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:	6. SURFACE:
ML-21577	State

1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐

7. IF INDIAN, ALLOTTEE OR TRIBE NAME:

B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑

8. UNIT or CA AGREEMENT NAME:

2. NAME OF OPERATOR:
KERR McGEE OIL & GAS ONSHORE L.P.

9. WELL NAME and NUMBER:
STATE 1021-32H

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: 1808'FNL, 650'FEL 622444X 39.906370
AT PROPOSED PRODUCING ZONE: 4418137Y -109.567574

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
~~SNE~~ SENE 32 10S 21E

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE:
17.95 MILES SOUTH OF OURAY, UTAH

12. COUNTY:
UINTAH

13. STATE:
UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
650'	640.00	40.00
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
REFER TO TOPO C	9,060	RLB0005237
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
5280'GL		

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#	9,060	1920 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:

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

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE SENIOR LAND ADMIN SPECIALIST

SIGNATURE [signature] DATE 3/13/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39135

Approved by the
Utah Division of
Oil, Gas and Mining

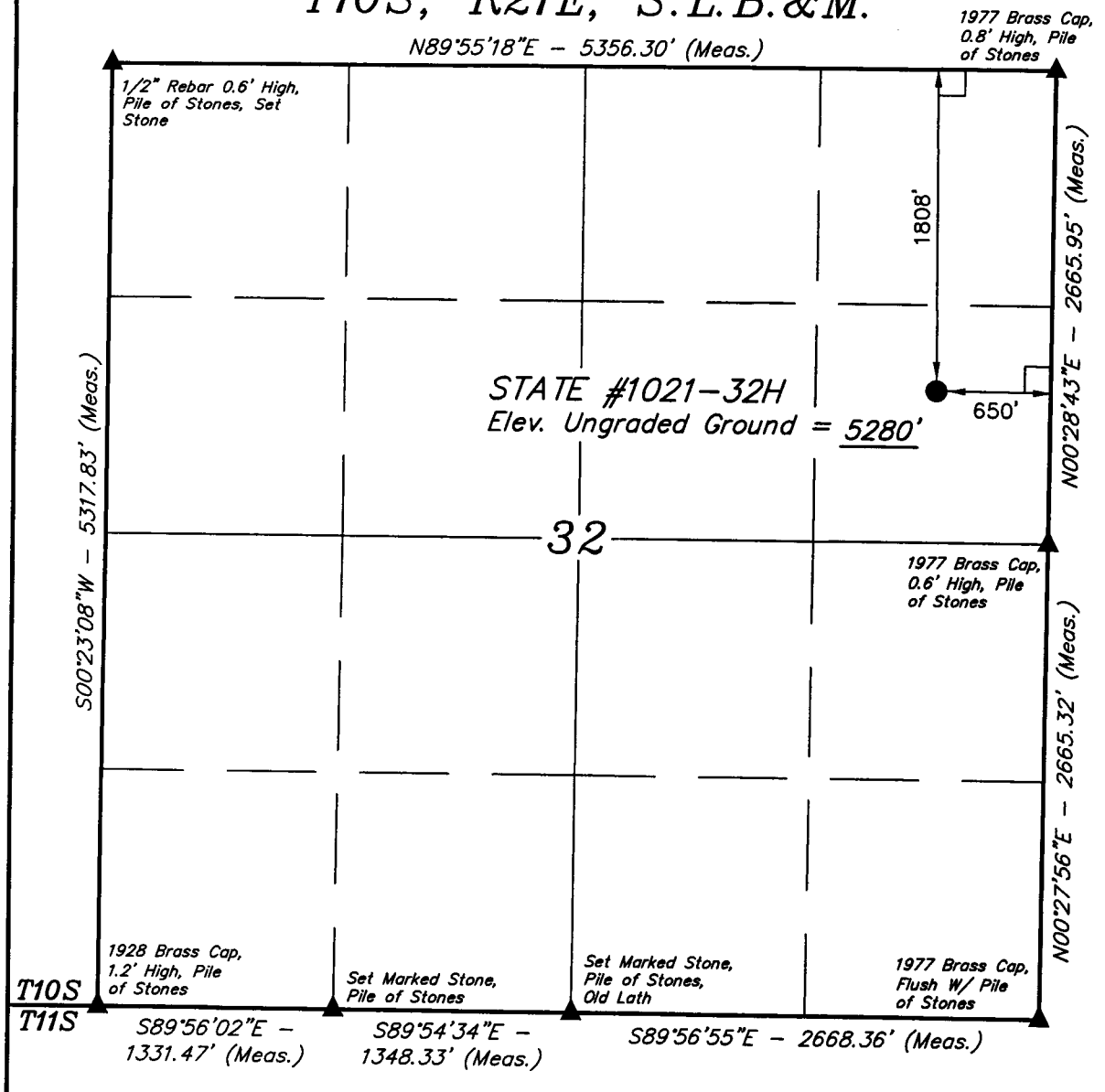
APPROVAL:

Date: 04-25-07
(See Instructions on Reverse Side)
By: [signature]

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

(11/2001)

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



Kerr-McGee Oil & Gas Onshore LP

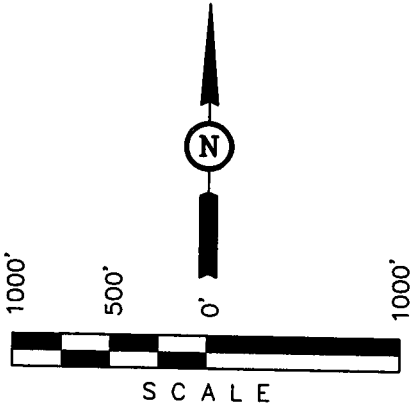
Well location, STATE #1021-32H, located as shown in the SE 1/4 NE 1/4 of Section 32, T10S, R21E, S.L.B.&M., Uintah County, Utah.

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, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

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



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.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 39°54'22.74" (39.906317)
LONGITUDE = 109°34'05.71" (109.568253)
(NAD 27)
LATITUDE = 39°54'22.86" (39.906350)
LONGITUDE = 109°34'03.24" (109.567567)

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

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	12-13-06	12-18-06
PARTY: L.K. J.M. P.M.	REFERENCES: G.L.O. PLAT	
WEATHER: COLD	FILE: Kerr-McGee Oil & Gas Onshore LP	

STATE 1021-32H
SE/NE SEC. 32, T10S, R21E
UINTAH COUNTY, UTAH
ML-21577

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

Formation	Depth
Uinta	0- Surface
Green River	919'
Top of Birds Nest Water	1166'
Mahogany	1696'
Wasatch	4085'
Mesaverde	6912'
MVU2	7911'
MVL1	8425'
TD	9060'

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

Substance	Formation	Depth
	Green River	919'
Water	Top of Birds Nest Water	1166'
	Mahogany	1696'
Gas	Wasatch	4085'
Gas	Mesaverde	6912'
Gas	MVU2	7911'
Gas	MVL1	8425'
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 9060' TD, approximately equals 5617 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3624 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.

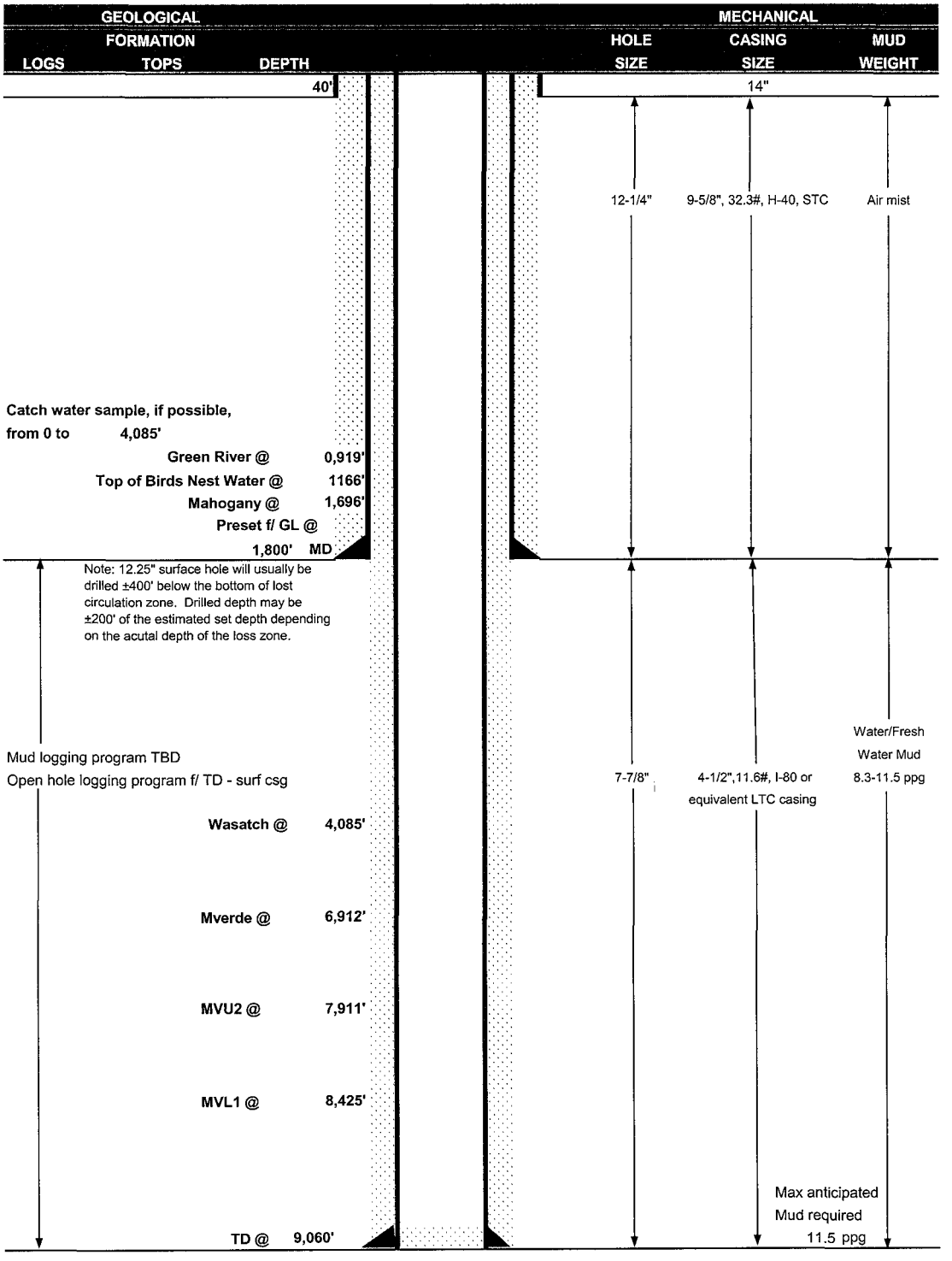
10. **Other Information:**

Please refer to the attached Drilling Program.

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	March 14, 2007	
WELL NAME	**STATE 1021-32H**		TD	9,060' MD/TVD	
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	ELEVATION	5,280' GL KB 5,295'
SURFACE LOCATION	SE/NE SEC. 32, T10S, R21E 1808'FNL, 650'FEL			BHL	Straight Hole
	Latitude: 39.906317	Longitude: 109.568253			
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM (SURF & MINERALS),Tri-County Health Dept.				



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								2270	1370	254000
SURFACE	9-5/8"	0	to	1800	32.30	H-40	STC	0.66*******	1.63	4.99
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	9060	11.60	I-80	LTC	2.27	1.17	2.19

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 3425 psi

********* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		**NOTE: If well will circulate water to surface, option 2 will be utilized**					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,580'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	390	60%	11.00	3.38
	TAIL	5,480'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1530	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 utililzed.

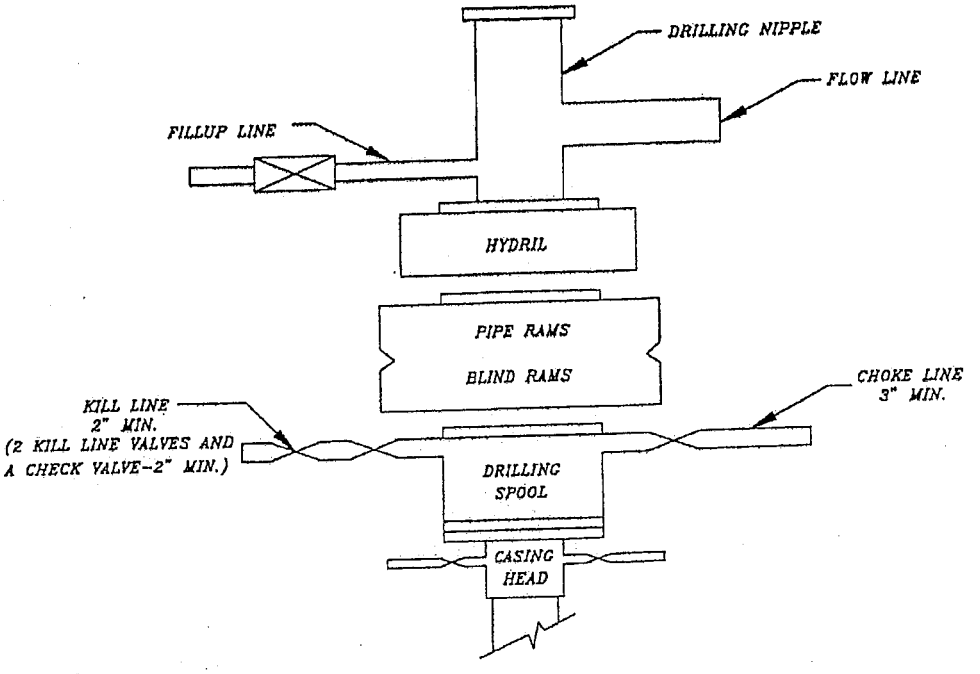
DRILLING ENGINEER: _____ **DATE:** _____

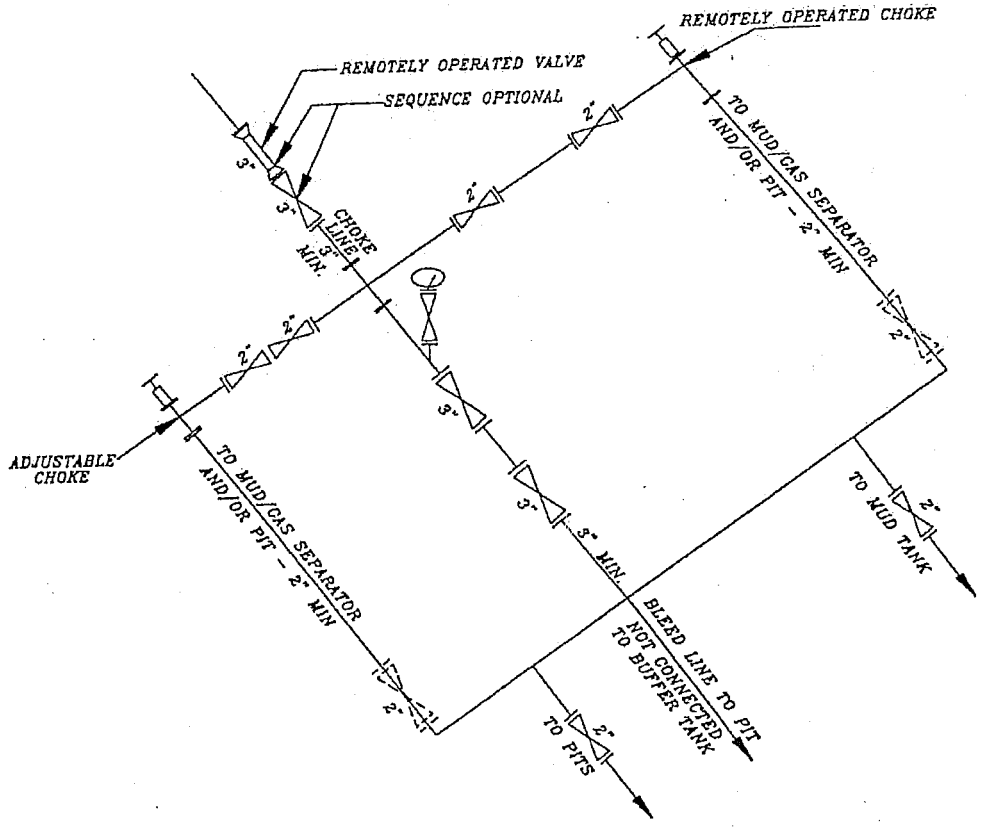
Brad Laney

DRILLING SUPERINTENDENT: _____ **DATE:** _____

Randy Bayne

5M BOP STACK and CHOKE MANIFOLD SYSTEM





STATE 1021-32H
SE/NE 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 0.7 +/- miles 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 3899' +/- of 4" steel pipeline is proposed from the location to an tie-in point. Refer to Topo Map D.

