	Collapse:	H2S considered? No
Mud weight: 8.300 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: 1,400 ft
	Burst:	Cement top: Surface
	Design factor 1.00	
Burst	Tension:	Non-directional string.
Max anticipated surface pressure: 1,584 psi	8 Round STC: 1.80 (J)	
Internal gradient: 0.120 psi/ft	8 Round LTC: 1.80 (J)	
Calculated BHP 1,800 psi	Buttress: 1.60 (J)	
No backup mud specified.	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	Re subsequent strings:
	Tension is based on buoyed weight.	Next setting depth: 9,190 ft
	Neutral point: 1,575 ft	Next mud weight: 11,500 ppg
		Next setting BHP: 5,490 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	7	23.00	J-55	ST&C	1800	1800	6.25	397.9
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	776	3270	4.213	1800	4360	2.42	36	284	7.84 J

Prepared by: Helen Sadik-Macdonald, Div of Oil, Gas & Minerals
 Phone: (801) 538-5357, FAX: (801) 359-3940
 Date: June 2, 2008, Salt Lake City, Utah

Remarks:
 Collapse is based on a vertical depth of 1800 ft, a mud weight of 8.3 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.

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

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
4304739131	STATE 1021-32L		NWSW	32	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>A</i>	99999	<i>16902</i>	6/3/2008		<i>6/19/08</i>		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>W37NVD</i> SPUD WELL LOCATION ON 06/03/2008 AT 1100 HRS.							

Well 2

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

Well 3

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

ACTION CODES:

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

SHEILA UPCHEGO

Name (Please Print)

Signature

SENIOR LAND SPECIALIST

Title

6/4/2008

Date

RECEIVED

JUN 04 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-21577
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		8. WELL NAME and NUMBER: STATE 1021-32L
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		9. API NUMBER: 4304739131
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1795'FSL, 472'FWL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 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>WELL SPUD</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

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

SPUD WELL LOCATION ON 06/03/2008 AT 1100 HRS.

RECEIVED
JUN 09 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>SENIOR LAND ADMIN SPECIALIST</u>
SIGNATURE	DATE <u>6/4/2008</u>

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-21577
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: 1795'FSL, 472'FWL		8. WELL NAME and NUMBER: STATE 1021-32L
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 10S 21E		9. API NUMBER: 4304739131
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

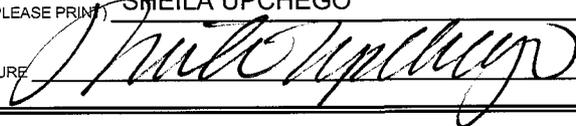
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<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 CSG</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 PROPETRO AIR RIG ON 06/06/2008. DRILLED 8 3/4" SURFACE HOLE TO 1950'. RAN 7" 23# J-55 SURFACE CSG. LEAD CMT W/80 SX PREM CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 10 +/- BBLs LEAD CMT TO PIT. RAN 100' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE 	DATE 6/9/2008

(This space for State use only)

RECEIVED
JUN 17 2008

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-21577
		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 checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: STATE 1021-32L
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304739131
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
PHONE NUMBER: (435) 781-7024		
4. LOCATION OF WELL		
FOOTAGES AT SURFACE: 1795'FSL, 472'FWL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 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 1950' TO 9095' ON 07/01/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/150 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/600 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/127 BBLS CLAY FIX FLOATS HELD FINAL CIRC 3400 PSI LAND AND TEST HANGE L/D SET TOOL. CLEAN PITS.

RELEASED PIONEER RIG 38 ON 07/02/2008 AT 1800 HRS.

RECEIVED
JUL 11 2008
DIV. OF OIL, GAS & MINING

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE SENIOR LAND ADMIN SPECIALIST
SIGNATURE	DATE 7/8/2008

(This space for State use only)

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-21577

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
STATE 1021-32L

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

9. API NUMBER:
4304739131

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: **1795'FSL, 472'FWL**

COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 32 10S 21E**

STATE:
UTAH

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

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

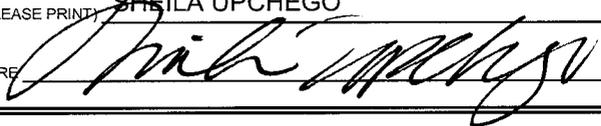
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 08/07/2008 AT 11:30 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) **SHEILA UPCHEGO**

TITLE **REGULATORY ANALYST**

SIGNATURE 

DATE **8/11/2008**

(This space for State use only)

RECEIVED

AUG 13 2008

DIV. OF OIL, GAS & MINING

Wins No.: 94202

STATE 1021-32L

Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 06/03/2008	GL 5,374	KB 5390	ROUTE
API 4304739131	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.90157 / -109.58336	Q-Q/Sect/Town/Range: NWSW / 32 / 10S / 21E		Footages: 1,795.00' FSL 472.00' FWL		

Wellbore: STATE 1021-32L

MTD 9,095	TVD 9,067	PBMD	PBTVD
EVENT INFORMATION:		START DATE: 6/3/2008	
OBJECTIVE: DEVELOPMENT		END DATE: 7/2/2008	
OBJECTIVE 2: VERTICAL WELL		DATE WELL STARTED PROD.:	
REASON: SURF FACILITIES		Event End Status: COMPLETE	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 38 / 38	06/11/2008	06/12/2008	06/11/2008	06/14/2008	07/01/2008	07/02/2008	07/03/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation	MD:
6/3/2008	11:00 - 18:00	7.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1100 HR 6/3/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 38 BLM AND STATE NOTIFIED OF SPUD	56
6/6/2008	13:30 - 0:00	10.50	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 1330 HR 6/6/08 DA AT REPORT TIME 1020'	1,020
6/7/2008	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1470'	1,950
	12:00 - 23:00	11.00	DRLSUR	02		P	RIG T/D @ 1950' CONDITION HOLE 1 HR	
	23:00 - 0:00	1.00	DRLSUR	05		P	TRIP DP OUT OF HOLE @ REPORT TIME	
6/8/2008	0:00 - 3:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE	1,950
	3:00 - 6:00	3.00	DRLSUR	11		P	RUN 1910' OF 7" CSG AND 100' OF 1" PIPE RIG DOWN AIR RIG	
	6:00 - 7:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 80 SKS LEAD @ 11# 3.82 23 GAL/SK AND 100 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK GOOD RETURNS THRUOUT JOB + - 10 BBL LEAD CMT TO PIT	
	7:00 - 7:30	0.50	DRLSUR	15		P	1ST TOP JOB 100 SKS DOWN 1" PIPE GOOD CMT TO SURFACE AND STAYED AT SURFACE	
	7:30 - 7:30	0.00	DRLSUR				NO VISIBLE LEAKS PIT 1/2 FULL WORT	

	7:30 - 7:30	0.00	DRLSUR				NO VISIBLE LEAKS PIT 1/2 FULL WORT	
6/10/2008	<u>SUPERVISOR:</u> LEW WELDON							MD: 1,950
	9:00 - 0:00	15.00	RDMO	01	E	P	RDRT ON BONANZA 1023 -5E	
6/11/2008	<u>SUPERVISOR:</u> KENNY MORRIS							MD: 1,950
	0:00 - 7:00	7.00	RDMO	01	E	P	PREP F/MOVE	
	7:00 - 18:00	11.00	RDMO	01	A	P	MOVE RIG W/RW JONES	
	18:00 - 0:00	6.00	MIRU	01	B	P	RURT,W/SUB AND PUMP & PITSSET,CHANGE LINERS& PIPE RAMS	
6/12/2008	<u>SUPERVISOR:</u> KENNY MORRIS							MD: 1,950
	0:00 - 15:00	15.00	MIRU	01	A	P	TRUCK RIG	
	15:00 - 0:00	9.00	MIRU	01	B	P	RURT,BACK YARD PITS&GEN SETS,STRAPE BHA,FLARE LINES,SUPER CHOKE	
6/13/2008	<u>SUPERVISOR:</u> KENNY MORRIS							MD: 1,950
	0:00 - 20:00	20.00	PRPSPD	07	A	S	REPAIR DW SPROCKET,	
	20:00 - 22:00	2.00	PRPSPD	13	A	P	NUBOP,FUNCTION TEST	
	22:00 - 0:00	2.00	PRPSPD	06	D	P	CUT & SLIP DRLG LINE	
6/14/2008	<u>SUPERVISOR:</u> KENNY MORRIS							MD: 2,400
	0:00 - 7:00	7.00	PRPSPD	13	C	P	TEST RAMS&CHOKE 5K,ANNULAR 2.5K,CSG 1.5K W/250 LOWS	
	7:00 - 14:00	7.00	PRPSPD	05	A	P	SMW/TESCO,R/U AND P/U BHA,TORQUEKELLY INSTALL RUBBER&DRIVE,R/D TESCO	
	14:00 - 14:30	0.50	PRPSPD	06	A	P	RIG SERVICE	
	14:30 - 16:30	2.00	PRPSPD	07	B	P	CHANGE 4"VALVE ON MUD PUMPS(WASHED)	
	16:30 - 18:30	2.00	PRPSPD	02	F	P	DRILL CEMENT & FE TO 1950	
	18:30 - 19:00	0.50	DRLPRO	02	B	P	DRILL NEW 6.125" HOLE F/1950-2019	
	19:00 - 19:30	0.50	DRLPRO	09	A	P	SURVEY@1948=1.5	