Approximately 2518' +/- of 6" 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 #1021-32H
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 SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1021-32N TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED #1021-32N AND THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.95 MILES.

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32H

LOCATED IN UINTAH COUNTY, UTAH
SECTION 32, T10S, R21E, S.L.B.&M.

PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHWESTERLY**

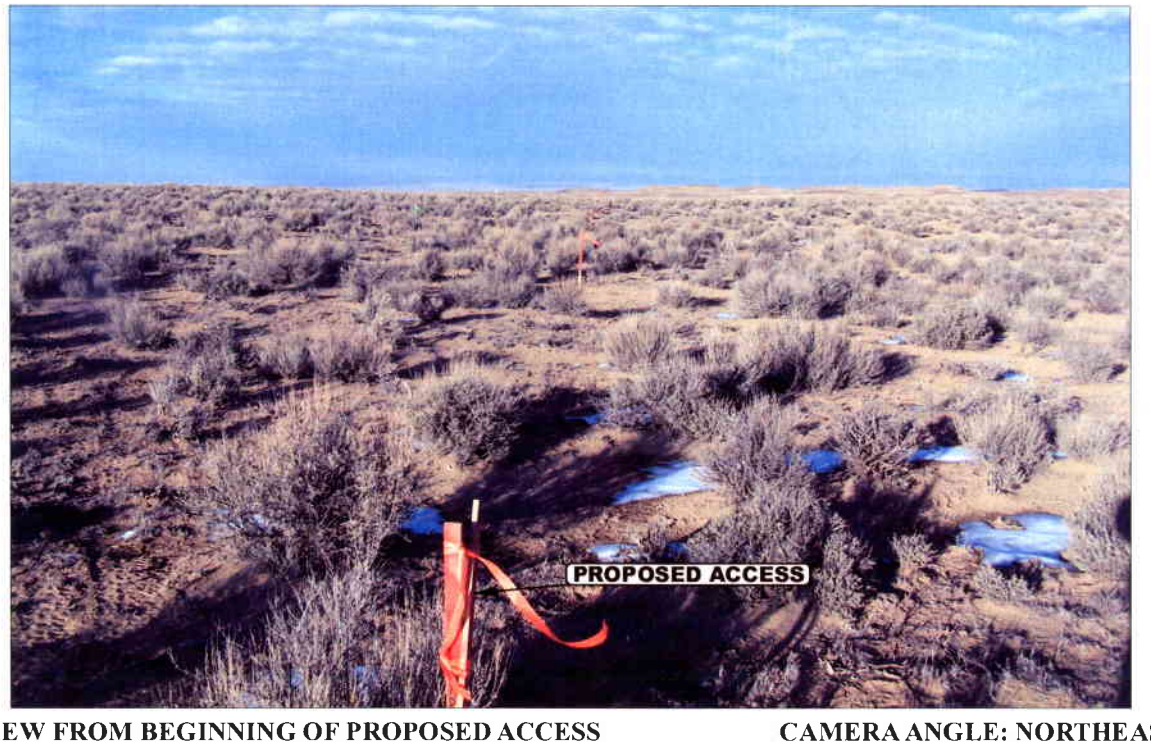
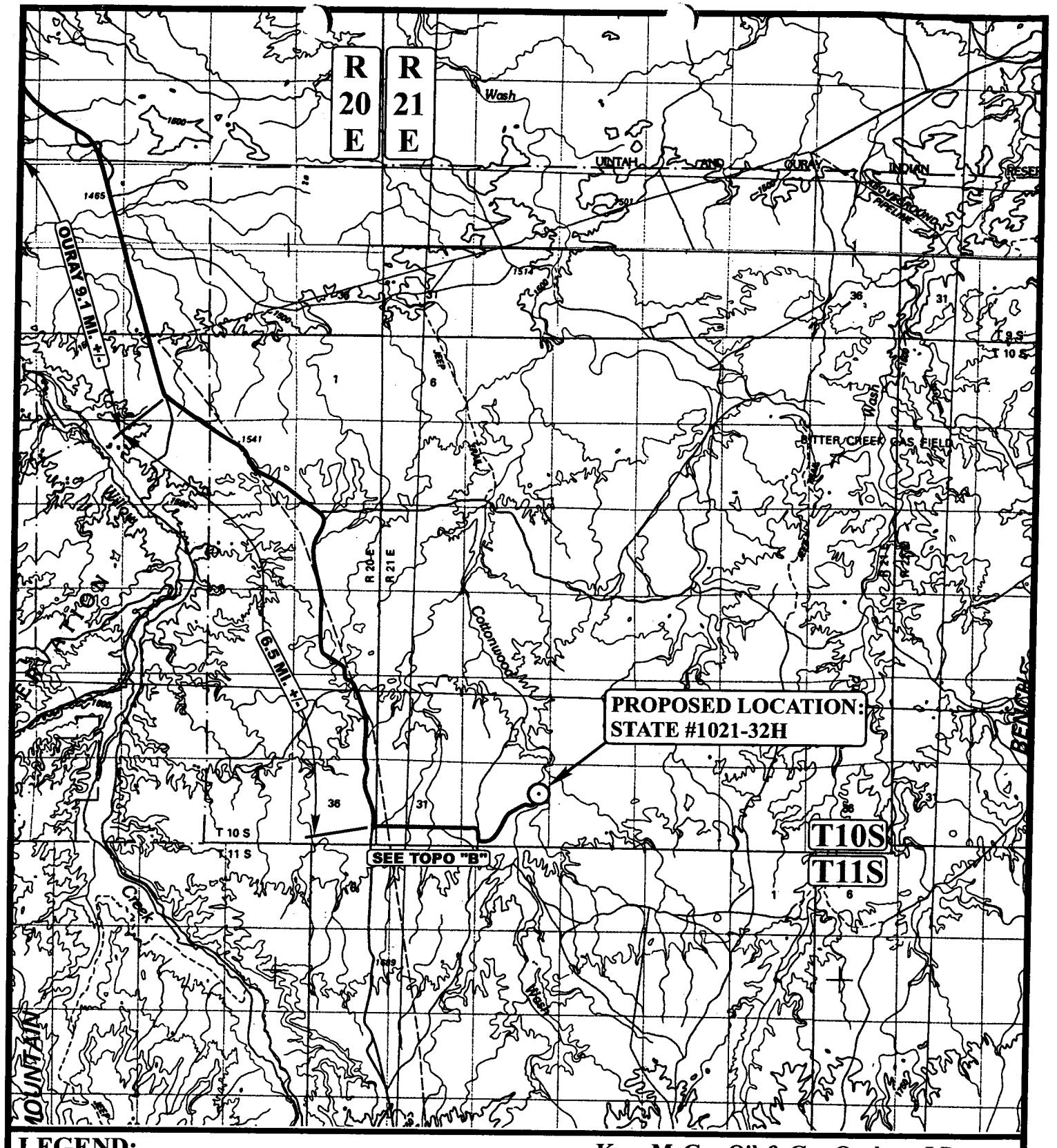


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: NORTHEASTERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	12 MONTH	15 DAY	06 YEAR	PHOTO
TAKEN BY: L.K.	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

⊙ PROPOSED LOCATION

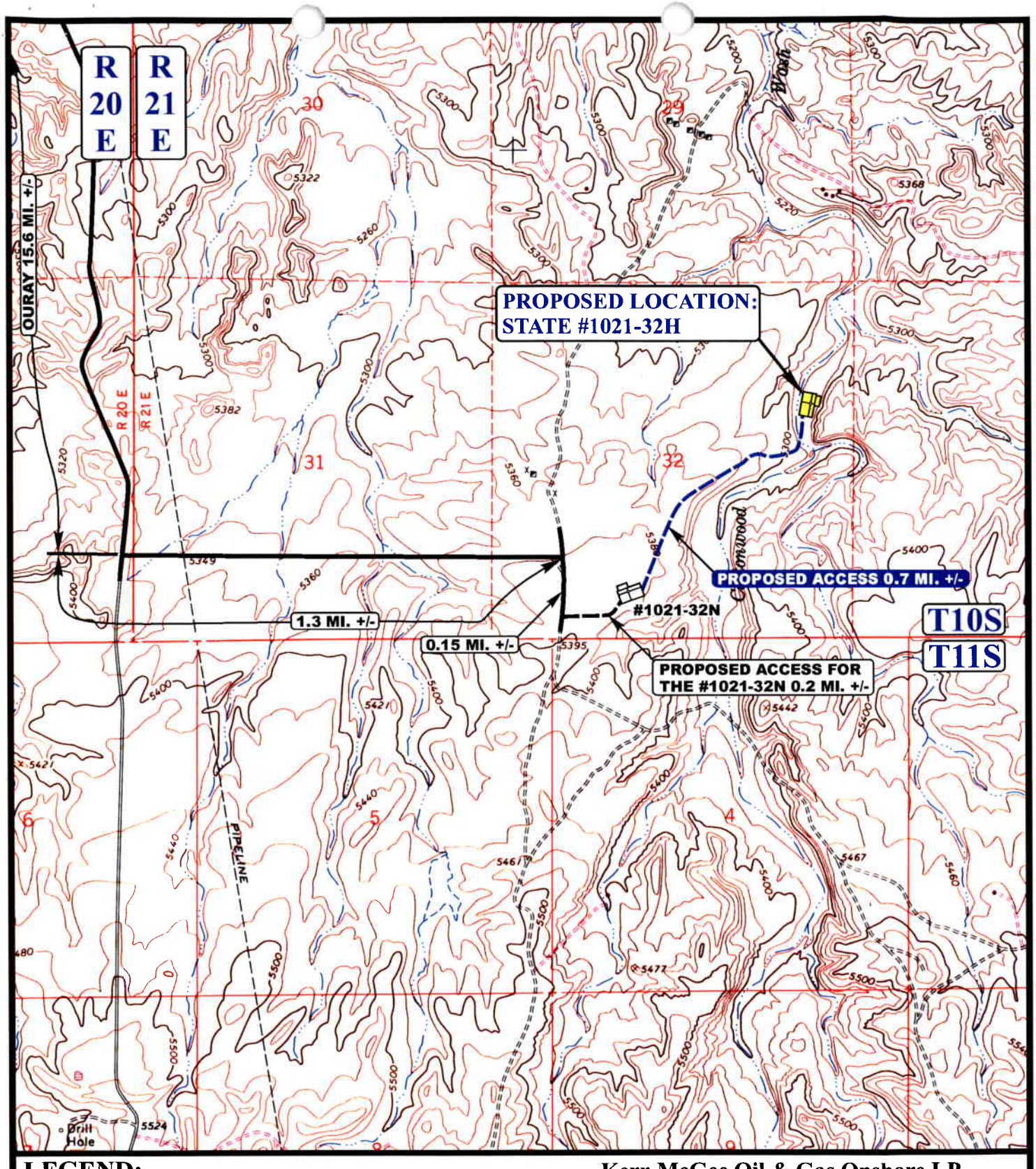
N

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32H
SECTION 32, T10S, R21E, S.L.B.&M.
1808' FNL 650' FEL

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

TOPOGRAPHIC MAP	12 MONTH	15 DAY	06 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

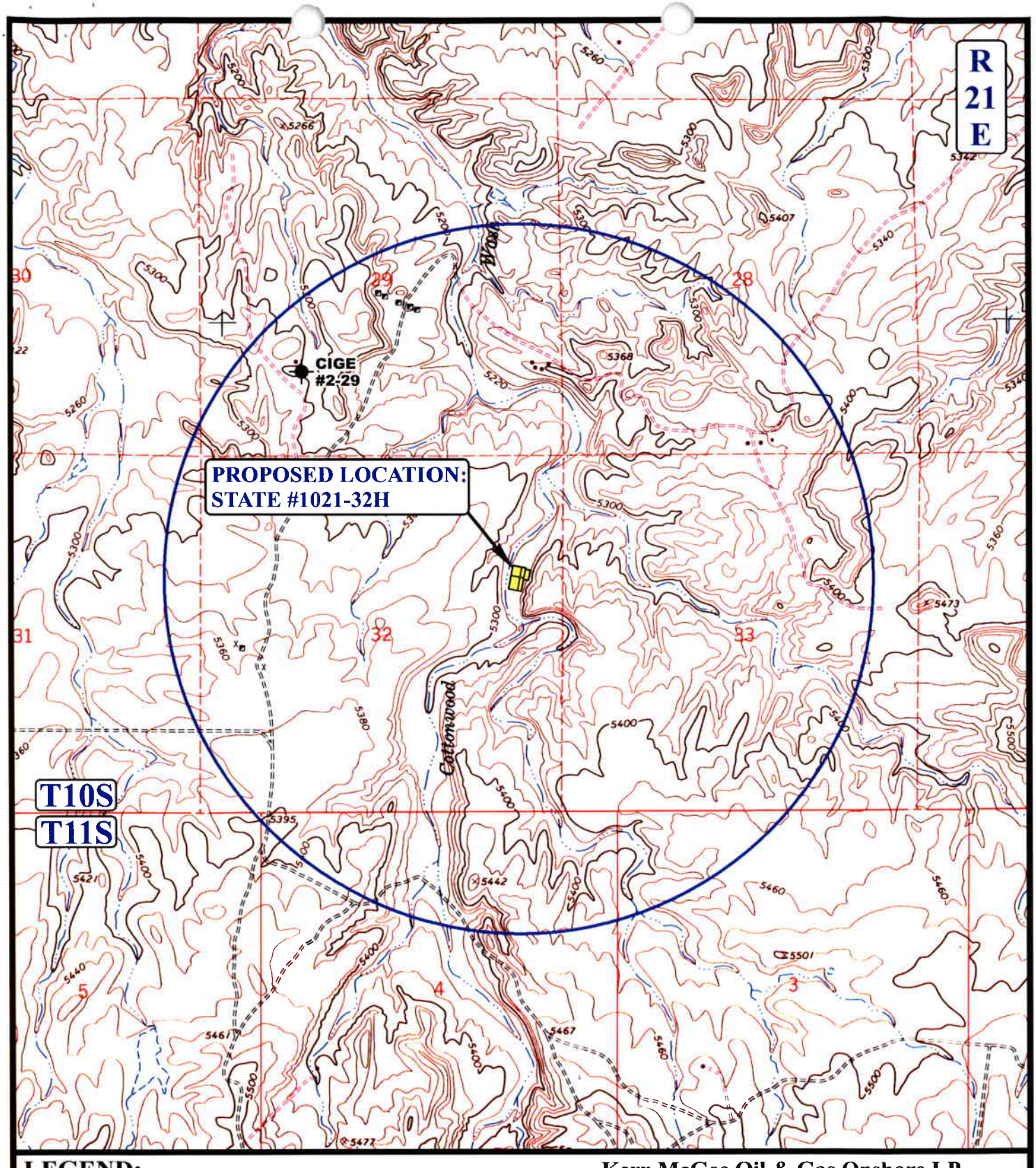
N

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32H
SECTION 32, T10S, R21E, S.L.B.&M.
1808' FNL 650' FEL

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

TOPOGRAPHIC MAP	12 MONTH	15 DAY	06 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

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

N

Kerr-McGee Oil & Gas Onshore LP

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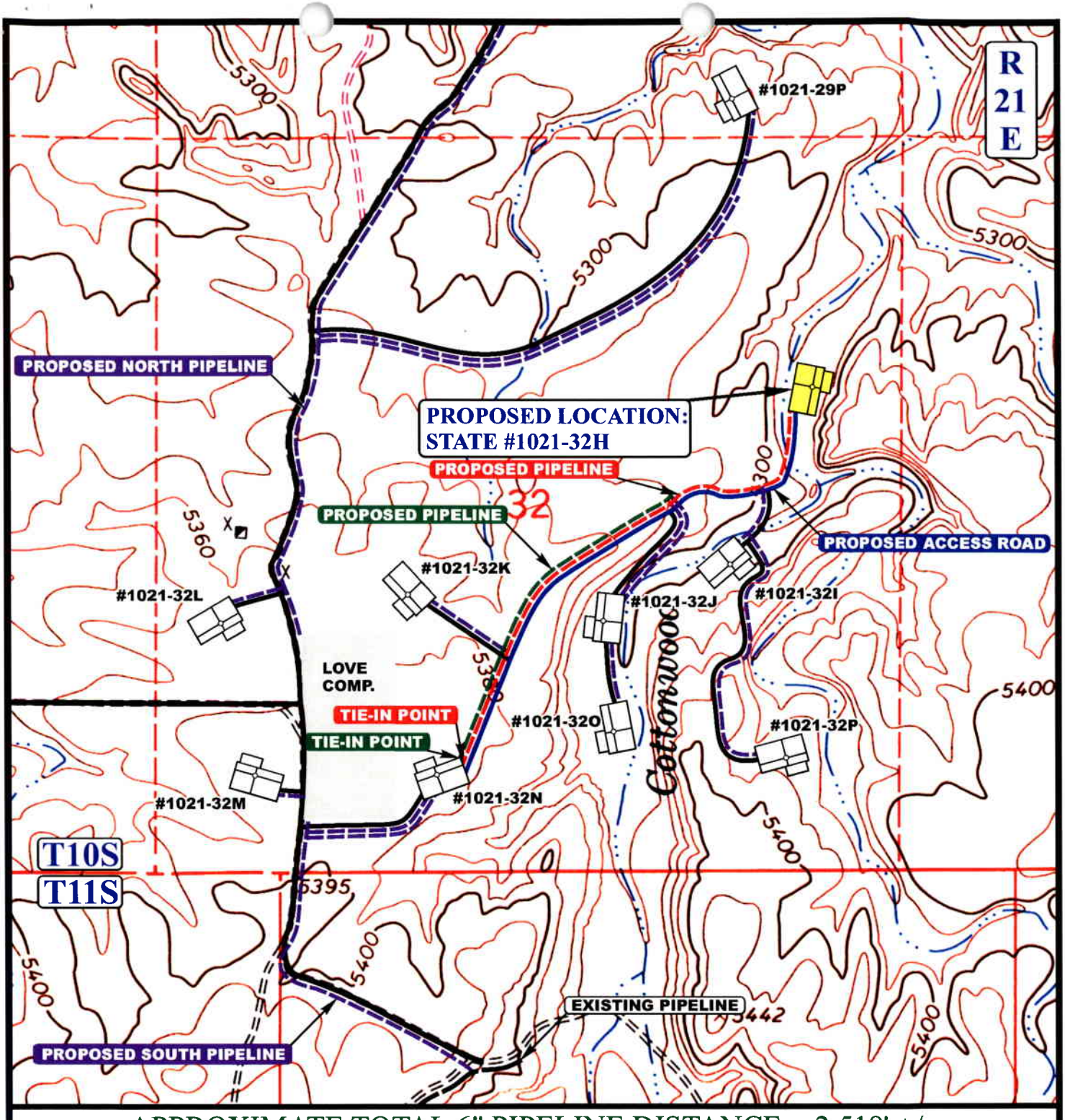
TOPOGRAPHIC MAP | 12 MONTH | 15 DAY | 06 YEAR

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

C TOPO



APPROXIMATE TOTAL 6" PIPELINE DISTANCE = 2,518' +/-

APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 3,899' +/-

LEGEND:

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

N

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32H
SECTION 32, T10S, R21E, S.L.B.&M.
1808' FNL 650' FEL

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

TOPOGRAPHIC MAP | 12 MONTH | 15 DAY | 06 YEAR

SCALE: 1" = 1000' | DRAWN BY: C.P. | REVISED: 00-00-00

D TOPO

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32H

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH
SECTION 32, T10S, R21E, S.L.B.&M.

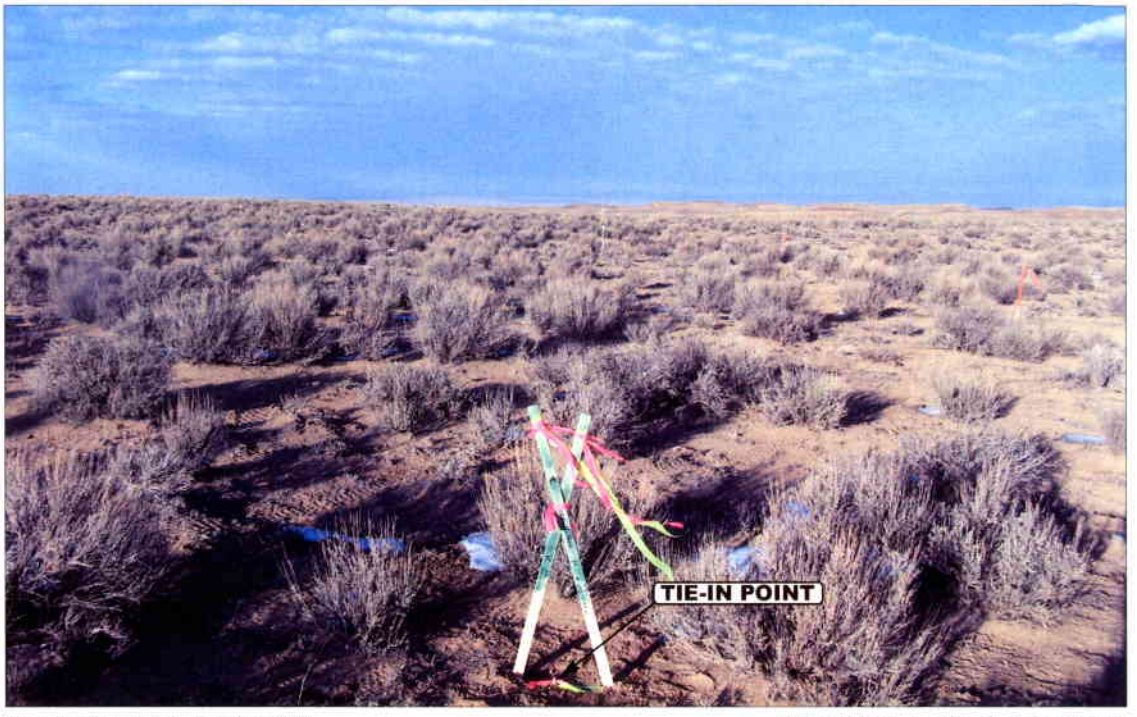


PHOTO: VIEW FROM TIE-IN POINT **CAMERA ANGLE: NORTHEASTERLY**

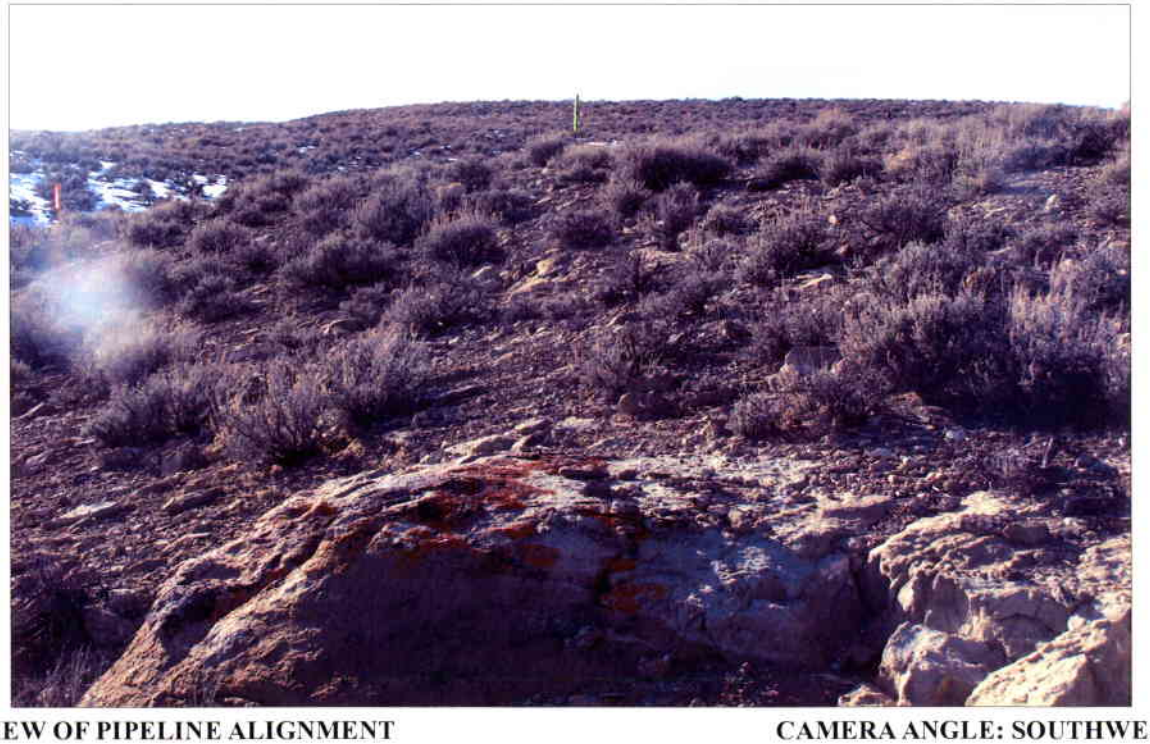


PHOTO: VIEW OF PIPELINE ALIGNMENT **CAMERA ANGLE: SOUTHWESTERLY**

- Since 1964 -

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

PIPELINE PHOTOS	12 MONTH	15 DAY	06 YEAR	PHOTO
TAKEN BY: L.K.	DRAWN BY: C.P.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

STATE #1021-32H
SECTION 32, T10S, R21E, S.L.B.&M.
1808' FNL 650' FEL

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5280.4'

FINISHED GRADE ELEV. AT LOC. STAKE = 5280.2'

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

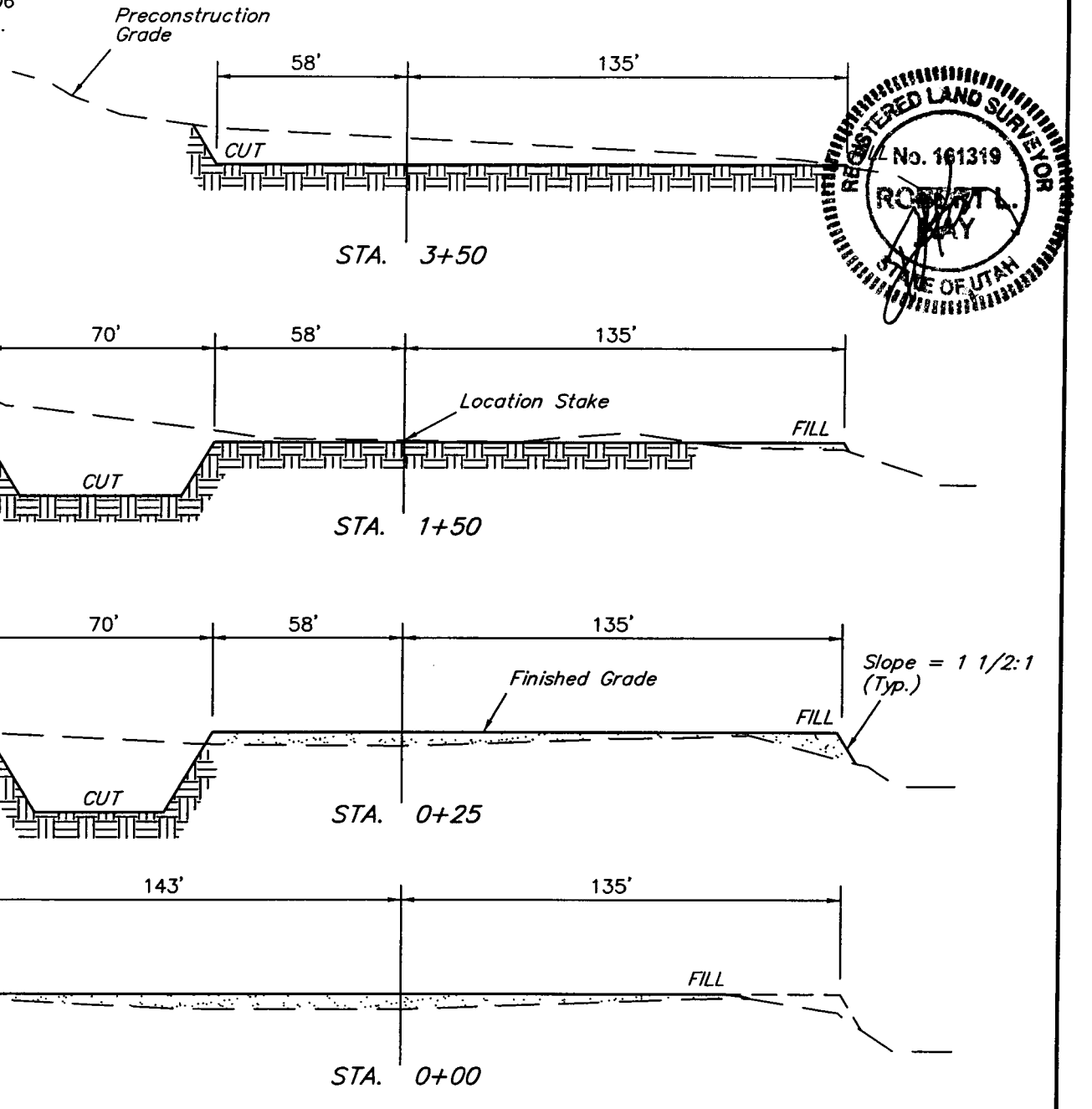
Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR
STATE #1021-32H
SECTION 32, T10S, R21E, S.L.B.&M.
1808' FNL 650' FEL

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

DATE: 12-18-06
Drawn By: P.M.



REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

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 = 1,700 Cu. Yds.
Remaining Location = 4,960 Cu. Yds.

TOTAL CUT = 6,660 CU.YDS.
FILL = 1,650 CU.YDS.

EXCESS MATERIAL = 5,010 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,090 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation) = 1,920 Cu. Yds.