Wins No.: 94202

STATE 1021-32L

API No.: 4304739131

DATE	TIME	WT	TYPE	LOC	STATUS	REMARKS	MD	
	19:30 - 0:00	4.50	DRLPRO	02	B	P	DRILL F/2019 TO 2400	
6/15/2008								MD: 3,890
	0:00 - 1:30	1.50	DRLPRO	02	B	P	DRILL F/2400 TO 2524,AVG 83 WT 8.7/34	
	1:30 - 2:00	0.50	DRLPRO	09	A	P	SURVEY@2450=2.75	
	2:00 - 9:00	7.00	DRLPRO	02	B	P	DRILL F/2524 TO 3064,AVG 77,WT 8.7/34	
	9:00 - 9:30	0.50	DRLPRO	09	A	P	SURVEY@2990=3.5	
	9:30 - 10:00	0.50	DRLPRO	06	A	P	RIG SERVICE	
	10:00 - 16:30	6.50	DRLPRO	02	B	P	DRILL F3064 TO 3542,AVG 74 WT 9.1 38	
	16:30 - 17:00	0.50	DRLPRO	09	A	P	SURVEY@3472=3.25	
	17:00 - 0:00	7.00	DRLPRO	02	B	P	DRILL F/3542 TO 3890,AVG 50 WT 9.2/38	
6/16/2008								MD: 4,274
	0:00 - 8:00	8.00	DRLPRO	02	B	P	DRILLF/3890 TO 4084,AVG 24 WT 9.3/40	
	8:00 - 12:00	4.00	DRLPRO	05	A	S	DROP SURVEY ,TFNB,TIGHT 3250-2900	
	12:00 - 13:00	1.00	DRLPRO	07	A	P	PUT 1/2 LINK IN DW CHAIN	
	13:00 - 19:00	6.00	DRLPRO	05	A	P	TIH,W/NEW BIT,WASH BRIDGE 3890,TIH	
	19:00 - 0:00	5.00	DRLPRO	02	B	P	DRILL F/4084 TO 4274,AVG 39 WT 9.5/42	
6/17/2008								MD: 4,966
	0:00 - 13:00	13.00	DRLPRO	02	B	P	DRILL F/ 4274' TO4623' (349' 26.8' HR) WT 9.7/40	
	13:00 - 13:30	0.50	DRLPRO	09	A	P	SURVEY @ 4553' 3 DEG.	
	13:30 - 16:00	2.50	DRLPRO	02	B	P	DRLG F/ 4623' TO 4718' (95' 38' HR) WT 9.7/42	
	16:00 - 16:30	0.50	DRLPRO	06	A	P	RIG SERVICE	

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	16:30 - 0:00	7.50	DRLPRO	02	B	P	DRLG F/ 4718' TO 4966' (248' 33' HR) WT 9.8/44	
6/18/2008	<u>SUPERVISOR:</u> BRAD PEDERSEN							<u>MD:</u> 5,658
	0:00 - 6:30	6.50	DRLPRO	02	B	P	DRLG F/ 4966' TO 5163' (197' 30.3'HR) WT 9.9/47	
	6:30 - 7:00	0.50	DRLPRO	09	A	P	SURVEY @ 5093' 4 DEG.	
	7:00 - 13:30	6.50	DRLPRO	02	B	P	DRLG F/ 5163' TO 5385' (222' 34.1' HR) WT 9.9/50	
	13:30 - 14:00	0.50	DRLPRO	09	A	P	SURVEY @ 5315' 4 1/2 DEG.	
	14:00 - 14:30	0.50	DRLPRO	06	A	P	RIG SERVICE	
	14:30 - 0:00	9.50	DRLPRO	02	B	P	DRLG F/ 5385' TO 5658' (273' 28.7' HR) WT 9.9/44	
6/19/2008	<u>SUPERVISOR:</u> BRAD PEDERSEN							<u>MD:</u> 6,024
	0:00 - 1:00	1.00	DRLPRO	02	B	P	DRLG F/ 5658' TO 5671' (13' 13' HR) WT 9.9/44	
	1:00 - 1:30	0.50	DRLPRO	09	A	P	SURVEY @ 5601 2.75 DEG.	
	1:30 - 13:30	12.00	DRLPRO	02	B	P	DRLG F/ 5671' TO 5988' (317' 26.4' HR) WT 9.9/43	
	13:30 - 14:00	0.50	DRLPRO	06	A	P	RIG SERVICE	
	14:00 - 15:00	1.00	DRLPRO	02	B	P	DRLG F/ 5988' TO 6024' (36' HR) WT 9.9 /44	
	15:00 - 15:30	0.50	DRLPRO	09	A	P	SURVEY @ 5950' 6 DEG.	
	15:30 - 16:30	1.00	DRLPRO	04	C	P	CIRC BTMS UP,MIX & PUMP PILL	
	16:30 - 20:30	4.00	DRLPRO	05	A	P	TOOH W BIT # 2, TIGHT F/ 5364-5171,4878-4845	
	20:30 - 0:00	3.50	DRLPRO	05	A	P	TIH W/ BIT #3	
6/20/2008	<u>SUPERVISOR:</u> BRAD PEDERSEN							<u>MD:</u> 6,338
	0:00 - 0:30	0.50	DRLPRO	05	A	P	FINISH TIH W/ BIT # 3 (WASHED THROUGH TIGHT SPOT @ 5300)	
	0:30 - 11:00	10.50	DRLPRO	02	B	P	DRLG F/ 6024' TO 6179' (155' 14.7' HR) WT 10/43	

Wins No.: 94202

STATE 1021-32L

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11:00 - 11:30	0.50	DRLPRO	09	A	P	SURVEY @ 6109' 6 1/2 DEG.
11:30 - 13:30	2.00	DRLPRO	02	B	P	DRLG F/ 6179' TO 6211' (32' 16' HR) WT 10/43
13:30 - 14:00	0.50	DRLPRO	06	A	P	RIG SERVICE
14:00 - 0:00	10.00	DRLPRO	02	B	P	DRLG F/ 6211' TO 6338' (127' 12.7' HR) WT 10/43

6/21/2008

SUPERVISOR: BRAD PEDERSEN

MD: 6,496

0:00 - 5:30	5.50	DRLPRO	02	B	P	DRLG F/ 6338' TO 6399' (61' 11'HR) WT 10.1/43
5:30 - 6:00	0.50	DRLPRO	09	A	P	SURVEY @ 6330' 6 1/2 DEG.
6:00 - 17:30	11.50	DRLPRO	02	B	P	DRLG F/ 6399' TO 6496' (97' 8.4' HR) WT 10/43
17:30 - 18:00	0.50	DRLPRO	04	C	P	PUMP PILL,DROP SURVEY
18:00 - 22:00	4.00	DRLPRO	05	A	P	TOOH W/ BIT # 3,L/D BIT & MOTOR AND 2 WASHED DCS
22:00 - 23:30	1.50	DRLPRO	05	A	P	P/U BIT #4 & NEW MOTOR TIH W/ BHA
23:30 - 0:00	0.50	DRLPRO	12	F	S	WAIT ON DRILL COLLARS

6/22/2008

SUPERVISOR: BRAD PEDERSEN

MD: 6,907

0:00 - 0:30	0.50	DRLPRO	12	F	S	WAIT ON DRILL COLLARS
0:30 - 3:30	3.00	DRLPRO	05	A	P	P/U 2- DCS, FINISH TIH
3:30 - 4:30	1.00	DRLPRO	03	D	P	WASH 40' TO BTM
4:30 - 15:00	10.50	DRLPRO	02	B	P	DRLG F/ 6496' TO 6718' (222' 21.1' HR) WT 10.2/45
15:00 - 15:30	0.50	DRLPRO	06	A	P	RIG SERVICE
15:30 - 0:00	8.50	DRLPRO	02	B	P	DRLG F/ 6718' TO 6907' (189' 22.2' HR) WT 10.2/43

6/23/2008

SUPERVISOR: BRAD PEDERSEN

MD: 7,320

0:00 - 3:30	3.50	DRLPRO	02	B	P	DRLG F/ 6907' TO 6971' (64' 19.3' HR) WT 10.1/43
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Wins No.:	94202	STATE 1021-32L						API No.:	4304739131
	3:30 - 4:00	0.50	DRLPRO	09	A	P	SURVEY @ 6901' 8 DEG.		
	4:00 - 12:00	8.00	DRLPRO	02	B	P	DRLG F/ 6971' TO 7098' (127' 15.8' HR) WT 10.1/43		
	12:00 - 12:30	0.50	DRLPRO	06	A	P	RIG SERVICE		
	12:30 - 16:00	3.50	DRLPRO	02	B	P	DRLG F/ 7098' TO 7193' (95' 27.1' HR) WT 10.3/48		
	16:00 - 16:30	0.50	DRLPRO	09	A	P	SURVEY @ 7123' 8 DEG.		
	16:30 - 0:00	7.50	DRLPRO	02	B	P	DRLG F/ 7193' TO 7320' (127' 16.9' HR) WT 10.4/43		
6/24/2008	<u>SUPERVISOR:</u> BRAD PEDERSEN							MD:	7,796
	0:00 - 6:00	6.00	DRLPRO	02	B	P	DRLG F/ 7320' TO 7478' (158' 26.3' HR) WT 10.4/43		
	6:00 - 6:30	0.50	DRLPRO	09	A	P	SURVEY @ 7408 MISRUN		
	6:30 - 8:30	2.00	DRLPRO	02	B	P	DRLG F/ 7478' TO 7510' (32' 16' HR) WT 10.4/43		
	8:30 - 9:00	0.50	DRLPRO	09	A	P	SURVEY @ 7440 7 DEG.		
	9:00 - 16:30	7.50	DRLPRO	02	B	P	DRLG F/ 7510' TO 7637' (127' 16.9' HR) WT 10.3/44		
	16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE		
	17:00 - 0:00	7.00	DRLPRO	02	B	P	DRLG F/ 7637' TO 7796' (159' 22.7' HR) WT 10.4/44		
6/25/2008	<u>SUPERVISOR:</u> BRAD PEDERSEN							MD:	7,894
	0:00 - 3:30	3.50	DRLPRO	02	B	P	DRLG F/ 7796' TO 7860' (64' 18.2' HR) WT 10.5/43		
	3:30 - 4:30	1.00	DRLPRO	09	A	P	SURVEY @ 7790' 9 DEG.		
	4:30 - 5:30	1.00	DRLPRO	02	B	P	DRLG F/ 7860' TO 7871' (11' HR) WT 10.5/53		
	5:30 - 6:00	0.50	DRLPRO	04	C	P	MIX & PUMP PILL		
	6:00 - 11:30	5.50	DRLPRO	05	A	P	TOOH W/ BIT # 4		
	11:30 - 17:30	6.00	DRLPRO	05	A	P	TIH W/ BIT # 5,P/U 2- DCS & 2- HWDP		

Wins No.:	STATE 1021-32L							API No.:	4304739131
11:30 - 17:30	6.00	DRLPRO	05	A	P	TIH W/ BIT # 5,P/U 2- DCS & 2- HWDP			
17:30 - 21:00	3.50	DRLPRO	02	B	P	DRLG F/ 7871' TO 7894' (23' 6.5' HR) WT 10.6/50			
21:00 - 21:30	0.50	DRLPRO	04	C	P	MIX & PUMP PILL			
21:30 - 0:00	2.50	DRLPRO	05	A	P	TOOH W/ BIT # 5			
6/26/2008	<u>SUPERVISOR:</u> BRAD PEDERSEN							MD:	8,206
0:00 - 2:00	2.00	DRLPRO	05	A	P	TOOH W/ BIT # 5, L/D BIT & MOTOR			
2:00 - 7:00	5.00	DRLPRO	05	A	P	P/U BIT # 6 & NEW MOTOR TIH			
7:00 - 7:30	0.50	DRLPRO	03	D	P	WASH 30' TO BTM			
7:30 - 12:30	5.00	DRLPRO	02	B	P	DRLG F/ 7894' TO 7985' (91' 18.2' HR) WT 10.8/47			
12:30 - 13:00	0.50	DRLPRO	07	B	P	WORK ON 2" VALVE # 2 PUMP			
13:00 - 13:30	0.50	DRLPRO	06	A	P	RIG SERVICE			
13:30 - 21:00	7.50	DRLPRO	02	B	P	DRLG F/ 7985' TO 8142' (157' 20.9' HR) WT 10.7/47			
21:00 - 22:00	1.00	DRLPRO	09	A	P	SURVEY @ 8072' 7 1/2 DEG.			
22:00 - 0:00	2.00	DRLPRO	02	B	P	DRLG F/ 8142' TO 8206' (64' 32' HR) WT 10.9/44			
6/27/2008	<u>SUPERVISOR:</u> BRAD PEDERSEN							MD:	8,651
0:00 - 16:00	16.00	DRLPRO	02	B	P	DRLG F/ 8206' TO 8523' (317' 19.8' HR) WT 11.2/44			
16:00 - 16:30	0.50	DRLPRO	06	A	P	RIG SERVICE			
16:30 - 0:00	7.50	DRLPRO	02	B	P	DRLG F/ 8523' TO 8651' (128' 17' HR) WT 11.2/45			
6/28/2008	<u>SUPERVISOR:</u> BRAD PEDERSEN							MD:	8,734
0:00 - 6:00	6.00	DRLPRO	02	B	P	DRLG F/ 8651' TO 8734' (83' 13.8' HR) WT 11.3/52			
6:00 - 12:30	6.50	DRLPRO	05	A	P	PUMP PILL,DROP SURVEY,TOOH W/ BIT # 6 L/D MOTOR			
12:30 - 14:00	1.50	DRLPRO	05	A	P	P/U BIT # 7 & NEW MOTOR TIH TO SHOE			

Wins No.: 94202

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12:30 - 14:00	1.50	DRLPRO	05	A	P	P/U BIT # 7 & NEW MOTOR TIH TO SHOE
14:00 - 15:00	1.00	DRLPRO	06	D	P	SLIP & CUT DRLG LINE
15:00 - 15:30	0.50	DRLPRO	06	A	P	RIG SERVICE
15:30 - 21:30	6.00	DRLPRO	07	B	Z	RIG REPAIR ,REPLACE 4" DISCHARGE VALVE ON # 2 PUMP
21:30 - 0:00	2.50	DRLPRO	05	A	P	FINISH TIH W/ BIT # 7

MD: 8,940

6/29/2008

SUPERVISOR: BRAD PEDERSEN

0:00 - 2:00	2.00	DRLPRO	03	D	P	WASH 40' TO BTM
2:00 - 11:30	9.50	DRLPRO	02	B	P	DRLG F/ 8734' TO 8940' (206' 21.6' HR) WT 11.5/43
11:30 - 14:00	2.50	DRLPRO	07	A	Z	REPACK SWIVEL PACKING FAILED
14:00 - 17:30	3.50	DRLPRO	07	A	Z	TOOH TO SHOE
17:30 - 0:00	6.50	DRLPRO	07	A	Z	NEW SWIVEL ON LOC @ 17:00,FABRICATE KELLY SPINNER BRACKET

MD: 9,068

6/30/2008

SUPERVISOR: BRAD PEDERSEN

0:00 - 8:30	8.50	DRLPRO	07	A	Z	RIG REPAIR,FINISH WELDING KELLY SPINNER BRACKET ON TO SWIVEL,P/U & M/U SWIVEL,PACKING LEAKING,REPACK SWIVEL
8:30 - 12:00	3.50	DRLPRO	07	A	Z	TIH F/SHOE,TIGHT @ 8760
12:00 - 15:00	3.00	DRLPRO	07	A	Z	WASH F/ 8760' TO 8940'
15:00 - 0:00	9.00	DRLPRO	02	B	P	DRLG F/ 8940' TO 9068' (128' 14.2' HR) WT 11.6/45