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

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/16/2007

API NO. ASSIGNED: 43-047-39135

WELL NAME: STATE 1021-32H

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 435-781-7024

CONTACT: SHEILA UPCHEGO

PROPOSED LOCATION:

SENE 32 100S 210E

SURFACE: 1808 FNL 0650 FEL

BOTTOM: 1808 FNL 0650 FEL

COUNTY: UINTAH

LATITUDE: 39.90637 LONGITUDE: -109.5676

UTM SURF EASTINGS: 622444 NORTHINGS: 4418137

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DRD	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)

N Potash (Y/N)

Y Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 43-8496)

N RDCC Review (Y/N)
(Date:)

N/A Fee Surf Agreement (Y/N)

N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit:

✓ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells

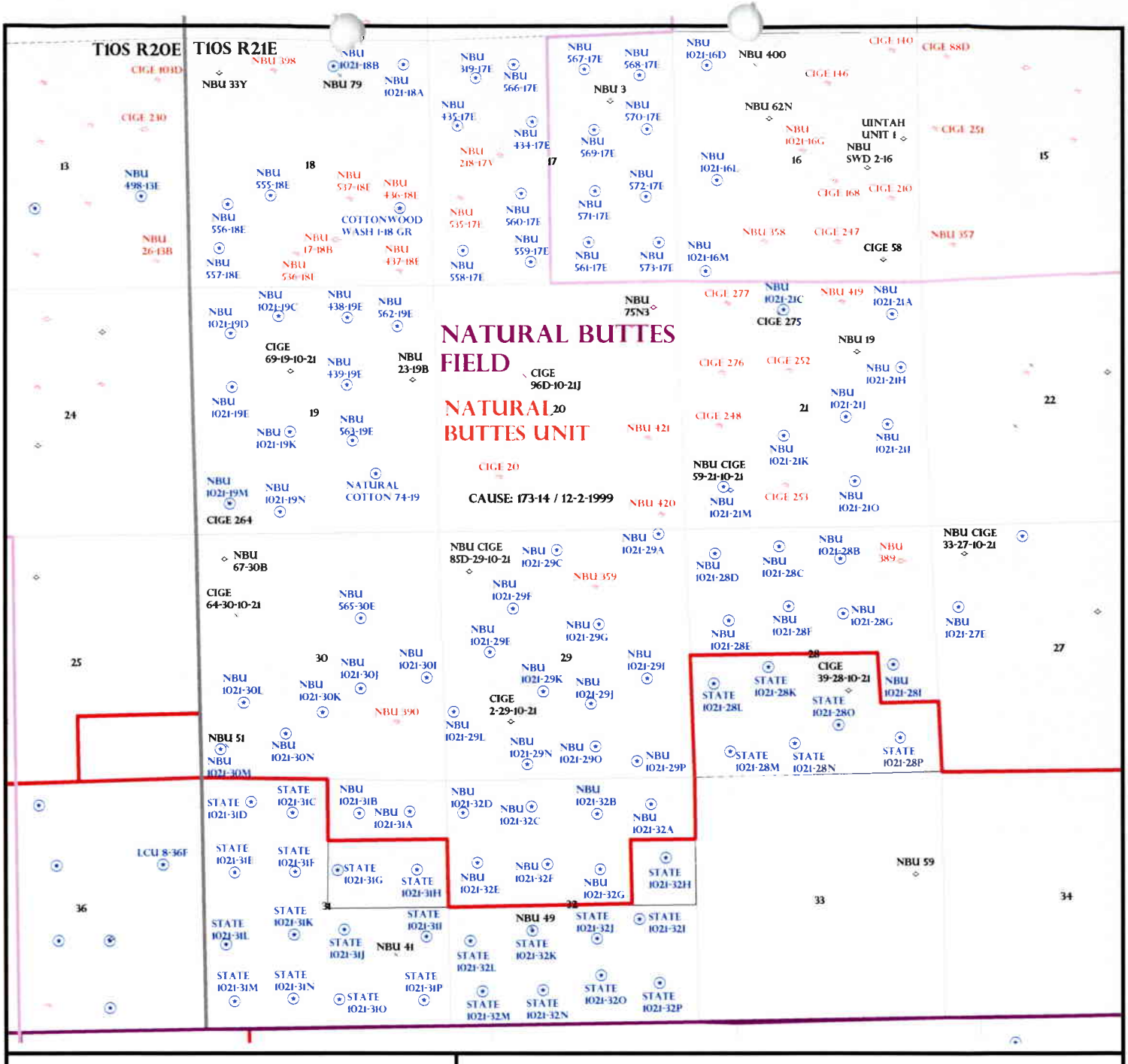
___ R649-3-3. Exception

___ Drilling Unit
Board Cause No:
Eff Date:
Siting:

___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (04-04-07)

STIPULATIONS: 1- Spacing Slip
2- Statement of Basis
3- Oil Shale
4- Surface Csg Cmt Stip



OPERATOR: KERR MCGEE O&G (N9550)

SEC: 28,31,32 T.10S R. 21E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

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

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

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA MASON

DATE: 23-MARCH-2007

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
335	43-047-39135-00-00		GW	S	No

Operator KERR-MCGEE OIL & GAS ONSHORE, LP **Surface Owner-APD**
Well Name STATE 1021-32H **Unit**
Field UNDESIGNATED **Type of Work**
Location SENE 32 10S 21E S 1808 FNL 650 FEL GPS Coord (UTM) 622444E 4418137N

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 4,300'. 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 — 4/16/2007
APD Evaluator — **Date / Time**

Surface Statement of Basis

The general area is within the Love area of 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 rimed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 12 miles to the White River. No seeps, springs or streams exist in the area.

This location is approximately 18 miles southeast of Ouray, Utah and is accessed by the Seep Ridge Road then by existing or planned oil field development roads to within 0.7 miles of the proposed site. New construction will be required from this point.

The proposed location is on the east side of the flat bottom of Cottonwood Wash. The bottom of the drainage is slightly incised in this area and a short distance from the location. The reserve pit will but into a hillside on the east side to make room for the location. A diversion ditch is planned around the west side of the pad beginning on this hillside.

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.

Floyd Bartlett — 4/4/2007
Onsite Evaluator — **Date / Time**

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 1021-32H
API Number 43-047-39135-0 **APD No** 335 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 SENE **Sec** 32 **Tw** 10S **Rng** 21E 1808 FNL 650 FEL
GPS Coord (UTM) 622446 4418138 **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 area of 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 rimed with steep side hills, which have exposed sand stone bedrock cliffs along the rims. Cottonwood Wash is an ephemeral drainage, which drains northerly approximately 12 miles to the White River. No seeps, springs or streams exist in the area.

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The proposed location is on the east side of the flat bottom of Cottonwood Wash. The bottom of the drainage is slightly incised in this area. The reserve pit will built into a hillside on the east side to make room for the location. A diversion ditch is planned around the west side of the pad beginning on this hillside.

Both the surface and minerals are owned by SITLA.

Surface Use Plan

Current Surface Use
Grazing
Recreational
Wildlfe Habitat

New Road Miles	Well Pad		Src Const Material	Surface Formation
0.7	**Width** 278	**Length** 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Location is above the expected flood plain.

Flora / Fauna

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

Vegetation is a mostly barren greasewood type. Scattered greasewood, Russian thistle, spiny hopsage and spring annuals are present.

Soil Type and Characteristics

Deep sandy loam with no surface rock.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

Around the south side of the location beginning above the reserve pit.

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y **Paleo Potental Observed?** N **Cultural Survey Run?** N **Cultural Resources?**

Reserve Pit

Site-Specific Factors	Site Ranking
Distance to Groundwater (feet)	
Distance to Surface Water (feet)	
Dist. Nearest Municipal Well (ft)	
Distance to Other Wells (feet)	
Native Soil Type	
Fluid Type	
Drill Cuttings	
Annual Precipitation (inches)	
Affected Populations	
Presence Nearby Utility Conduits	
	Final Score **Sensitivity Level**

Characteristics / Requirements

The proposed reserve pit is 70' x 150' x 10' deep located in a cut on the northeast corner of the location. A 20 mil liner with a felt sub-liner is planned by Kerr McGee.
With the proximity to the bottom of an active drainage, care must be taken to insure the reserve pit is adequately lined and maintained.

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

Other Observations / Comments

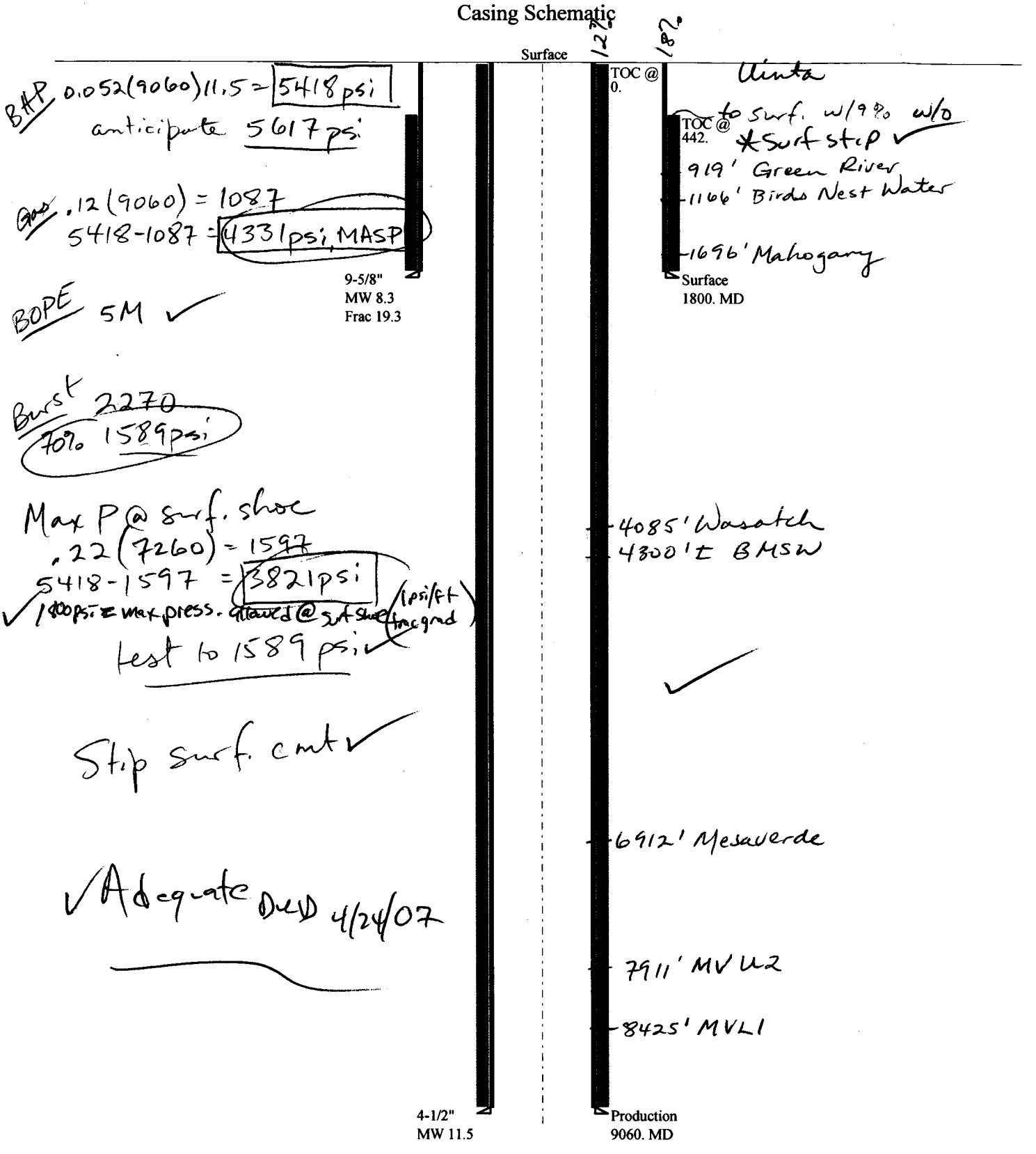
Ben Williams representing the UDWR stated the area is classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended no restrictions for antelope. No other wildlife is expected to be significantly 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	4/4/2007
Evaluator	**Date / Time**

2007-04 Kerr McGee State 1021-32H

Casing Schematic



Well name:	**2007-04 Kerr McGee State 1021-32H**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Surface
Project ID:	43-047-39135
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 8.300 ppg
Design is based on evacuated pipe.

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

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

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

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

Non-directional string.

Re subsequent strings:
Next setting depth: 9,060 ft
Next mud weight: 11.500 ppg
Next setting BHP: 5,412 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,800 ft
Injection pressure: 1,800 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	1800	9.625	32.30	H-40	ST&C	1800	1800	8.876	795.3

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 & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: April 19,2007
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 1021-32H**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Production
Project ID:	43-047-39135
Location:	Uintah County, Utah

Design parameters:

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

Burst
Max anticipated surface pressure: 3,419 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,412 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

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: 7,503 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 202 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Cement top: Surface

Non-directional string.

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	9060	4.5	11.60	I-80	LT&C	9060	9060	3.875	790.6

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5412	6360	1.175	5412	7780	1.44	87	212	2.44 J

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

Remarks:
Collapse is based on a vertical depth of 9060 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.

FORM 9

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

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 1021-32H

2. NAME OF OPERATOR: KERR McGEE OIL AND GAS ONSHORE LP

9. API NUMBER: 43-047-39135

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST VERNAL UT 84078

PHONE NUMBER: (435) 781-7003

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1808' FNL 650' FEL

COUNTY: UINTAH

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

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☑ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☐ OTHER: _____
	☐ CONVERT WELL TYPE	☐ 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 two 4" pipelines that were approximately 3,899' +/- and 2,518' +/- to, two 4" pipelines approximately 5,000' +/- and 600' +/-, a 6" pipeline approximately 7,600' +/-, and a 10" pipeline approximately 3,750' +/-.

Please refer to the attached Topo D.

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

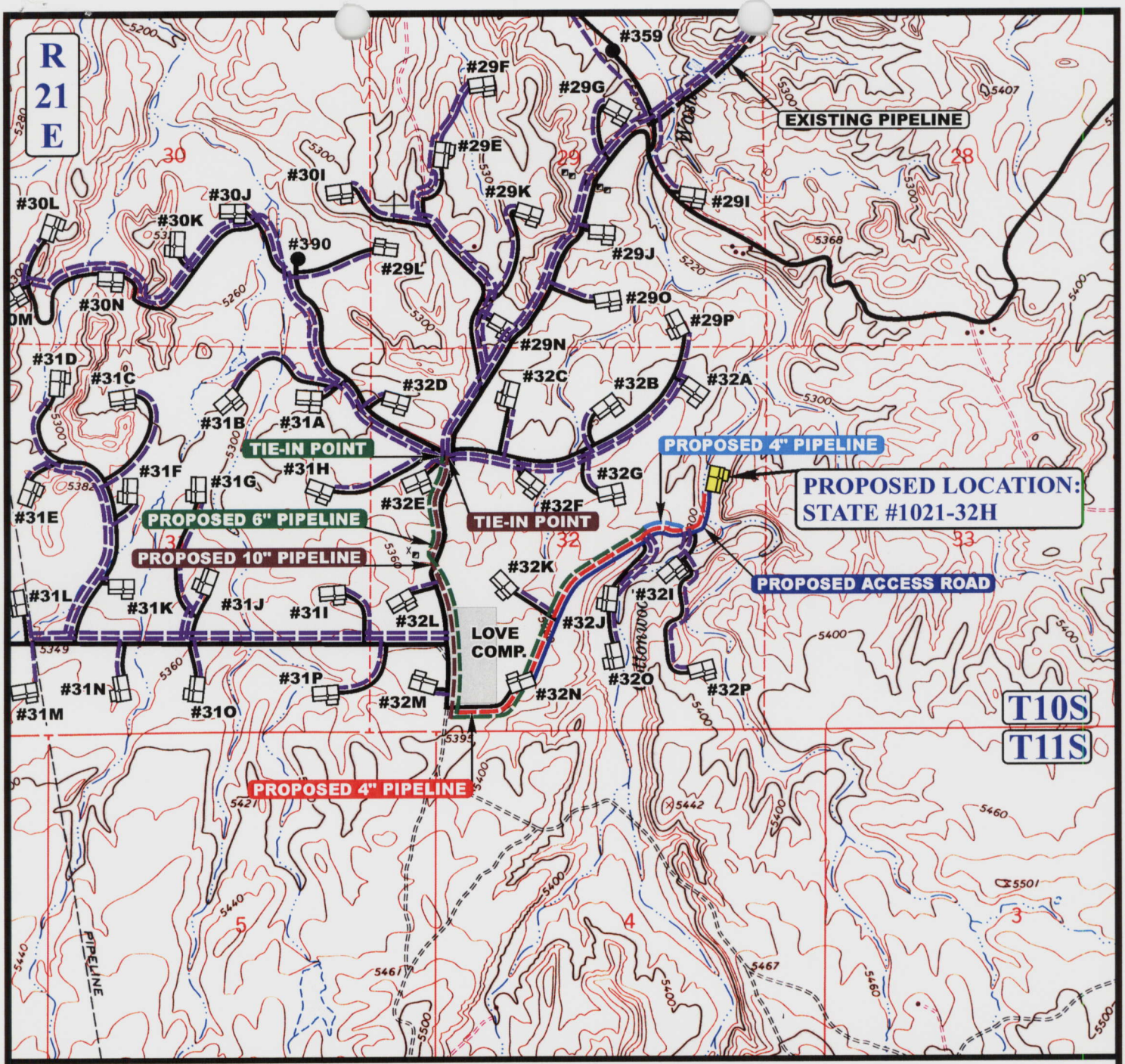
NAME (PLEASE PRINT) Ramey Hoopes TITLE Land Specialist I

SIGNATURE Ramey Hoopes DATE 4/18/2007

(This space for State use only)

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

(5/2000) (See Instructions on Reverse Side)



APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 600' +/-

APPROXIMATE TOTAL 10" PIPELINE DISTANCE = 3,750' +/-

APPROXIMATE TOTAL 6" PIPELINE DISTANCE = 7,600' +/-

APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 5,000' +/-

LEGEND:

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

N

Kerr-McGee Oil & Gas Onshore LP

STATE #1021-32H
SECTION 32, T10S, R21E, S.L.B.&M.
1808' FNL 650' FEL

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

TOPOGRAPHIC MAP	12 MONTH	15 DAY	06 YEAR	D TOPO
SCALE: 1" =2000'	DRAWN BY: C.P.	REVISED: 04-12-07		

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 1021-32H Well, 1808' FNL, 650' FEL, SE NE, 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 43-047-39135.