MD: 9,095

7/1/2008

SUPERVISOR: KENNY MORRIS

0:00 - 2:30	2.50	DRLPRO	02	B	P	DRLG F/ 9068' TO 9095' TD (27' 10.8' HR) WT 11.6/45
2:30 - 4:30	2.00	DRLPRO	04	C	P	CIRC F/ SHORT TRIP
4:30 - 5:30	1.00	DRLPRO	05	E	P	SHORT TRIP 20 STANDS TO 7795',NO PROBLEMS
5:30 - 7:30	2.00	DRLPRO	04	C	P	CIRC F/ LDDP
7:30 - 15:30	8.00	DRLPRO	05	B	P	S&M W/TESCO,LDDP AND BHA,PULL WEARRING

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7:30 - 15:30	8.00	DRLPRO	05	B	P	S&M W/TESCO,LDDP AND BHA,PULL WEARRING
15:30 - 0:00	8.50	DRLPRO	08	F	P	SAFETY MT W/HALLIBURTON,QUAD COMBO,2 RUNS,LOGGERS DEPTH 9098',NO TIGHT HOLE

7/2/2008	SUPERVISOR: KENNY MORRIS						MD: 9,095
0:00 - 1:30	1.50	EVALPR	08	A	P	RUN QUAD COMBO W/HALLIBURTON	
1:30 - 9:00	7.50	CSG	11	B	P	R/U TESCO RUN 9088' PROD CASING	
9:00 - 10:30	1.50	CSG	04	E	P	CIRC F/CEMENT	
10:30 - 13:00	2.50	CSG	15	A	P	PUMP 150 SX LEAD,600 SX TAIL,DISPLACE 127BBLS CLAYFIX,FLOATS HELD,FINAL CIRC PSI 3400	
13:00 - 14:00	1.00	CSG	13	A	P	LAND AND TEST HANGER,L/D SET TOOL	
14:00 - 18:00	4.00	RDMO	01	E	P	CLEAN PITS & RELEASE RIG @18:00 7/2/08	

EVENT INFORMATION: EVENT ACTIVITY: COMPLETION START DATE: 7/15/2008
 OBJECTIVE: CONSTRUCTION END DATE: 7/17/2008
 OBJECTIVE 2: ORIGINAL DATE WELL STARTED PROD.:
 REASON: SURF FACILITIES Event End Status: COMPLETE

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

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
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7/15/2008 SUPERVISOR: HAL BLANCHARD MD:

Wins No.: 94202		STATE 1021-32L				API No.: 4304739131		
EVENT INFORMATION:		EVENT ACTIVITY: COMPLETION		START DATE: 7/31/2008				
		OBJECTIVE: DEVELOPMENT		END DATE:				
		OBJECTIVE 2: ORIGINAL		DATE WELL STARTED PROD.:				
		REASON: MV		Event End Status:				
RIG OPERATIONS:		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
KEY 243 / 243								
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation	
7/30/2008	<u>SUPERVISOR:</u> KEN WARREN						<u>MD:</u>	
	7:00 - 7:15	0.25	COMP	48		P	HSM, REVIEW R/U	
	7:15 - 17:00	9.75	COMP	47	A	P	R/D, ROAD RIG FROM NBU 1021-2L TO STATE 1021-32L, MIRU, SPOT EQUIP, N/D WELL HEAD, N/U BOPE, P/U 3-7/8 MILL W/ X-OVER, TALLEY & P/U 236 JNTS 2-3/8 J-55 TBG,[EOT 7488] POOH STNDG BACK, SWIFN.	
7/31/2008	<u>SUPERVISOR:</u> KEN WARREN						<u>MD:</u>	
	7:00 - 7:15	0.25	COMP	48		P	HSM, P/T CSG	
	7:15 - 15:00	7.75	COMP	47	B	P	N/D BOPE, N/U FRAC VALVES, MIRU B&C QUICK TEST, P/T CSG & VALVES TO 7500#. MIRU CUTTERS WIRE LINE, P/U RIH W/ 3-3/8 EXPEND, 23GRM, 0.36" HOLE, 8758'-8760' 3 SPF, 120° PH, 6 HOLES, 8668'-8672' 3 SPF, 120° PH, 12 HOLES, 8652'-8654' 3 SPF, 120° PH, 6 HOLES, 8606'-8610' 4 SPF, 90° PH, 16 HOLES, [40 HOLES] POOH R/D CUTTERS SWI.	
8/1/2008	<u>SUPERVISOR:</u> KEN WARREN						<u>MD:</u>	
	7:00 - 15:00	8.00	COMP	47		P	STNDBY	
8/4/2008	<u>SUPERVISOR:</u> JEFF SAMUELS						<u>MD:</u>	

Wins No.: 94202

STATE 1021-32L

API No.: 4304739131

7:00 - 17:00 10.00 COMP 36 B P

7:00 a.m. HSM
MIRU WEATHERFORD FRAC SVC. MIRU CUTTERS. PRIME
PMP'S & PSI TST LINES TO 8500#, (HELD). PREP TO FRAC

NOTE: ALL STAGES SHOT W/ 3 3/8" EXP PERF GUNS, LOADED
W/ 23 GM CHARGES, 3 & 4 SPF, 90 & 120 DEG PHASING. ALL
CBP'S ARE 4 1/2" BAKER 8K CBP'S. ALL STAGES TREATED W/
NALCO DVE-005 SCALE INHIB. 3 GPT IN PAD & 1/2 RAMP, 10
GPT IN FLUSH & PRE PAD. ALL CLEAN FLUID INCLUDE NALCO
BIOCIDE @ .25 GPT. ALL STAGES TREATED W/ 30/50 SAND
TAILED IN W/ 5000# TLC SAND FOR SAND CONTROLL.

STG 1: BRK DWN PERF'S @ 4835#, EST INJ RT @ 50.3 BPM @
6100#, ISIP 3512#, FG .83. TREAT STG 1 W/ 77955# SAND
TAILED IN W/ 5000# TLC SAND. SCREENED OUT W/ 70 BBLS
LEFT IN FLUSH. LOST SUCTION. PUMPS DOWN EST 7 MIN.
FLOW WELL BACK TO PIT. X-O REFLUSH W/ 133.1 BBLS @ 10
BPM. TOT CL FL 2303 BBLS. ISIP 3758#, NPI 246#, FG .85

STG 2: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @
8524'. P/U SHOOT 24 HOLES F/ 8488' - 94', P/U SHOOT 6 HOLES
F/ 8466' - 68', P/U SHOOT 6 HOLES F/ 8416' - 18', P/U SHOOT 6
HOLES F/ 8394' - 96'. POOH. BRK DWN PERF'S @ 5568#, EST
INJ RT @ 50.2 BPM @ 5800#, ISIP 2963#, FG .80, TREAT STG 2
W/ 122,019# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR.
TOT CL FL 3140 BBLS. ISIP2864#, NPI -99#. FG .78

STG 3: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @
7758', P/U SHOOT 12 HOLES F/ 7724' - 28', P/U SHOOT 18
HOLES F/ 7670' - 76', P/U SHOOT 12 HOLES F/ 7600' - 04'. POOH,
BRK DWN PERF'S @ 5829#, EST INJ RT @ 50.8 BPM @ 5550#,
ISIP 2790#, FG .81, TREAT STG 3 W/ 108,933# SAND, TAILED IN
W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 2790 BBLS. ISIP
3041#, NPI 251#, FG .84

STG 4: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @
7516', P/U SHOOT 16 HOLES F/ 7482' - 86', P/U SHOOT 8 HOLES
F/ 7435' - 37', P/U SHOOT 12 HOLES F/ 7402' - 06', P/U SHOOT 4
HOLES F/ 7350' - 52'. POOH. BRK DWN PERF'S @ 3367#, EST
INJ RT @ 50.7 BPM @ 4499#, ISIP 1922#, FG .70, TREAT STG 4
W/ 160,166# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR.
TOT CL FL 4044 BBLS. ISIP 3089#, NPI 1167#, FG .86

P/U 4 1/2" CBP & RIH. SET KILL PLUG @ 7300'. POOH. RDMO
CUTTERS. RDMO WEATHERFORD. PREP TO RIH W/ TBG IN
A.M. SWI. SDFN

8/5/2008

SUPERVISOR: JEFF SAMUELS

MD:

Wins No.: 94202

STATE 1021-32L

API No.: 4304739131

7:00 - 16:00 9.00 COMP 44 C P

7:00 A.M. HSM
ND FRAC VLVS. NU BOPE. P/U 3 7/8" SMITH BIT, POBS & RIH
W/ TBG. TAG KILL PLUG @ 7300'. R/U DRL EQUIP. R/U PMP &
LINES & BRK CONV CIRC W/ 2% KCL & BEG TO DRL.

DRL UP KILL PLUG @ 7300'. (600# PSI INC). CONT TO RIH. TAG
FILL @ 7486', (30' FILL). C/O TO 2ND CBP @ 7516'.

DRL UP 2ND CBP (800# PSI INC). CONT TO RIH. TAG FILL @
7728', (30' FILL). C/O TO 3RD CBP @ 7758'.

DRL UP 3RD CBP (400# PSI INC). CONT TO RIH. TAG FILL @
8494' (30' FILL). C/O TO 4TH CBP @ 8524'.

DRL UP 4TH CBP (400# PSI INC). CONT TO RIH. TAG FILL @
8984'. (70' FILL). C/O TO PBD @ 9054'. CIRC WELL CLEAN. RD
DRL EQUIP. POOH L/D 39 JTS ON TRAILER. LUB TBG HANGER
INTO WELL. LAND TBG W/ EOT @ 8348'. NDBOPE. DRP BALL.
NUWH. PMP OFF THE BIT SUB @ 1800#. R/U FLOW BACK
EQUIP. RIG DWN, RACK OUT. ROAD EQUIP TO NBU 1021-311.
SDFD

SICP 1700#
FTP 600#
20/64 CHOKE

TBG ON LOC 303 JTS
TBG IN WELL 264 JTS
TBG ON TRAILER 39 JTS

8/6/2008

SUPERVISOR: JEFF SAMUELS

7:00 -

33

A

7 AM FLBK REPORT: CP 1000#, TP 1000#, 16/64" CK, 46 BWPH,
MEDIUM SAND, - GAS
TTL BBLS RECOVERED: 2382
BBLS LEFT TO RECOVER: 9895

MD:

8/7/2008

SUPERVISOR: JEFF SAMUELS

7:00 -

33

A

7 AM FLBK REPORT: CP 800#, TP 800#, 18/64" CK, 33 BWPH,
TRACE SAND, - GAS
TTL BBLS RECOVERED: 3291
BBLS LEFT TO RECOVER: 8986

MD:

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

1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME	
b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: STATE 1021-32L	
2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304739131	
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1795'FSL, 472'FWL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		10. FIELD AND POOL, OR WILDCAT NATURAL BUTTES	
		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 32 10S 21E	
		12. COUNTY UINTAH	13. STATE UTAH

14. DATE SPUNDED: 6/3/2008		15. DATE T.D. REACHED: 7/1/2008		16. DATE COMPLETED: 8/7/2008		ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>		17. ELEVATIONS (DF, RKB, RT, GL): 5374'GL	
18. TOTAL DEPTH: MD 9,095 TVD		19. PLUG BACK T.D.: MD 9,054 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, BCS, SD, DSN, ACTR					23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy)				

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
8 3/4"	7" J-55	23#		1,950		280			
6 1/4"	4 1/2 I-80	11.6#		9,095		750			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,348							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) MESAVERDE	7,350	8,760			7,350 8,760	0.36	164	Open <input checked="" type="checkbox"/>	Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/>	Squeezed <input type="checkbox"/>

27. PERFORATION RECORD

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
7350'-8760'	PMP 12,277 BBLS SLICK H2O & 469,073# 30/50 OTTOWA SD

29. ENCLOSED ATTACHMENTS:

- | | | | |
|---|--|---------------------------------------|---|
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS | <input type="checkbox"/> GEOLOGIC REPORT | <input type="checkbox"/> DST REPORT | <input type="checkbox"/> DIRECTIONAL SURVEY |
| <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION | <input type="checkbox"/> CORE ANALYSIS | <input type="checkbox"/> OTHER: _____ | |

30. WELL STATUS:

PROD

RECEIVED

SEP 09 2008

DIV. OF OIL, GAS & MINING

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 8/7/2008		TEST DATE: 8/10/2008		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL - BBL: 40	GAS - MCF: 948	WATER - BBL: 672	PROD. METHOD: FLOWING
CHOKE SIZE: 20/64	TBG. PRESS. 725	CSG. PRESS. 1,574	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 40	GAS - MCF: 948	WATER - BBL: 672	INTERVAL STATUS: PROD	

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →		OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	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)
GREEN RIVER	952				
MAHOGANY	1,476				
WASATCH	4,195	7,042			
MESAVERDE	7,082	8,895			

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE



DATE 8/26/2008

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-21577
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME:
8. WELL NAME and NUMBER: STATE 1021-32L
9. API NUMBER: 4304739131
10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significant, 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 GAS WELL OTHER _____

2. NAME OF OPERATOR
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078 PHONE NUMBER: (435) 781-7024

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1795'FSL, 472'FWL**
CITY: _____ COUNTY: **UINTAH**
QTR:QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 32 10S 21E** STATE: **UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> 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"/> 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 type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input checked="" type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO COMPLETE THE WASATCH FORMATION. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH FORMATION, ALONG WITH THE EXISTING MESAVERDE FORMATIONS.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

COPY SENT TO OPERATOR
Date: 3.12.2009
Initials: KS

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE: REGULATORY ANALYST
SIGNATURE: *Sheila Upchego* DATE: 2/10/2009

(This space for State use only)

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING
DATE: 3/11/09
BY: *Sheila Upchego*
(Indicate initials on Reverse Side)

RECEIVED
FEB 19 2009
DIV. OF OIL, GAS & MINING

Name: State 1021-32L
Location: NWSW Sec. 32 - T10S - R21E
Uintah County, UT
Date: 1/8/09

ELEVATIONS: 5,374' GL 5,390' KB

TOTAL DEPTH: 9,087' **PBTD:** 9,064'
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 1,928'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 9,087'
 Marker Joint 4,242' - 4,263'

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

TOPS:

997' Green River
 1041' Birds Nest
 1,575' Mahogany
 4,151' Wasatch
 7,014' Mesaverde
 Estimated T.O.C. from CBL @2,200'

GENERAL:

- A minimum of 7 tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 07/01/2008
- 4 fracturing stages required for coverage.
- Procedure calls for 5 CBP's (8000 psi) .
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200 psi.**

- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). DO NOT OVERDISPLACE. Stage acid and scale inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40mesh resin coated sand last 5,000# of all frac stages
- Tubing Currently Landed @~8,364'
- Originally completed on 8/4/08

Existing Perforations:

MESAVERDE 7350	7352	2	4
MESAVERDE 7402	7406	3	12
MESAVERDE 7435	7437	4	8
MESAVERDE 7482	7486	4	16
MESAVERDE 7600	7604	3	12
MESAVERDE 7670	7676	3	18
MESAVERDE 7724	7728	3	12
MESAVERDE 8394	8396	3	6
MESAVERDE 8416	8418	3	6
MESAVERDE 8466	8468	3	6
MESAVERDE 8488	8494	4	24
MESAVERDE 8606	8610	4	16
MESAVERDE 8652	8654	3	6
MESAVERDE 8668	8672	3	12
MESAVERDE 8758	8760	3	6

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~8,364'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 6934 (50' below proposed CBP). Otherwise P/U a mill and C/O to 6934 (50' below proposed CBP).
4. Set 8000 psi CBP at ~ 6,884'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	6844	6854	4	40
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6,794' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~6,711'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	6634	6641	4	28
WASATCH	6678	6681	4	12

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~6,584' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
9. Set 8000 psi CBP at~6370'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	6330	6340	4	40
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~6280' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
11. Set 8000 psi CBP at~5212'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5172	5182	4	40
12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~5122' and flush only with recycled water.
13. Set 8000 psi CBP at~5122'.
14. TIH with 3 7/8" mill, pump off bit sub, SN and tubing.
15. Mill plugs (DRILL ISOLATION PLUG @ 6884') and clean out to 9064. Land tubing at ±8364' and pump off bit sub unless indicated otherwise by the well's behavior. This well will be commingled at this time.
16. RDMO
17. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