Sincerely,

Gil Hunt
Associate Director

er
Enclosures

cc: Uintah County Assessor
SITLA

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

UTAH DNR OIL, GAS & MINING

Operator: Kerr-McGee Oil & Gas Onshore, LP

Well Name & Number State 1021-32H

API Number: 43-047-39135

Lease: ML 21577

Location: SE NE **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

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:	NA
7. UNIT or CA AGREEMENT NAME:	
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	
8. WELL NAME and NUMBER:	State 1021-32H
2. NAME OF OPERATOR:	Kerr-McGee Oil & Gas Onshore, LP
9. API NUMBER:	4304739135
3. ADDRESS OF OPERATOR:	PO Box 173779 CITY Denver STATE CO ZIP 80217-3779
PHONE NUMBER:	(720) 929-6171
10. FIELD AND POOL, OR WILDCAT:	Natural Buttes Field

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1808 FNL & 650 FEL COUNTY: Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 32 10S 21E STATE: UTAH

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

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

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

Kerr McGee Oil and Gas Onshore, LP respectfully requests a one year extension for State 1021-32H, in order to complete drilling operations. The Utah Division of Oil, Gas, and Mining initially approved this APD on 6/25/2007.

Approved by the
Utah Division of
Oil, Gas and Mining

COPY SENT TO OPERATOR
Date: 7.9.2008
Initials: KS

Date: 07-08-08
By:

NAME (PLEASE PRINT) Victoria Marques TITLE Regulatory Intern

SIGNATURE Victoria Marques DATE 6/25/2008

(This space for State use only)

RECEIVED
JUN 27 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 4304739135
Well Name: State 1021-32H
Location: SENE 1808 FNL 650 FEL Sec. 32 T 10S 21E
Company Permit Issued to: Kerr-McGee Oil & Gas Onshore, LP
Date Original Permit Issued: 6/25/2007

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

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

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

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

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

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

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

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

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

Vitoria Marques
Signature

6/25/2008
Date

Title: Regulatory Intern

Representing: Kerr-McGee Oil & Gas Onshore, LP

RECEIVED
JUN 27 2008
DIV. OF OIL, GAS & MINING

API Well No: 43047391350000

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

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

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

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047391350000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 7/3/2009	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: June 30, 2009

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Danielle Piernot	720 929-6156	Regulatory Analyst
SIGNATURE N/A		**DATE** 6/30/2009

RECEIVED June 30, 2009

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047391350000

API: 43047391350000
Well Name: STATE 1021-32H
Location: 1808 FNL 0650 FEL QTR SENE SEC 32 TWNP 100S RNG 210E MER S
Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.
Date Original Permit Issued: 6/25/2007

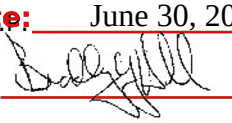
The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- **If located on private land, has the ownership changed, if so, has the surface agreement been updated?** ○ **Yes** ◉ **No**
- **Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?** ○ **Yes** ◉ **No**
- **Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?** ○ **Yes** ◉ **No**
- **Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?** ○ **Yes** ◉ **No**
- **Has the approved source of water for drilling changed?** ○ **Yes** ◉ **No**
- **Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?** ○ **Yes** ◉ **No**
- **Is bonding still in place, which covers this proposed well?** ◉ **Yes** ○ **No**

Approved by the Utah Division of Oil, Gas and Mining

Signature: Danielle Piernot **Date:** 6/30/2009
Title: Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date: June 30, 2009

By: 

RECEIVED June 30, 2009

API Well No: 43047391350000

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

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

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

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047391350000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6007 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 3/4/2010	☐ ACIDIZE	✓ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee) respectfully requests to change the surface casing for this well due to revised drilling practices. The surface casing depth is changing FROM: 1,800' TO: 1,850'. Additionally, the surface casing size is changing FROM: 9-5/8" TO: 8-5/8". Please see the attached drilling program for additional details. All other information remains the same. Please contact the undersigned with any questions and/or comments. Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: February 25, 2010

By:

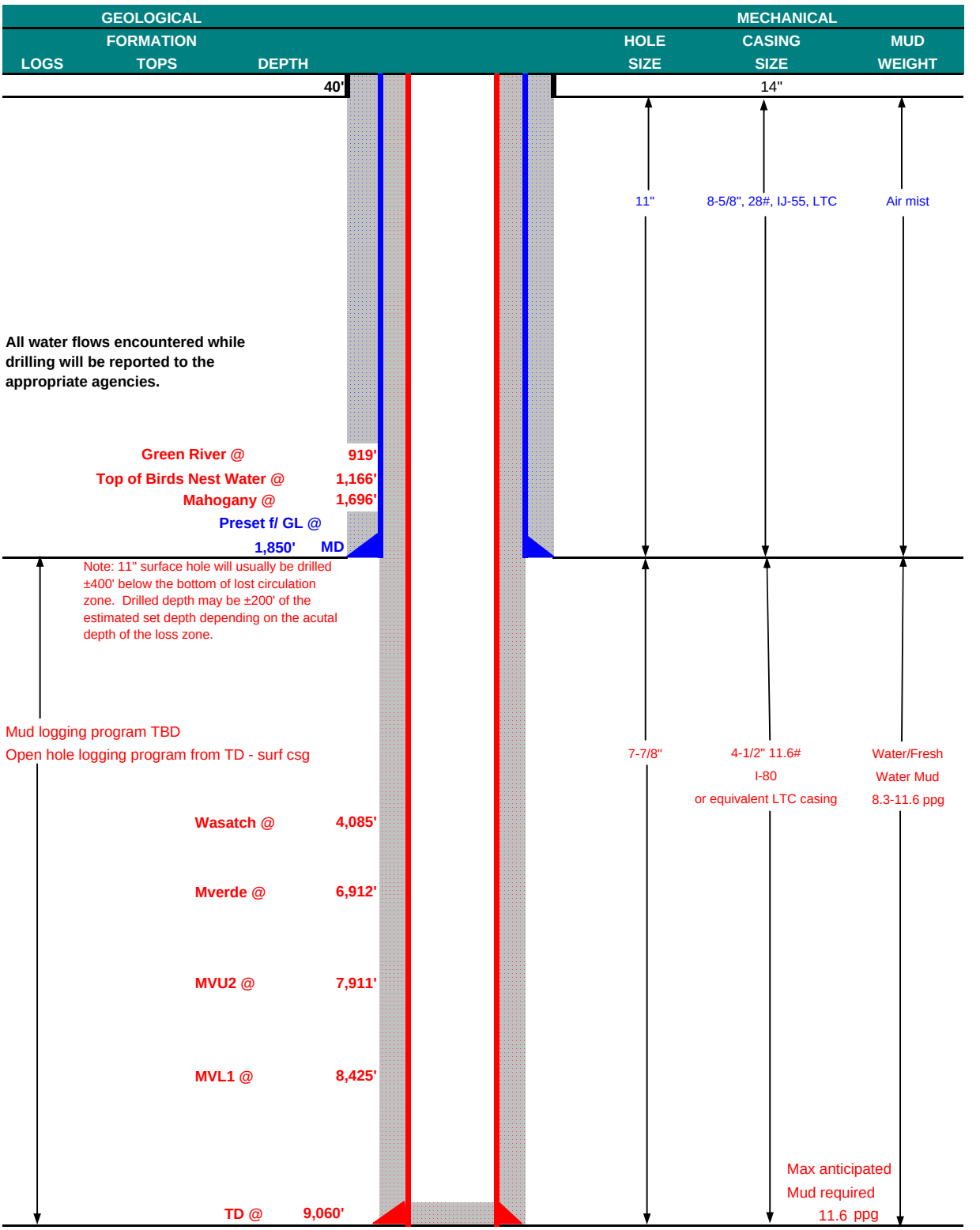
NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Danielle Piernot	720 929-6156	Regulatory Analyst
SIGNATURE		**DATE**
N/A		2/25/2010

RECEIVED February 25, 2010

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	February 25, 2010	
WELL NAME	**State 1021-32H**		TD	9,060' MD/TVD	
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	FINISHED ELEVATION	5,313'
SURFACE LOCATION	SE/4 NE/4 1,808' FNL 650' FEL	Sec 32 T 10S R 21E		BHL	Straight Hole
	Latitude: 39.906350	Longitude: -109.567567	NAD 27		
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM (MINERALS), SITLA (SURFACE), UDOGM, Tri-County Health Dept.				



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								3,390	1,880	348,000
SURFACE	8-5/8"	0	to	1850	28.00	IJ-55	LTC	0.98	2.17	6.65
								7,780	6,350	201,000
PRODUCTION	4-1/2"	0	to	9060	11.60	I-80	LTC	2.24	1.16	2.19

*Burst on suface casing is controlled by fracture gradient as shoe with gas gradient above. D.F. = 2.91

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 - (0.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.6 ppg) 0.22 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 3,369 psi

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

(Burst Assumptions: TD = 11.6 ppg) 0.59 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MABHP 5,362 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1			+ .25 pps flocele				
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt	40		15.60	1.18
			+ 2% CaCl + .25 pps flocele				
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			**NOTE: If well will circulate water to surface, option 2 will be utilized**				
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite	140	35%	11.00	3.82
			+.25 pps Flocele + 3% salt BWOC				
	TAIL	500	Premium cmt + 2% CaCl	150	35%	15.60	1.18
			+ .25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,580'	Premium Lite II + 3% KCl + 0.25 pps	320	60%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	5,480'	50/50 Poz/G + 10% salt + 2% gel	1,530	60%	14.30	1.31
			+ 0.1% R-3				

*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. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and 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 utililzed.

DRILLING ENGINEER: _____ **DATE:** _____

John Huycke / Emile Goodwin

DRILLING SUPERINTENDENT: _____ **DATE:** _____

John Merkel / Lovel Young

API Well No: 43047391350000

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

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

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

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047391350000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 4/12/2010	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

MIRU PROPETRO AIR RIG ON 4/11/2010. DRILLED 11" SURFACE HOLE TO 1850'. RAN 8-5/8" 28# J55 SURFACE CSG. PUMP 600 BBLS OF H20 , PUMP 20 BBLS OF GEL WATER. LEAD CMT W/120 SX CLASS G HI FILL CMT @ 11.0 PPG, 3.82 YD. PUMP 200 SX CLASS G PREM LITE CMT @ 15.8 PPG, 1.15 YD DROP PLUG ON FLY AND DISPLACE W/110 BBLS OF 8.3# H20 @ 5 BBLS/MIN. LAND PLUG 1000 PSI AND CHECK FLOAT. FLOAT HELD. PUMP 60 SX CLASS G PREM LITE TOP OUT @ 15.8 PPG, 1.15 YD DOWN 1", 2 BBLS OF CEMENT TO SURFACE. CEMENT TO SUFACE AND STAYED. WORT.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
April 13, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 4/13/2010

RECEIVED April 13, 2010

API Well No: 43047391350000

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

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

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

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047391350000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6007 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 3/4/2010	☐ ACIDIZE	✓ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee) respectfully requests to change the surface casing for this well due to revised drilling practices. The surface casing depth is changing FROM: 1,800' TO: 1,850'. Additionally, the surface casing size is changing FROM: 9-5/8" TO: 8-5/8". Please see the attached drilling program for additional details. All other information remains the same. Please contact the undersigned with any questions and/or comments. Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: February 25, 2010

By:

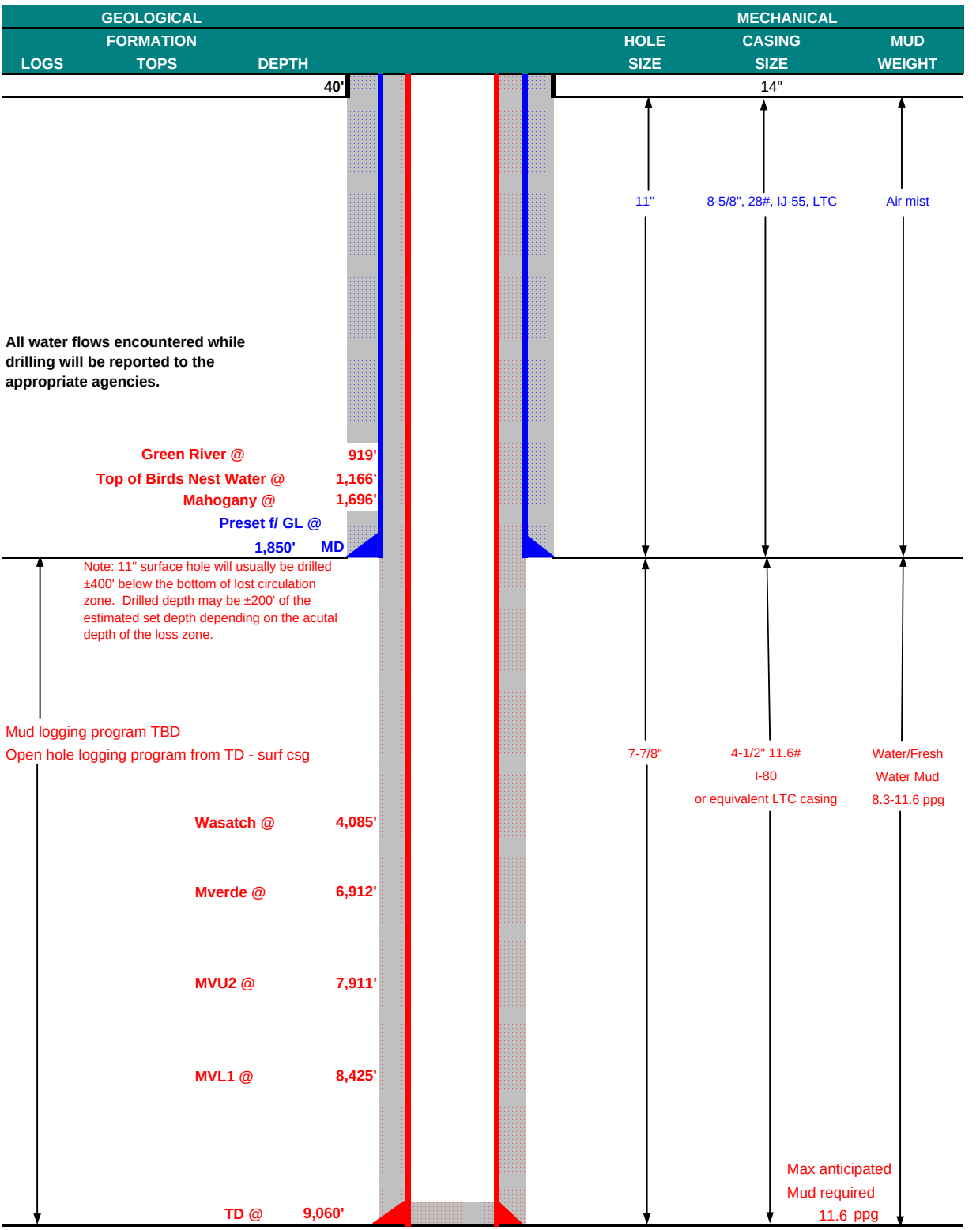
NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Danielle Piernot	720 929-6156	Regulatory Analyst
SIGNATURE		**DATE**
N/A		2/25/2010

RECEIVED February 25, 2010

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	February 25, 2010	
WELL NAME	**State 1021-32H**		TD	9,060' MD/TVD	
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	FINISHED ELEVATION	5,313'
SURFACE LOCATION	SE/4 NE/4 1,808' FNL 650' FEL	Sec 32 T 10S R 21E		BHL	Straight Hole
	Latitude: 39.906350	Longitude: -109.567567	NAD 27		
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM (MINERALS), SITLA (SURFACE), UDOGM, Tri-County Health Dept.				



KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								3,390	1,880	348,000
SURFACE	8-5/8"	0	to	1850	28.00	IJ-55	LTC	0.98	2.17	6.65
								7,780	6,350	201,000
PRODUCTION	4-1/2"	0	to	9060	11.60	I-80	LTC	2.24	1.16	2.19

*Burst on suface casing is controlled by fracture gradient as shoe with gas gradient above. D.F. = 2.91

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 - (0.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.6 ppg) 0.22 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 3,369 psi

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

(Burst Assumptions: TD = 11.6 ppg) 0.59 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MABHP 5,362 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl	215	60%	15.60	1.18
Option 1			+ .25 pps flocele				
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt	40		15.60	1.18
			+ 2% CaCl + .25 pps flocele				
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			**NOTE: If well will circulate water to surface, option 2 will be utilized**				
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite	140	35%	11.00	3.82
			+.25 pps Flocele + 3% salt BWOC				
	TAIL	500	Premium cmt + 2% CaCl	150	35%	15.60	1.18
			+ .25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,580'	Premium Lite II + 3% KCl + 0.25 pps	320	60%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	5,480'	50/50 Poz/G + 10% salt + 2% gel	1,530	60%	14.30	1.31
			+ 0.1% R-3				

*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. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and 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 utililzed.

DRILLING ENGINEER: _____ **DATE:** _____

John Huycke / Emile Goodwin

DRILLING SUPERINTENDENT: _____ **DATE:** _____

John Merkel / Lovel Young

API Well No: 43047391350000

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

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

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

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047391350000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6007 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ SPUD REPORT Date of Spud: 3/7/2010	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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 3/7/2010 AT 9:30 HRS.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

March 08, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE		**DATE**
N/A		3/8/2010

API Well No: 43047391350000

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

FORM 9

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL Gas Well

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

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047391350000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

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✓ DRILLING REPORT Report Date: 4/12/2010	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
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	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

MIRU PROPETRO AIR RIG ON 4/11/2010. DRILLED 11" SURFACE HOLE TO 1850'. RAN 8-5/8" 28# J55 SURFACE CSG. PUMP 600 BBLS OF H20 , PUMP 20 BBLS OF GEL WATER. LEAD CMT W/120 SX CLASS G HI FILL CMT @ 11.0 PPG, 3.82 YD. PUMP 200 SX CLASS G PREM LITE CMT @ 15.8 PPG, 1.15 YD DROP PLUG ON FLY AND DISPLACE W/110 BBLS OF 8.3# H20 @ 5 BBLS/MIN. LAND PLUG 1000 PSI AND CHECK FLOAT. FLOAT HELD. PUMP 60 SX CLASS G PREM LITE TOP OUT @ 15.8 PPG, 1.15 YD DOWN 1", 2 BBLS OF CEMENT TO SURFACE. CEMENT TO SUFACE AND STAYED. WORT.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
April 13, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 4/13/2010

RECEIVED April 13, 2010

API Well No: 43047391350000

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

FORM 9

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7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

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

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047391350000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6007 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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☐ SPUD REPORT Date of Spud:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ DRILLING REPORT Report Date: 7/6/2010	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
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	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

FINISHED DRILLING FROM 1850' TO 9136' ON JULY 4, 2010. RAN 4 ½" 11.6# I-80 PRODUCTION CSG. PUMP 40 BBLS SPACER, LEAD CEMENT W/ 539 SX CLASS G PREM LITE @ 13.3 PPG, 1.66 YD. TAILED CEMENT W/ 1215 SX CLASS G 50/50 POZ MIX @ 14.3 PPG, 1.31 YD. DISPLACED W/ 141 BBLS WATER, BUMPED PLUG, FLOATS HELD. RETURNED 30 BBLS LEAD BACK TO SURFACE. EST. TOP OF TAIL @ 3031'. RD CEMENTERS AND CLEANED PITS. RELEASED PIONEER RIG #69 ON JULY 6, 2010 @ 18:00 HRS.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
July 08, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE		**DATE**
N/A		7/7/2010

RECEIVED July 07, 2010

API Well No: 43047391350000

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

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

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

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047391350000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6007 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ DRILLING REPORT Report Date: 7/17/2010	✓ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
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	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON JULY 17, 2010 AT 10:30 A.M. THE CHRONOLOGICAL WELL HISTORY WILL BE SUBMITTED WITH THE WELL COMPLETION REPORT.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
July 20, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE		**DATE**
N/A		7/19/2010

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

AMENDED REPORT ☐ (highlight changes) FORM 8

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 1021-32H
9. API NUMBER: 4304739135
10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

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, L.P.

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: SENE 1808' FNL & 650' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SENE 32 10S 21E
12. COUNTY: UINTAH
13. STATE: UTAH

14. DATE SPUDDED: 3/7/2010
15. DATE T.D. REACHED: 7/4/2010
16. DATE COMPLETED: 7/17/2010 ABANDONED ☐ READY TO PRODUCE ☑
17. ELEVATIONS (DF, RKB, RT, GL): 5280 GL

18. TOTAL DEPTH: MD 9,136 TVD 9,131
19. PLUG BACK T.D.: MD 9,080 TVD 9,075
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/GR-HDIL/ZDL/CN/GR

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			
11	8 5/8" J-55	28#		1,837		380			
7 7/8"	4 1/2" I-80	11.6#		9,123		1,754			

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"	4,888							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	5,092	6,752		
(B) MESAVERDE	7,080	8,699		
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
5,092	6,752	0.36	48	Open ☑ Squeezed ☐
7,080	8,699	0.36	114	Open ☑ Squeezed ☐
				Open ☐ Squeezed ☐
				Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5092 - 6752	PUMP 1,515 BBLS SLICK H2O & 66,399 LBS 30/50 SAND
7080 - 8699	PUMP 4,386 BBLS SLICK H2O & 156,383 LBS 30/50 SAND

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
AUG 16 2010
DIV. OF OIL, GAS & MINING

(5/2000) (CONTINUED ON BACK)

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
7/17/2010	7/26/2010	24		0	2,505	151	FLOWING

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:
18/64	1,458	1,600					0	2,505	151	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.)

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	865				
BIRD'S NEST	1,124				
MAHOGANY	1,590				
WASATCH	4,100	6,952			
MESAVERDE	6,952	9,136	TD		

35. ADDITIONAL REMARKS (Include plugging procedure)

ATTACHED IS THE CHRONOLOGICAL WELL HISTORY AND FINAL SURVEY.

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

NAME (PLEASE PRINT) ANDREW LYTLE TITLE REGULATORY ANALYST

SIGNATURE DATE 8/12/2010

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

(5/2000)

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING	Start Date: 4/7/2010	End Date: 7/6/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
4/11/2010	3:30 - 10:00	6.50	MIRU	01	B	P		DRESS CONDUCTOR,CLEAN UP LOCATION F/ BUCKET RIG, INSTALL AIR BOWL, RIG UP RIG, BUILD DITCH, RIG UP PUMP. PRIME PUMPS, P/U MOTOR .16 RPG 1.5 DEG. SN 8065, M/U 11" Q507 SN 7018945 1ST RUN.
	10:00 - 18:00	8.00	DRLSUR	02	A	P		DRILL 11" SURFACE HOLE F/40'- 1000' (960' 120'/HR) PSI ON/ OFF 1200/900, UP/ DOWN/ ROT 65/60/55.
	18:00 - 18:30	0.50	DRLSUR	10	B	P		DEVIATION SURVEY @ 500' .9 DEG 259 AZ. 1000' 1.2 DEG 153.8 AZ.
	18:30 - 0:00	5.50	DRLSUR	02	A	P		DRILL 11" SURFACE HOLE F/1000'-1730' (730' 133'/HR) PSI ON/ OFF 1200/900, UP/ DOWN/ ROT 70/65/67.
4/12/2010	0:00 - 1:30	1.50	DRLSUR	02	A	P		DRILL 11" SURFACE HOLE F/1730'-1850' (120' 80'/HR) PSI ON/ OFF 1200/900, UP/ DOWN/ ROT 73/67/69.
	1:30 - 2:30	1.00	DRLSUR	05	A	P		CIRC AND COND HOLE
	2:30 - 5:30	3.00	DRLSUR	06	A	P		LDDS & BHA, BREAK BIT AND MTR
	5:30 - 8:30	3.00	DRLSUR	12	A	P		RUN 41 JTS OF 8-5/8", 28#, IJ-55 CSG W/ 8 RD LTC THREADS, LAND FLOAT SHOE @ 1824' KB. BAFFLE PLATE RAN IN TOP OF SHOE JT LANDED @ 1776' KB. FILL CSG 600'.
	8:30 - 9:00	0.50	RDMO	01	F	P		RIG DOWN RIG, MOVE OUT, RELEASE RIG @ 09:00.
	9:00 - 11:00	2.00	CSG	12	E	P		TEST LINES TO 2000' PSI, PUMP 600 BBLS OF H20 , PUMP 20 BBLS OF GEL WATER. PUMP 120 SX (82 BBLS) OF 11#, 3.82 YD, 23 GAL SX HI FILL LEAD CEMENT. PUMP 200 SX (41 BBLS) OF 15.8#, 1.15 YD, 5 GAL/SK TAIL CEMENT, DROP PLUG ON FLY AND DISPLACE W/ 110 BBLS OF 8.3# H20, @ 5 BBLS/MIN. LAND PLUG 1000 PSI AND CHECK FLOAT. FLOAT HELD. PUMP 60 SX (17.4 BBLS) OF 4% CALC 15.8# 1.15 YD, 5 GAL/SK CEMENT DOWN 1" 2 BBLS OF CEMENT TO SURFACE. CEMENT TO SUFACE AND STAYED.
6/24/2010	19:00 - 0:00	5.00	MIRU	01	E	P		RDRT PREPARE RIG F/ MOVE
6/25/2010	0:00 - 6:00	6.00	RDMO	01	E	P		RDRT
	6:00 - 6:30	0.50	RDMO	23		P		SAFETY MEETING W/ WEST ROC, J & C CRANE ,MOUNTAIN WEST & RIG CREW
	6:30 - 12:00	5.50	MIRU	01	B	P		MOVE RIG 0.4 MILE SET IN RURT RAISE SUB ,7 TRUCKS 2 FORK LIFTS ON LOC @ 06:00 ,TRUCKS RELEASED @ 12:00
	12:00 - 20:00	8.00	MIRU	01	B	P		R/U AIR,ELECTRICAL,RAISE & SCOPE DERRICK,SET IN FLOOR PLATES,RIG UP FLOOR, WATER, PASON ,PUMPS,PITS,FLARE LINES,P/U SWIVEL & KELLY, CRANE ON LOC @ 07:00 RELEASED @ 13:00,4 EXTRA RIG HANDS
	20:00 - 22:00	2.00	MIRU	14	A	P		NIPPLE UP BOP, FUNCTION TEST
	22:00 - 0:00	2.00	MIRU	15	A	P		SAFETY MEETING W/ B&C QUICK TEST,R/U & TEST BOP, TEST FLOOR VALVES,UPPER & LOWER KELLY VALVES,PIPE RAMS ,INSIDE CHOKE & KILL LINE VALVES ,250 PSI/5 MIN ,5000 PSI /10 MIN

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING	Start Date: 4/7/2010	End Date: 7/6/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
6/26/2010	0:00 - 4:00	4.00	MIRU	15	A	P		FINISH TESTING BOP BLIND RAMS,OUTSIDE KILL LINE & HCR VALVES,CHOKE MANIFOLD,250 PSI F/5 MIN,5000 PSI F/10 MIN,TEST ANNULAR TO 250 PSI F/ 5 MIN, 2500 PSI F/ 10 MIN ,CASING TO 1500 PSI F/ 30 MIN , (PULLED APART CHECK VALVE TO CLEAN OUT ,RETIGHTEN MUD CROSS FLANGE,FUNTION ANNULAR 3 TIMES TO GET TEST)
	4:00 - 4:30	0.50	MIRU	14	B	P		INSTALL WEAR RING
	4:30 - 5:30	1.00	DRLPRO	06	A	P		SAFETY MEETING W/ KIMZEY & R/U
	5:30 - 9:30	4.00	DRLPRO	06	A	P		P/U Q 506F BIT, HUNTING .21 GPR/1.5 DEG BEND MOTOR,DIRECTIONAL TOOLS & ORIENTATE,11 DCS,37 JTS DP TO 3700',R/D KIMZEY
	9:30 - 10:30	1.00	DRLPRO	09	A	P		CUT & SLIP 100' DRILLING LINE
	10:30 - 12:00	1.50	DRLPRO	23		P		P/U KELLY,INSTALL KELLY DRIVE BUSHINGS ,DRILLING RUBBER ,SECURE STACK,PRESPUD INSPECTION
	12:00 - 15:00	3.00	DRLPRO	02	F	P		TAG CEMENT @ 1765' DRILL CEMENT,FLOAT EQUIP & OPEN HOLE TO 1864'
	15:00 - 15:30	0.50	DRLPRO	07	A	P		RIG SERVICE
	15:30 - 0:00	8.50	DRLPRO	02	F	P		SPUD @ 1864' 15:30 6/26/2010 ,DRILL F/ 1864' TO 2691' (827' @ 97.2' HR) WOB 20 ,RPM 50,MMRPM 91 ,GPM 435 ,SPM 115 ,UP/SO/ROT 95-88-92 ,ON/OFF 1050 ,DIFF 250-400 ,(SLIDES 2532' TO 2537' & 2596' TO 2606') WATER W/ GEL & POLY SWEEPS
6/27/2010	0:00 - 8:00	8.00	DRLPRO	02	B	P		DRILL F/ 2691' TO 3577' (886' @ 110.7' HR) WOB 15-18,RPM 50,MMRPM 91 ,SPM 115 ,GPM 435 ,UP/SO/ROT 108-92-100,ON/OFF 1150-850 ,DIFF 250-400 ,WATER W/ GEL & POLY SWEEPS
	8:00 - 11:30	3.50	DRLPRO	02	B	P		DRILL F/ 3577' TO 3891' (314' @ 89.7' HR) WOB 15-18, RPM 50 ,MMRPM 91 ,GPM 435 ,SPM 115 ,UP/SO/ROT 110-95-105 ,ON/OFF 1250-1550 ,DIFF 250-450 , START LIGHT MUD UP @ 3700'
	11:30 - 12:00	0.50	DRLPRO	07	A	P		RIG SERVICE
	12:00 - 0:00	12.00	DRLPRO	02	B	P		DRILL F/ 3891' TO 4804' (913' @ 76' HR) WOB 18-20 ,RPM 50 ,MMRPM 95,GPM 454 ,SPM 120 ,UP/SO/ROT 120-100-115 ,ON/OFF 1500-1750 ,DIFF 200-350 , WT 10.1,VIS 41,(GETTING BACK DIME SIZED SHALES & ALOT OF CLAY BALLS)
6/28/2010	0:00 - 8:00	8.00	DRLPRO	02	B	P		DRILL F/ 4804' TO 5299' (495' @ 61.8' HR) WOB 18-20 ,RPM 55,MMRPM 95 ,GPM 454 ,SPM 120 ,UP/SO/ROT 130-115-120 ,ON/OFF 2000-1775 ,DIFF 200-450 ,(SLIDES 4649' TO 4659' & 4901' TO 4911') WT 10.8, VIS 40
	8:00 - 15:00	7.00	DRLPRO	02	B	P		DRILL F/ 5299' TO 5691' (392' @ 56' HR) WOB 18-20,RPM 50-55,MMRPM 95 ,GPM 454,SPM 120 ,UP/SO/ROT 135-120-125 ,ON/OFF 2125-1790 ,DIFF 200-400,WT 10.9,VIS 40, PUMPING NUT SHELL SWEEPS
	15:00 - 15:30	0.50	DRLPRO	07	A	P		RIG SERVICE
	15:30 - 0:00	8.50	DRLPRO	02	B	P		DRILL F/ 5691' TO 6050' (359' @ 42.2' HR) WOB 19-21,RPM 45,MMRPM 94,447,SPM 118,UP/SO/ROT 145-120-132 ,ON/OFF 1900-2100 ,DIFF 150-300 , WT 11.2 ,VIS 40 ,PUMPING NUT SHELL SWEEPS
6/29/2010	0:00 - 8:00	8.00	DRLPRO	02	B	P		DRILL F/ 6050' TO 6323' (273' @ 34.1' HR) WOB 19-21,RPM 45-50,MMRPM 95 ,GPM 454 ,SPM 120 ,UP/SO/ROT 147-120-132, ON/OFF 2100 -1900 ,DIFF 125-250 , PUMPING NUT SHELL SWEEPS