**For design questions, please call
Jason Menegatti, Denver, CO
(303) 519-3604 (Cell)
(720) 946-2553 (Office)**

**For field implementation questions, please call
Robert Miller, Vernal, UT
4350781 7041 (Office)**

NOTES:

**State 1021-32L
Perforation and CBP Summary**

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	WASATCH	6844	6854	4	40	6843	to	6858
	# of Perfs/stage				40	CBP DEPTH	6,711	
2	WASATCH	6634	6641	4	28	6634	to	6641
	WASATCH	6678	6681	4	12	6678	to	6681
	# of Perfs/stage				40	CBP DEPTH	6,370	
3	WASATCH	6330	6340	4	40	6305	to	6308
	WASATCH		No Perfs			6333.5	to	6335.5
	WASATCH		No Perfs			6338	to	6339.5
	# of Perfs/stage				40	CBP DEPTH	5,212	
4	WASATCH	5172	5182	4	40	5175	to	5181
	# of Perfs/stage				40	CBP DEPTH	5,122	
Totals					160			

Fracturing Schedules
 State 1021-32L
 Slickwater Frac

Stage	Zone	Feet of Pay	Perfs		SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.	
			Top, ft.	Bot. ft.																		
1	WASATCH	15	6944	6954	4	40	Varied	Pump-in test			Slickwater			0	0	0						
	WASATCH	0					0	ISP and 5 min ISDP			Slickwater											44
	WASATCH	0					50	Slickwater Pad			Slickwater	5,063	5,063	121	121	15.0%	0.0%	0	0			10
	WASATCH	0					50	Slickwater Ramp	0.25	1	Slickwater	9,563	14,625	228	348	28.3%	17.2%	5,977	5,977			10
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	14,625	0	348	0.0%	0.0%	0	5,977			0
	WASATCH	0					50	Slickwater Ramp	1	1.5	Slickwater	9,563	24,188	228	576	28.3%	34.5%	11,953	17,930			10
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	24,188	0	576	0.0%	0.0%	0	17,930			0
	WASATCH	0					50	Slickwater Ramp	0.5	1.5	Slickwater	0	24,188	0	576	0.0%	0.0%	0	17,930			0
	WASATCH	0					50	Slickwater Ramp	1.5	2	Slickwater	9,563	33,750	228	804	28.3%	48.3%	16,734	34,604			10
	WASATCH	0					50	Flush (4-1/2")			Slickwater	4,435	38,185	106	909				34,604			44
	WASATCH	0						ISDP and 5 min ISDP														126
	WASATCH	0									Sand laden Volume		33,750									
	WASATCH	15				40											gal/hr	2,250	2,311	lbs sand/ft		
			# of Perfs/Stage															CBP depth	6,711		83	
							18.2	<< Above pump time (min)														
2	WASATCH	7	6634	6641	4	26	Varied	Pump-in test			Slickwater			0	0	0						
	WASATCH	3	6678	6681	4	12	0	ISP and 5 min ISDP			Slickwater											7
	WASATCH	0					50	Slickwater Pad			Slickwater	3,375	3,375	80	80	15.0%	0.0%	0	0			6
	WASATCH	0					50	Slickwater Ramp	0.25	1	Slickwater	6,375	9,750	152	232	28.3%	17.2%	3,984	3,984			0
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	9,750	0	232	0.0%	0.0%	0	3,984			0
	WASATCH	0					50	Slickwater Ramp	1	1.5	Slickwater	6,375	16,125	152	384	28.3%	34.5%	7,969	11,953			6
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	16,125	0	384	0.0%	0.0%	0	11,953			0
	WASATCH	0					50	Slickwater Ramp	0.5	1.5	Slickwater	0	16,125	0	384	0.0%	0.0%	0	11,953			0
	WASATCH	0					50	Slickwater Ramp	1.5	2	Slickwater	6,375	22,500	152	536	28.3%	48.3%	11,156	23,109			6
	WASATCH	0					50	Flush (4-1/2")			Slickwater	4,298	26,798	102	638				23,109			41
	WASATCH	0						ISDP and 5 min ISDP														67
	WASATCH	0									Sand laden Volume		22,500									
	WASATCH	10				40												gal/hr	2,250	2,311	lbs sand/ft	
			# of Perfs/Stage																CBP depth	6,370		214
							10.7	<< Above pump time (min)														
3	WASATCH	3	6330	6340	4	40	Varied	Pump-in test			Slickwater			0	0	0						
	WASATCH	2		No Perfs			0	ISP and 5 min ISDP			Slickwater											6
	WASATCH	2		No Perfs			50	Slickwater Pad			Slickwater	3,140	3,140	75	75	15.0%	0.0%	0	0			6
	WASATCH	0					50	Slickwater Ramp	0.25	1	Slickwater	5,931	9,071	141	216	28.3%	17.2%	3,707	3,707			6
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	9,071	0	216	0.0%	0.0%	0	3,707			0
	WASATCH	0					50	Slickwater Ramp	1	1.5	Slickwater	5,931	15,002	141	357	28.3%	34.5%	7,414	11,120			6
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	15,002	0	357	0.0%	0.0%	0	11,120			0
	WASATCH	0					50	Slickwater Ramp	0.5	1.5	Slickwater	0	15,002	0	357	0.0%	0.0%	0	11,120			0
	WASATCH	0					50	Slickwater Ramp	1.5	2	Slickwater	5,931	20,932	141	498	28.3%	48.3%	10,379	21,499			6
	WASATCH	0					50	Flush (4-1/2")			Slickwater	4,100	25,032	98	596				21,499			34
	WASATCH	0						ISDP and 5 min ISDP														58
	WASATCH	0									Sand laden Volume		20,932									
	WASATCH	7				40												gal/hr	3,220	3,308	lbs sand/ft	
			# of Perfs/Stage																	CBP depth	5,212	1,000
							10.0	<< Above pump time (min)														
4	WASATCH	6	5172	5182	4	40	Varied	Pump-in test			Slickwater			0	0	0						
	WASATCH	0					0	ISP and 5 min ISDP			Slickwater											7
	WASATCH	0					50	Slickwater Pad			Slickwater	3,253	3,253	77	77	15.0%	0.0%	0	0			6
	WASATCH	0					50	Slickwater Ramp	0.25	1	Slickwater	6,145	9,398	146	224	28.3%	17.2%	3,841	3,841			0
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	9,398	0	224	0.0%	0.0%	0	3,841			0
	WASATCH	0					50	Slickwater Ramp	1	1.5	Slickwater	6,145	15,543	146	370	28.3%	34.5%	7,681	11,522			6
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	15,543	0	370	0.0%	0.0%	0	11,522			0
	WASATCH	0					50	Slickwater Ramp	0.5	1.5	Slickwater	0	15,543	0	370	0.0%	0.0%	0	11,522			0
	WASATCH	0					50	Slickwater Ramp	1.5	2	Slickwater	6,145	21,688	146	516	28.3%	48.3%	10,754	22,276			6
	WASATCH	0					50	Flush (4-1/2")			Slickwater	3,344	25,032	80	596				22,276			0
	WASATCH	0						ISDP and 5 min ISDP														25
	WASATCH	0									Sand laden Volume		21,688									
	WASATCH	6				40												gal/hr	3,615	3,713	lbs sand/ft	
			# of Perfs/Stage																	CBP depth	5,122	0
							10.3	<< Above pump time (min)														
Totals		38				160						Total Fluid	111,704	gals	2,739	bbls		Total Sand	101,549			
							0.8						2,660	bbls		6.1	tanks			Total Scale Inhib. =	276	



Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
DENVER, CO 80217-3779

February 13, 2009

Mr. Dustin Doucet
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: State 1021-32L
NWSW Sec. 32, T10S-R21E
API Well No. 4304739131
Uintah County, Utah

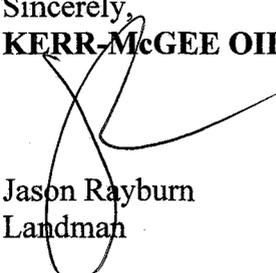
Dear Dustin,

In accordance with R649-3-22, "Completion Into Two or More Pools", please be advised that there are no contiguous owners in oil and gas leases or in drilling units overlying the pool we intend to commingle to notify. As evidenced by the enclosed plat, Kerr-McGee Oil & Gas Onshore LP is the sole working interest owner in all contiguous leasehold.

Please let me know if anything further is required in order to approve the sundry submitted to you regarding the recompletion of the State 1021-32L. I have enclosed a copy of the sundry notice.

Thank you for your attention to our request.

Sincerely,
KERR-McGEE OIL & GAS ONSHORE LP


Jason Rayburn
Landman

enclosures

RECEIVED
FEB 19 2009
DIV. OF OIL, GAS & MINING

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

AFFIDAVIT

Jason Rayburn, of lawful age, and being first duly sworn upon oath, deposes and says:

He is a Landman of Kerr-McGee Oil & Gas Onshore LP, of Denver, Colorado. Kerr-McGee Oil & Gas Onshore LP is the operator of the following described well:

**STATE 1021-32L
1795' FSL, 472' FWL (NWSW)
SECTION 32, T10S- R21E
UINTAH COUNTY, UTAH**

Kerr-McGee Oil & Gas Onshore LP the only owner in the well and/or of all the contiguous oil and gas leases or drilling units overlying the pool.

On the 13th day of February 2009, he placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling into two or more pools (formations) in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining.

Further affiant saith not.

Jason Rayburn, Affiant

Subscribed and sworn before me this 13th day of February, 2009.



Notary Public

My Commission Expires:

Aug. 16, 2009

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-21577

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME

8. WELL NAME and NUMBER:
STATE 1021-32L

9. API NUMBER:
4304739131

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
NWSW 32 10S 21E

12. COUNTY
UINTAH

13. STATE
UTAH

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

3. ADDRESS OF OPERATOR: P.O. BOX 173779 CITY **DENVER** STATE **CO** ZIP **80217** PHONE NUMBER: **(720) 929-6100**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **NWSW 1795 FSL & 472 FWL**
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

14. DATE SPURRED: **6/3/2008** 15. DATE T.D. REACHED: **7/1/2008** 16. DATE COMPLETED: **3/28/2010** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): **5374' GL**

18. TOTAL DEPTH: MD **9,095** TVD _____ 19. PLUG BACK T.D.: MD **9,054** TVD _____ 20. IF MULTIPLE COMPLETIONS, HOW MANY? * _____

21. DEPTH BRIDGE PLUG SET: MD _____ TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-CCL-GR-BCS-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			
8-3/4"	7 J-55	23#		1,950		280			
7 7/8"	4 1/2 I-80	11.6#		9,095		750			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,343							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	6,634	7,042		
(B) <i>WSMUD</i>				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
6,634 7,042	0.36	120	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
			Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6634-7042	PMP 2,372 BBLs SLICK H2O & 84,181 LBS 30/50 SD.

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**

RECEIVED

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 3/28/2010		TEST DATE: 4/1/2010		HOURS TESTED: 24		TEST PRODUCTION RATES: →		OIL – BBL: 3	GAS – MCF: 1,824	WATER – BBL: 15	PROD. METHOD: FLOWING
CHOKE SIZE: 26/64	TBG. PRESS. 783	CSG. PRESS. 1,110	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL: 3	GAS – MCF: 1,824	WATER – BBL: 15	INTERVAL STATUS: PROD	

INTERVAL B (As shown in item #26)

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

INTERVAL C (As shown in item #26)

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

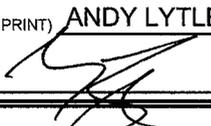
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
GREEN RIVER	952				
MAHOGANY	1,476				
WASATCH	4,195	7,042			
MESAVERDE	7,082	8,895			

35. ADDITIONAL REMARKS (Include plugging procedure)

ATTACHED TO THIS COMPLETION REPORT IS THE RECOMPLETION CHRONOLOGICAL WELL HISTORY.

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

NAME (PLEASE PRINT) ANDY LYTLE TITLE REGULATORY ANALYST
 SIGNATURE  DATE 4/29/2010

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

**US ROCKIES REGION
Operation Summary Report**

Well: STATE 1021-32L	Spud Conductor: 6/3/2008	Spud Date: 6/6/2008
Project: UTAH-UINTAH	Site: STATE 1021-32L	Rig Name No: MILES-GRAY 1/1
Event: RECOMPL/RESEREVEADD	Start Date: 3/18/2010	End Date: 3/25/2010
Active Datum: RKB @5,390.00ft (above Mean Sea Level) UWI: STATE 1021-32L		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
3/22/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, RU RIG & EQUIP.
	7:30 - 15:00	7.50	COMP	31	I	P		FCP 190 PSI, KILL WELL W/ 30 BBLS T-MAC, ND WH & NU BOPS, UPLAND TBG, TBG HANGER GAULDED, POOH W/ 264 JTS J-55 SLM & CHECKING W/ BROACH FOR SCALE GET READY FOR WIRELINE & TESTING IN AM.
3/23/2010	7:00 - 7:30	0.50	COMP	48		P		HSM, WIRELINE & PRESSURE TEST.
	7:30 - 10:30	3.00	COMP	34		P		MIRU WIRELINE, RUN GAUGE RING (3.625 OD) TO 7,150', RIH W/ 10,000# BKR CBP SET @ 7,080'.
	10:30 - 12:00	1.50	COMP	33		P		PRESSURE TEST CSG & FRAC VALES TO 6,000 PSI (80 BBLS TO FILL CSG)
	12:00 - 15:00	3.00	COMP	37		P		[STAGE 1] RIH PERF WASATCH USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE
3/24/2010	6:30 - 7:00	0.50	COMP	48		P		7,032' - 7042' , 4 SPF , 90* PH , 40 HOLES , FOR FRAC IN AM.
	7:00 - 7:30	0.50	COMP	36	E	P		HSM, WORKING W/ FRAC CREW & WIRELINE
								[STAGE 1] MIRU SUPEROIR PRIME UP PUMPING LINES PRESSURE TEST SURFACE LINES TO 7200 PSI.
								WHP= 50 PSI , BRK @ 3968 PSI @ 4.9 BPM, ISIP 3094 PSI , FG .88.
								PUMP 100 BBLS @ 40 BPM @ 4893 PSI, = 67% PERFS OPEN.
								MP 5551 PSI MR 40 BPM, AP 4669 PSI, AR 39.5 BPM, ISIP 3450 PSI, FG .93.
	7:30 - 9:16	1.77	COMP	36	E	P		NPI 426 PSI, PMPD 955 BBLS SW & 22,427 LBS OF 30/50 SND & 5,000 LBS OF RESIN SAND. TOTAL PROP 27,427 LBS.
								[STAGE 2] PU 4 1/2" CBP & 3 1/8 EXP GUNS, 23 GRM, .36" HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 6884' & PERF 6844'-6854' 4 SPF, 40 HLS
								WHP= 945 PSI , BRK @ 4040 PSI @ 3.8 BPM, ISIP 1810 PSI , FG .70.
								PUMP 100 BBLS @ 50.3 BPM @ 4480 PSI, = 66% PERFS OPEN.
								MP 5147 PSI MR 50.7 BPM, AP 4348 PSI, AR 45.6 BPM, ISIP 3400 PSI, FG .93.
	9:16 - 10:50	1.57	COMP	36	E	P		NPI 1590 PSI, PMPD 749 BBLS SW & 25,490 LBS OF 30/50 SND & 5,000 LBS OF RESIN SAND. TOTAL PROP 30,490 LBS
								[STAGE 3] PU 4 1/2" CBP & 3 1/8 EXP GUNS, 23 GRM, .36" HOLES, 90 DEG PHASING SET 8K BAKER CBP @ 6760' & PERF 6728'-6730' 4 SPF, 8 HLS.
								6668'-6670' 4SPF 8 HLS, 6634'-6640' 4 SPF 24 HLS. TOTAL 40 HLS
								WHP= 680 PSI , BRK @ 2512 PSI @ 4.8 BPM, ISIP 2166 PSI , FG .76.
								PUMP 100 BBLS @ 50.5 BPM @ 4750 PSI, = 69% PERFS OPEN.
								MP5997 PSI MR 50.7 BPM, AP 4598 PSI, AR 49.9 BPM, ISIP 3095 PSI, FG .90.
								NPI 928 PSI, PMPD 668 BBLS SW & 21,264 LBS OF 30/50 SND & 5,000 LBS OF RESIN SAND. TOTAL PROP 26,264 LBS

**US ROCKIES REGION
Operation Summary Report**

Well: STATE 1021-32L	Spud Conductor: 6/3/2008	Spud Date: 6/6/2008
Project: UTAH-UINTAH	Site: STATE 1021-32L	Rig Name No: MILES-GRAY 1/1
Event: RECOMPL/RESEREVEADD	Start Date: 3/18/2010	End Date: 3/25/2010
Active Datum: RKB @5,390.00ft (above Mean Sea Leve	UWI: STATE 1021-32L	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	10:50 - 13:00	2.17	COMP	34	I	P		KILL PLUG] PU 4 1/2" CBP RIH SET @ 6584' & RIG DOWN WIRE LINE & FRAC CREW ND FRAC VALVE NU BOPS
	13:00 - 17:00	4.00	COMP	31	I	P		PU 3 7/8 SEALED BEARING BIT, POBS, 1.875 X/N, RIH W/ 209 JTS TAGGED KILL PLUG @ 6584 LD 2 JTS EOT @ 6535 RU DRILLING EQUIP SWI SDFN. HSM, WORKING W/ POWER SWIVEL
3/25/2010	7:00 - 7:30	0.50	COMP	48		P		SICP 0 PSI, BREAK CIRC CONVENTIONAL, PRESS TEST BOPS TOO 3000 PSI, RIH
	7:30 - 15:00	7.50	COMP	44	C	P		C/O 0' SAND, TAG 1ST PLUG @ 6584' DRL PLUG IN 9 MIN. 300 PSI INCREASE RIH. C/O 30' SAND, TAG 2ND PLUG @ 6760' DRL PLUG IN 8 MIN. 200 PSI INCREASE RIH. C/O 30' SAND, TAG 3RD PLUG @ 6884' DRL PLUG IN 11 MIN. 100 PSI INCREASE RIH. C/O 30' SAND, TAG 4TH PLUG @ 7080' BREAK CIRC W/ AIR/ N2 TOOK 30 MIN, DRL PLUG IN 15 MIN. 0 PSI INCREASE TOP KILL TBG, RIH TAG @ 7990' DRL FOR 10 MIN ON PLUG REMAINS FELL FREE, RIH TO 8870' LD 17 JTS, LAND TBG W/ 264 JTS, RD FLOOR, ND BOPS, NU WH, DROP BALL POB W/ N2 UNIT, BLEW WELL AROUND TURN OVER TO FLOW BACK CREW. RD RIG PARK ON LOCATION. KB= 16' 4 1/16 HANGER= .83' [NEW HANGER OLD ONE GAULDED] 264 JTS 2 3/8 J-55= 8324.74' POBS= 2.20' EOT @ 8343.77' SN @ 8341.57' TWTR= 2692 BBLS TWR= 780 BBLS TWLTR= 1912 BBLS
3/26/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1000#, TP 100#, OPEN/64" CK, 25 BWPH, HEAVY SAND, - GAS TTL BBLS RECOVERED: 1445 BBLS LEFT TO RECOVER: 1247
3/27/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 900#, TP 300#, 34/64" CK, 18 BWPH, MED SAND, - GAS TTL BBLS RECOVERED: 1975 BBLS LEFT TO RECOVER: 717
3/28/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 875#, TP 525#, 34/64" CK, 10 BWPH, MED SAND, 1.4 GAS TTL BBLS RECOVERED: 2324 BBLS LEFT TO RECOVER: 368
3/29/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 950#, TP 600#, 34/64" CK, 8 BWPH, LIGHT SAND, 1.6 GAS TTL BBLS RECOVERED: 2542 BBLS LEFT TO RECOVER: 150
3/30/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1200#, TP 1000#, 20/64" CK, 5 BWPH, TRACE SAND, 1.8 GAS TTL BBLS RECOVERED: 2664 BBLS LEFT TO RECOVER: 28

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>orig entity</i> 15431	25 9S	20E	WASATCH/MESAVERDE
4304737080	FEDERAL 920-25H	SENE 15761	25 9S	20E	WASATCH/MESAVERDE
4304737081	FEDERAL 920-25A	NENE 15553	25 9S	20E	WASATCH/MESAVERDE from MURD
4304739098	STATE 1021-28M	SWSW 16499	28 10S	21E	WASATCH To WSMVD
4304737918	FEDERAL 1021-26L	NWSW 16390	26 10S	21E	MESAVERDE To WSMVD
4304737919	FEDERAL 1021-26N	SESW 16391	26 10S	21E	WASATCH/MESAVERDE
4304737916	FEDERAL 1021-25O	SWSE 16277	25 10S	21E	WASATCH/MESAVERDE
4304739112	STATE 1021-31M	SWSW 16454	31 10S	21E	WASATCH To WSMVD
4304739127	STATE 1021-32P	SESE 16471	32 10S	21E	WASATCH/MESAVERDE
4304739128	STATE 1021-32O	SWSE 17513	32 10S	21E	WASATCH/MESAVERDE
4304739131	STATE 1021-32L	NWSW 16902	32 10S	21E	WASATCH/MESAVERDE
4304739133	STATE 1021-32J	NWSE 17529	32 10S	21E	WASATCH/MESAVERDE
4304739134	STATE 1021-32I	NESE 16905	32 10S	21E	WSMVD
4304739135	STATE 1021-32H	SENE 17528	32 10S	21E	WASATCH/MESAVERDE
4304735714	FEDERAL 1022-29H	SENE 15147	29 10S	22E	WASATCH/MESAVERDE
4304735715	FEDERAL 1022-29F	SENW 15162	29 10S	22E	WASATCH/MESAVERDE
4304735716	FEDERAL 1022-29B	NWNE 11492	29 10S	22E	WASATCH/MESAVERDE
4304735737	FEDERAL 1022-29I	NESE 15001	29 10S	22E	WASATCH/MESAVERDE
4304735738	FEDERAL 1022-29D	NWNW 15016	29 10S	22E	MESAVERDE To WSMVD
4304734862	FEDERAL 31-10-22	SESE 13879	31 10S	22E	MESAVERDE To WSMVD
4304735173	FEDERAL 1022-31D	NWNW 14132	31 10S	22E	WASATCH/MESAVERDE
4304736492	FEDERAL 1022-31N	SESW 16255	31 10S	22E	WASATCH/MESAVERDE
4304736493	FEDERAL 1022-31I	NESE 15089	31 10S	22E	WASATCH/MESAVERDE
4304736494	FEDERAL 1022-31G	SWNE 15075	31 10S	22E	WASATCH/MESAVERDE
4304736495	FEDERAL 1022-31F	SENE 15230	31 10S	22E	WASATCH/MESAVERDE
4304736574	FEDERAL 1022-31C	NENW 15090	31 10S	22E	WASATCH/MESAVERDE
4304736575	FEDERAL 1022-31J	NWSE 15214	31 10S	22E	WASATCH/MESAVERDE
4304736576	FEDERAL 1022-31L	NWSW 16276	31 10S	22E	WASATCH/MESAVERDE
4304734317	STATE 1-32	NESW 13419	32 10S	22E	WASATCH/MESAVERDE
4304734831	STATE 2-32	SESW 13842	32 10S	22E	MESAVERDE To WSMVD
4304734832	STATE 3-32	NWSW 13844	32 10S	22E	WASATCH/MESAVERDE
4304735095	STATE 1022-32J	NWSE 114097	32 10S	22E	WSMVD
4304735096	STATE 1022-32A	NENE 13914	32 10S	22E	WASATCH/MESAVERDE
4304735186	STATE 1022-32P	SESE 14131	32 10S	22E	MESAVERDE To WSMVD
4304735315	STATE 1022-32O	SWSE 14114	32 10S	22E	WASATCH/MESAVERDE
4304735647	STATE 1022-32H	SENE 14348	32 10S	22E	MESAVERDE To WSMVD
4304736413	STATE 1021-36O	SWSE 15619	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 14618	15 10S	22E	WASATCH/MESAVERDE
4304736414	STATE 1021-36J	NWSE 15651	36 10S	21E	WASATCH/MESAVERDE
4304738152	STATE 1021-36L	NWSW 16012	36 10S	21E	WASATCH/MESAVERDE
4304735440	FEDERAL 1022-15J	NWSE 14617	15 10S	22E	WASATCH/MESAVERDE
4304736415	STATE 1021-36I	NESE 15684	36 10S	21E	WASATCH/MESAVERDE
4304738845	STATE 1021-36D	NWNW 16455	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	