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING	Start Date: 4/7/2010	End Date: 7/6/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	8:00 - 17:30	9.50	DRLPRO	02	B	P		DRILL F/ 6323' TO 6702' (379' @ 39.8' HR) WOB 22-25,RPM 45-55 ,MMRPM 95,GPM 454, SPM 120 ,UP/SO/ROT 150-120-135 ,ON/OFF 2225-1970 ,DIFF 180-400
	17:30 - 18:00	0.50	DRLPRO	07	A	P		RIG SERVICE
	18:00 - 0:00	6.00	DRLPRO	02	B	P		DRILL F/ 6702' TO 6896' (194' @ 32.3' HR) WOB 23-25 ,RPM 45-50 ,MMRPM 95 ,GPM 454 ,SPM 120 ,UP/SO/ROT 160-125-142 ON/OFF 2430-1980,DIFF 200-425 ,PUMPING NUT SHELL SWEEPS
6/30/2010	0:00 - 8:00	8.00	DRLPRO	02	B	P		DRILL F/ 6896' TO 7175' (279' @ 34.8' HR) WOB 22-25,RPM 45-55,MMRPM 95 ,GPM 454,SPM 120 ,UP/SO/ROT 160-127-144,ON/OFF 2430-2050 ,DIFF 150-400 (SLIDE F/ 7049' TO 7058'),PUMPING NUT SHELL SWEEPS
	8:00 - 14:30	6.50	DRLPRO	02	B	P		DRILL F/ 7175' TO 7364' (189' @ 29' HR) WOB 23-25 ,RPM 45-50 MMRPM 95 ,GPM 435 ,SPM 115 ,UP/SO/ROT 162-129-145 ,ON/OFF 2350-2050,DIFF 150-350
	14:30 - 15:00	0.50	DRLPRO	07	A	P		RIG SERVICE
	15:00 - 0:00	9.00	DRLPRO	02	B	P		DRILL F/ 7364' TO 7690' (326' @ 36.2' HR) WOB 23-25 ,RPM 45-50,MMRPM 91,GPM 435,UP/SO/ROT 170-125-157, ON/OFF 2450-2080,DIFF ,175-480,PUMPING NUT SHELL SWEEPS
7/1/2010	0:00 - 6:30	6.50	DRLPRO	02	B	P		DRILL F/ 7690' TO 7901' (211' @ 32.4' HR) WOB 23-35 ,RPM 45-50,MMRPM 91 ,GPM 435 ,SPM 115 ,UP/SO/ROT 170-125-151 ,ON/OFF 2440-2100 ,DIFF 180-400, PUMPING NUT SHELL SWEEPS
	6:30 - 7:00	0.50	DRLPRO	07	A	P		RIG SERVICE
	7:00 - 17:30	10.50	DRLPRO	02	B	P		DRILL F/ 7901' TO 8312' (411' @ 39.1' HR) WOB 23-25 , RPM 45-55 ,MMRPM 91 ,GPM 435 ,SPM 115 ,UP/SO/ROT 175-128-155 ,ON/OFF 2500-2150 ,DIFF 180-400 ,PUMPING NUT SHELL SWEEPS
	17:30 - 18:00	0.50	DRLPRO	22	O	S		WORK PLUGGED DRILL STRING
	18:00 - 0:00	6.00	DRLPRO	06	A	P		TOOH , WORK PIPE THROUGH SEVERAL TIGHT SPOTS THROUGHOUT WASATCH F/ 6411' TO 4328' & THROUGH GREEN RIVER F/ 2718' TO 2173'
7/2/2010	0:00 - 3:30	3.50	DRLPRO	06	A	P		TOOH L/D PLUGGED DRILL COLLAR,DIRECTIONAL TOOLS, MOTOR & BIT, (WORK PIPE THROUGH TIGHT SPOTS F/ 2718' TO 2173')
	3:30 - 8:00	4.50	DRLPRO	06	A	P		P/U NEW Q506F BIT ,.16GPR STRAIGHT MOTOR & 1 DRILL COLLAR ,TIH (FILL PIPE @ BHA ,SHOE & 4100') TAG @ 4575'
	8:00 - 9:00	1.00	DRLPRO	03	A	P		WASH & REAM F/ 4566' TO 4632' ,HOLE SLOUGHING & TRYING TO PACK OFF,PUMP SWEEP, (GETTING BACK LARGE SHALES)
	9:00 - 10:00	1.00	DRLPRO	08	B	Z		CHANGE SWABS #1 PUMP ,REPAIR POP OFF #2 PUMP
	10:00 - 12:00	2.00	DRLPRO	03	A	P		WASH & REAM F/ 4362' TO 4700' HOLE SLOUGHING,(GETTING BACK LARGE SHALES)
	12:00 - 12:30	0.50	DRLPRO	06	A	P		TIH TAG @ 4900'
	12:30 - 13:30	1.00	DRLPRO	03	A	P		WASH & REAM F/ 4900' TO 4992'
	13:30 - 16:00	2.50	DRLPRO	06	A	P		TIH, WASH 30' TO BTM ,12' FILL
	16:00 - 18:00	2.00	DRLPRO	02	B	P		DRILL F/ 8312' TO 8327' (15' @ 7.5' HR LET HOLE CLEAN UP, GETTING BACK ALOT OF SLOUGHING SHALE)

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING	Start Date: 4/7/2010	End Date: 7/6/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	18:00 - 0:00	6.00	DRLPRO	02	B	P		DRILL F/ 8327' TO 8506' (179' @ 29.8' HR) WOB 22-25 ,RPM 40-45 ,MMRPM 69,GPM 435,SPM 115 ,UP/SO/ROT 175-135-165,ON/OFF 2444-2280 ,DIFF 80-350
7/3/2010	0:00 - 6:00	6.00	DRLPRO	02	B	P		DRILL F/ 8506' TO 8597' (91' @ 15.1' HR) WOB 24-28 ,RPM 35-50 ,MMRPM 69 ,GPM 435,SPM 115 ,UP/SO/ROT 175-135-163 ,ON/OFF 2400 2280, DIFF 100-300,PUMPING NUT SHELL SWEEPS
	6:00 - 6:30	0.50	DRLPRO	05	C	P		MIX & PUMP PILL
	6:30 - 12:00	5.50	DRLPRO	06	A	P		TOOH ,L/D MOTOR & BIT (WORK PIPE THROUGH TIGHT SPOTS 5887' TO 4723' , 4080' TO 3965' ,3068 TO 2136 20K TO 50K)
	12:00 - 16:00	4.00	DRLPRO	06	A	P		P/U NEW Q506F & .16 STRAIGHT MOTOR TIH
	16:00 - 16:30	0.50	DRLPRO	03	D	P		WASH 15' TO BOTTOM
	16:30 - 18:30	2.00	DRLPRO	02	B	P		DRILL F/ 8597' TO 8720' (123' @ 61.5' HR) WOB 18 , RPM 50 ,MMRPM 61, GPM 416, SPM 110 ,UP/SO/ROT 170-130-160 ,ON/OFF 2500-2200 ,DIFF 150-400
	18:30 - 19:00	0.50	DRLPRO	07	A	P		RIG SERVICE
	19:00 - 0:00	5.00	DRLPRO	02	B	P		DRILL F/ 8720' TO 8868' (148' @ 29.6' HR) WOB 20-23 ,RPM 40-50 ,GPM 416,SPM 110 ,UP/SO/ROT 180-145-161 ,ON/OFF 2500-2250 ,DIFF 150-300, PUMPING NUT SHELL SWEEPS
7/4/2010	0:00 - 7:00	7.00	DRLPRO	02	B	P		DRILL F/ 8868' TO 9058' (190' @ 27.1' HR) WOB 24-RPM 50,MMRPM 66 ,GPM 416 ,SPM 110 ,UP/SO/ROT 178-144-164,ON/OFF 2430 2200 ,DIFF 180-320 , WT 12.9 ,VIS 42,PUMPING NUT SHELL SWEEPS
	7:00 - 7:30	0.50	DRLPRO	07	A	P		RIG SERVICE
	7:30 - 10:30	3.00	DRLPRO	02	B	P		DRILL F/ 9058' TO 9136' TD @ 10:30 7/4/2010 (78' @ 26' HR) WOB 24, RPM 50 ,MMRPM 66 ,GPM 416 ,SPM 110 ,UP/SO/ROT 180-145-165 ,ON/OFF 2430-2200 ,DIFF 180-320 ,WT 12.9 ,VIS 42
	10:30 - 12:30	2.00	DRLPRO	05	C	P		CIRC F/ SHORT TRIP
	12:30 - 17:00	4.50	DRLPRO	06	E	P		SHORT TRIP TO CSG SHOE @ 1837' (20 K DRAG 2729' TO 2269')
	17:00 - 18:00	1.00	DRLPRO	09	A	P		SLIP & CUT 120' DRLG LINE
	18:00 - 21:00	3.00	DRLPRO	06	E	P		TIH , FILL PIPE @ 5300,NO PROBLEMS
	21:00 - 23:00	2.00	DRLPRO	05	C	P		CIRC F/ LOGS ,NO FLARE
	23:00 - 0:00	1.00	DRLPRO	06	A	P		START TIH F/ LOGS
7/5/2010	0:00 - 4:00	4.00	DRLPRO	06	A	P		TOOH F/ LOGS ,L/D NMDC ,MOTOR BIT ,NO PROBLEMS
	4:00 - 10:00	6.00	DRLPRO	11	C	P		S/M W/ BAKER ATLAS ,R/U & RUN TRIPLE COMBO TO 9141' ,LITTLE STICKY ON BOTTOM ,NO PROBLEMS
	10:00 - 10:30	0.50	DRLPRO	07	A	P		RIG SERVICE
	10:30 - 15:00	4.50	DRLPRO	06	A	P		P/U R/R TRI CONE BIT & BIT SUB TIH ,FILL PIPE @ SHOE & 5300'
	15:00 - 17:00	2.00	DRLPRO	05	C	P		WASH 15' TO BTM,CIRC F/ LDDP,SAFETY MEETING W/ KIMZEY ,R/U LAY DOWN MACHINE ,PUMP PILL
	17:00 - 0:00	7.00	DRLPRO	06	A	P		LDDP ,BREAK KELLY,START LAYING DOWN BHA
7/6/2010	0:00 - 1:00	1.00	DRLPRO	06	A	P		LAY DOWN BHA ,PULL WEAR RING
	1:00 - 2:00	1.00	DRLPRO	12	A	P		RIG UP CASERS ,SAFETY MEETING W/ CASERS & RIG CREW,
	2:00 - 9:30	7.50	DRLPRO	12	C	P		RUN 216 JTS 4.5 ,11.6 ,.I-80 CASING TO 9124' ,FLOAT @ 9080.19 ,MARKER @ 4039.01'
	9:30 - 11:00	1.50	DRLPRO	05	D	P		CIRC F/ CEMENT

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING	Start Date: 4/7/2010	End Date: 7/6/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	11:00 - 14:00	3.00	DRLPRO	12	E	P		SAFETY MEETING W/ BJ SERVICES & RIG CREW ,R/U & CEMENT W/ 40 BBLS PREFLUSH ,539 SX 13.3# ,1.66 YLD LEAD ,1215 SX 14.3# 1.31 YLD TAIL ,DISPLACE W/ 141 BBLS CLAY TREAT WATER ,FINAL LIFT 3090 PSI ,BUMP PLUG @ 3623 PSI HELD F/ 5 MIN, NO LOSS ,FULL RETURNS THROUGH OUT JOB, FLOATS HELD ,30 BBLS LEAD BACK TO PIT ,ESTIMATED TOP OF TAIL 3031'
	14:00 - 14:30	0.50	DRLPRO	12	B	P		WASH OUT STACK ,R/D CEMENTERS,SET & TEST PACKOFF
	14:30 - 18:00	3.50	DRLPRO	14	A	P		NIPPLE DOWN BOP ,CLEAN PITS RELEASE RIG @ 18:00 7/6/2010 TO BITTER CREEK 1122-4J

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010	
Project: UTAH-UINTAH	Site: STATE 1021-32H		Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING	Start Date: 4/7/2010		End Date: 7/6/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	18:00 - 18:00	0.00	DRLPRO					CONDUCTOR CASING: Cond. Depth set: 40 Cement sx used: 0 SPUD DATE/TIME: 4/11/2010 10:00 SURFACE HOLE: Surface From depth: 40 Surface To depth: 1,864 Total SURFACE hours: 15.00 Surface Casing size: 8 5/8 # of casing joints ran: 41 Casing set MD: 1,837.0 # sx of cement: 380 Cement blend (ppg:) LEAD 11 ,TAIL 15.8 ,TOP OUT 15.8 Cement yield (ft3/sk): LEAD 3.82 ,TAIL 1.15 ,TOP OUT 1.15 # of bbls to surface: 2 Describe cement issues: Describe hole issues: PRODUCTION: Rig Move/Skid start date/time: 6/25/2010 6:00 Rig Move/Skid finish date/time: 6/25/2010 20:00 Total MOVE hours: 14.0 Prod Rig Spud date/time: 6/26/2010 15:30 Rig Release date/time: 7/6/2010 18:00 Total SPUD to RR hours: 242.5 Planned depth MD 9,136 Planned depth TVD 9,136 Actual MD: 9,136 Actual TVD: 9,132 Open Wells $: $752,234 AFE $: $730,614 Open wells $/ft: $82.34 PRODUCTION HOLE: Prod. From depth: 1,864 Prod. To depth: 9,136 Total PROD hours: 150.5 Log Depth: 9141 Production Casing size: 4.5,11.6,I80 # of casing joints ran: 217 Casing set MD: 9,123.9 # sx of cement: 539 LEAD ,1215 TAIL Cement blend (ppg:) 13.3 LEAD ,14.3 TAIL Cement yield (ft3/sk): 1.66 LEAD ,1.31 TAIL Est. TOC (Lead & Tail) or 2 Stage : LEAD 18' TAIL 3031' Describe cement issues: NO PROBLEMS Describe hole issues: A LOT OF CLAY DIRECTIONAL INFO: KOP: Max angle: Departure: Max dogleg MD:

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 7/13/2010	End Date: 7/16/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
7/13/2010	6:30 - 6:45	0.25	COMP	48		P		HSM, PPE & H2S MONITORS
	6:45 - 16:00	9.25	COMP	31	I	P		MIRU, ND WH, NU BOPS, RUFLOOR, TALLY & PU 198 JTS OF 2 3/8" J-55 TBG 6,220', POOH W/ 99 STDS, ND BOPS, NU FRAC VALVE PREP FOR PRESS TEST & 1ST SHOT IN AM, SWI SDFN.
7/14/2010	7:00 - 7:15	0.25	COMP	48		P		HSM, STAY AWAY FROM LINES WHILE PRSS TESTING.
	7:15 - 9:00	1.75	COMP	33	C	P		FILL CSG RU TESTERS & PRESS TEST CSG & FRAC VALVES TO 7,000 PSI RD TESTERS.
	9:00 - 10:30	1.50	COMP	37	B	P		MIRU CUTTERS TO PERFORATE ZONE 1. PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 120 DEG PHASING. RIH PERF MESA VERDE @ 8,696'-99' 3 SPF 9 HOLES POOH.
	10:30 - 15:00	4.50	COMP	35	E	P		MIRU DELSCO SLICK LINE TRUCK & HALIBURTON DFIT TEST EQUIPMENT RIH TO 8,685' W/ DFIT TOOL, BREAK DOWN FORMATION W/ 3,800 PSI @ 3 BPM, INJECTION PRESS & RATE // 3,400 PSI @ 3.25 BPM, PUMPED 1000 GALLONS TMAC WATER, ISIP 3,200 PSI, WILL PULL DFIT TOOL OUT OF HOLE IN AM, SDFN.
7/15/2010	5:30 - 5:45	0.25	COMP	48		P		HSM, WIRE LINE SHEEVES & FRACING
	5:45 - 6:30	0.75	COMP	35	E	P		SURFACE PRESS 2,400 PSI, PULL DFIT TOOL & RD SLICKLINE.
	6:30 - 8:30	2.00	COMP	36	B	P		RU FRAC TECH TO WH RU CUTTERS TO FINISH PERFORATING ZONE 1. PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 120 DEG PHASING. RIH PERF MESA VERDE @ 8,586'-88' 3 SPF 6 HOLES 8,541'-43' 3 SPF 6 HOLES TOTAL 21 HOLES FOR ZONE 1. [STAGE 1] PRIME UP PUMPING LINE & PRESS TEST SRFACE LINES TO 8,000 PSI. WHP= 1,894 PSI, BRK @ 4,013 PSI @ 4.4 GPM, ISIP 3,191 PSI, FG .80. PUMP 100 BBLS @ 48.4 BPM 6,444 PSI,= 100% PERFS OPEN. MP 6,400 PSI MR 50.8 BPM, AP 5,600 PSI AR 48 BPM, ISIP 3,085 PSI, FG.79. NPI -106 PSI, PMPD 891 BBLS SW & 21,333 LBS OF 30/50 SND & 5,000 LBS OF RESIN SND. TOTAL PROP 26,333 LBS.
	8:30 - 9:45	1.25	COMP	36	B	P		STAGE 2] PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET CBP @ 8,395 & PERF MESA VERDE @ 8,373'-76' 4 SPF 12 HOLES 8,356'-57' 4 SPF 4 HOLES 8,345'-47' 4 SPF 8 HOLES TOTAL 24 HOLES. WHP= 136 PSI, BRK @ 4,775 PSI @ 4.3 GPM, ISIP 3,257 PSI, FG .81. PUMP 100 BBLS @ 45.6 BPM 6,137 PSI,= 100% PERFS OPEN. MP 6,478 PSI MR 51 BPM, AP 5,800 PSI AR 48 BPM, ISIP 3,215 PSI, FG.81. NPI -106 PSI, PMPD 668 BBLS SW & 17,897 LBS OF 30/50 SND & 5,000 LBS OF RESIN SND. TOTAL PROP 22,897 LBS.

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010	
Project: UTAH-UINTAH	Site: STATE 1021-32H		Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 7/13/2010		End Date: 7/16/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	9:45 - 11:15	1.50	COMP	36	B	P		STAGE 3] PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 120 DEG PHASING. RIH SET CBP @ 7,675 & PERF MESA VERDE @ 7,647'-49' 3 SPF 6 HOLES 7,620'-21' 3 SPF 3 HOLES 7,557'-58' 3 SPF 3 HOLES 7,535'-36' 3 SPF 3 HOLES 7,515'-16' 3 SPF 3 HOLES 7,466'-68' 3 SPF 6 HOLES TOTAL 24 HOLES. WHP= 260 PSI, BRK @ 4,491 PSI @ 4.4 GPM, ISIP 3,416 PSI, FG .88. PUMP 100 BBLS @ 45.6 BPM 6,137 PSI,= 83% PERFS OPEN 20/24. MP 6,732 PSI MR 50.5 BPM, AP 5,500 PSI AR 48 BPM, ISIP 2,831 PSI, FG.81. NPI -585 PSI, PMPD 1,250 BBLS SW & 44,328 LBS OF 30/50 SND & 5,000 LBS OF RESIN SND. TOTAL PROP 49,328 LBS. NOTE PUMPED RADIOACTIVE ISOTOPES IN THIS STAGE.
	11:15 - 12:30	1.25	COMP	36	B	P		STAGE 4] PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 120 DEG PHASING. RIH SET CBP @ 7,380 & PERF MESA VERDE @ 7,350'-52' 3 SPF 6 HOLES 7,306'-07' 3 SPF 3 HOLES 7,280'-81' 3 SPF 3 HOLES 7,260'-61' 3 SPF 3 HOLES 7,242'-44' 3 SPF 6 HOLES TOTAL 21 HOLES. WHP= 130 PSI, BRK @ 4,083 PSI @ 2.6 GPM, ISIP 2,181 PSI, FG .73. PUMP 100 BBLS @ 45.3 BPM 6,200 PSI,= 81% PERFS OPEN 17/21. MP 6,749 PSI MR 51 BPM, AP 5,100 PSI AR 45 BPM, ISIP 2,707 PSI, FG.80. NPI 526 PSI, PMPD 875 BBLS SW & 27,750 LBS OF 30/50 SND & 5,000 LBS OF RESIN SND. TOTAL PROP 32,750 LBS. NOTE PUMPED RADIOACTIVE ISOTOPES IN THIS STAGE.
	12:30 - 13:30	1.00	COMP	36	B	P		STAGE 5] PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET CBP @ 7,125 & PERF MESA VERDE @ 7,096'-7,100' 4 SPF 16 HOLES 7,080'-82' 4 SPF 8 HOLES TOTAL 24 HOLES. WHP= 183 PSI, BRK @ 2,708 PSI @ 3.8 GPM, ISIP 1,844 PSI, FG .69. PUMP 100 BBLS @ 49.4 BPM 5,300 PSI,= 92% PERFS OPEN 22/24. MP 5,437 PSI MR 50 BPM, AP 4,800 PSI AR 49 BPM, ISIP 3,008 PSI, FG.86. NPI 1,164 PSI, PMPD 702 BBLS SW & 20,075 LBS OF 30/50 SND & 5,000 LBS OF RESIN SND. TOTAL PROP 25,075 LBS.

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 7/13/2010	End Date: 7/16/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	13:30 - 14:45	1.25	COMP	36	B	P		STAGE 6] PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET CBP @ 6,780' & PERF WASATCH @ 6,746'-52' 4 SPF 24 HOLES, TOTAL 24 HOLES. WHP= 94 PSI, BRK @ 2,750 PSI @ 3.8 GPM, ISIP 1,814 PSI, FG .70. PUMP 100 BBLS @ 50.4 BPM 5,057 PSI,= 96% PERFS OPEN 23/24. MP 5,567 PSI MR 51 BPM, AP 5,000 PSI AR 50 BPM, ISIP 3,257 PSI, FG.92. NPI 1,443 PSI, PMPD 689 BBLS SW & 23,038 LBS OF 30/50 SND & 5,000 LBS OF RESIN SND. TOTAL PROP 28,038 LBS.
	14:45 - 16:00	1.25	COMP	36	B	P		STAGE 7] PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 DEG PHASING. RIH SET CBP @ 5,128' & PERF WASATCH @ 5,092'-98' 4 SPF 24 HOLES, TOTAL 24 HOLES. WHP= 159 PSI, BRK @ 1,680 PSI @ 3.6 GPM, ISIP 1,513 PSI, FG .73. PUMP 100 BBLS @ 50 BPM 4,100 PSI,= 100% PERFS OPEN 24/24. MP 4,480 PSI MR 50 BPM, AP 4,000 PSI AR 49 BPM, ISIP 2,512 PSI, FG.93. NPI 999 PSI, PMPD 826 BBLS SW & 33.361 LBS OF 30/50 SND & 5,000 LBS OF RESIN SND. TOTAL PROP 38,361 LBS. TOTAL FLUID FOR JOB 5,901 BBLS SAND 222,782 #
	16:00 - 18:30	2.50	COMP	34	I	P		RD FRAC TECH, SET KILL PLUG @ 5,042' RD CUTTERS, RD FLOOR, ND FRAC VALVE, NU BOPS FOR DRILL OUT IN AM, SWI SDFN.
7/16/2010	6:30 - 6:45	0.25	COMP	48		P		HSM, KEEPING A EYE ON WASHINGTON HEAD BOLT.

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 7/13/2010	End Date: 7/16/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	6:45 - 17:30	10.75	COMP	44	C	P		PRESS TEST BOP TO 3,000 PSI, TIH TO DRILL PLUGS, RU POWER SWIVEL BREAK CIRC CONVENTIONAL START DRLG PLUGS. C/O 0' SAND, TAG 1ST PLUG @ 5,042' DRL PLUG IN 5 MIN. 200 PSI INCREASE RIH. C/O 15' SAND, TAG 2ND PLUG @ 5,128' DRL PLUG IN 7 MIN. 300 PSI INCREASE RIH. C/O 30' SAND, TAG 3RD PLUG @ 6,775' DRL PLUG IN 4 MIN. 300 PSI INCREASE RIH. C/O 30' SAND, TAG 4TH PLUG @ 7,125' DRL PLUG IN 6 MIN. 250 PSI INCREASE RIH. C/O 30' SAND, TAG 5TH PLUG @ 7,380' DRL PLUG IN 6 MIN. 200 PSI INCREASE RIH C/O 30' SAND, TAG 6TH PLUG @ 7,675' DRL PLUG IN 7 MIN. 400 PSI INCREASE RIH. C/O 30' SAND, TAG 7TH PLUG @ 8,395' DRL PLUG IN 5 MIN. 500 PSI INCREASE RIH. RIH TO 8,922.73' W/ 283 JTS 2 3/8" J-55 TBG, RD POWER SWIVEL, LD 128 JTS, LAND TBG W/ 155 JTS 2 3/8" J-55 TBG, EOT @ 4888.44', SN @ 4886.24' RD FLOOR, ND BOPS, NU WH, DROP BALL TO SHEAR OFF BIT W/ 1,000 PSI. TURN OVER TO FLOW BACK CREW. RD PARK ON LOCATION MOVE MONDAY TO NBU 1022-33P. SDFWE KB= 18' 4 1/16 HANGER= .83' 155 JTS 2 3/8 J-55 = 4867.41' PIPE DELIVERED: 299 JTS POBS= 2.20' PIPE USED: 155 JTS EOT @ 4888.44' PIPE RETURNED: 144 JTS SN @ 4886.24' TWTR= 5,901 BBLS TWR= 1200 BBLS TWLTR= 4,701 BBLS
	7:00 -			33	A			7 AM FLBK REPORT: CP 1550#, TP 850#, 32/64" CK, 65 BWPH, HEAVY SAND, - GAS TTL BBLS RECOVERED: 2667 BBLS LEFT TO RECOVER: 3234
7/17/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1950#, TP 1550#, 16/64" CK, 16 BWPH, HEAVY SAND, 1.3 GAS TTL BBLS RECOVERED: 3223 BBLS LEFT TO RECOVER: 2678
7/18/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1900#, TP 1500#, 16/64" CK, 15 BWPH, MED SAND, 1.3 GAS TTL BBLS RECOVERED: 3662 BBLS LEFT TO RECOVER: 2239

US ROCKIES REGION

Operation Summary Report

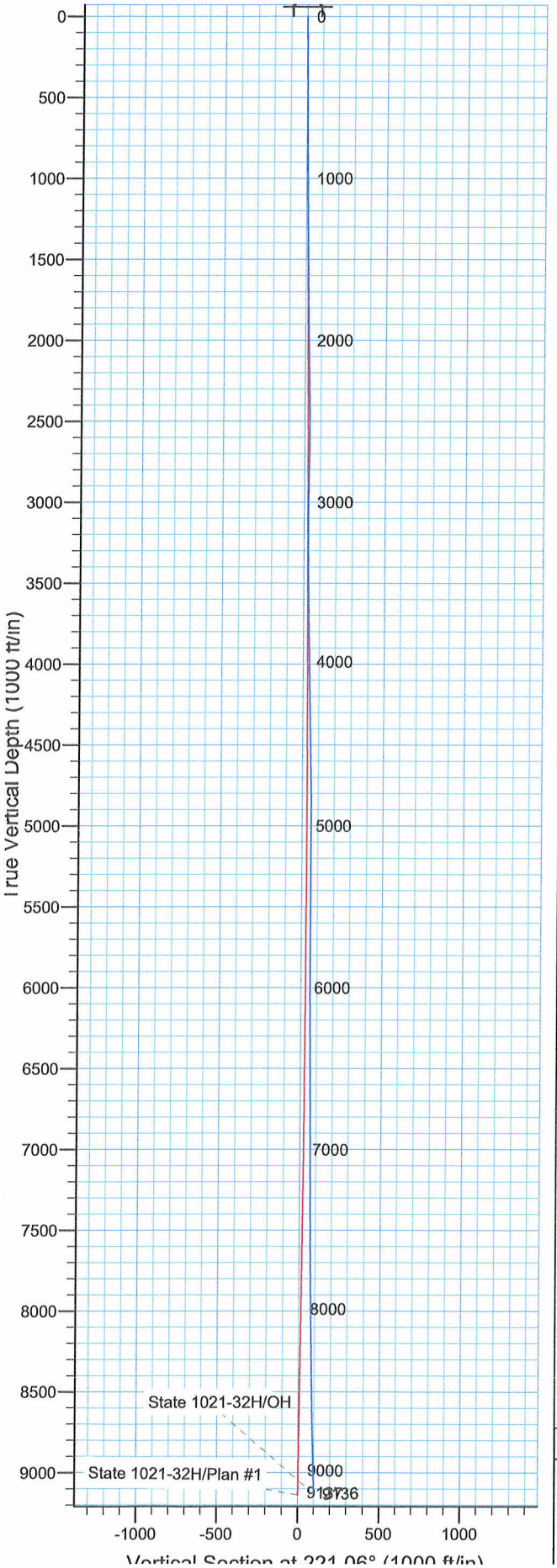
Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 7/13/2010	End Date: 7/16/2010
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

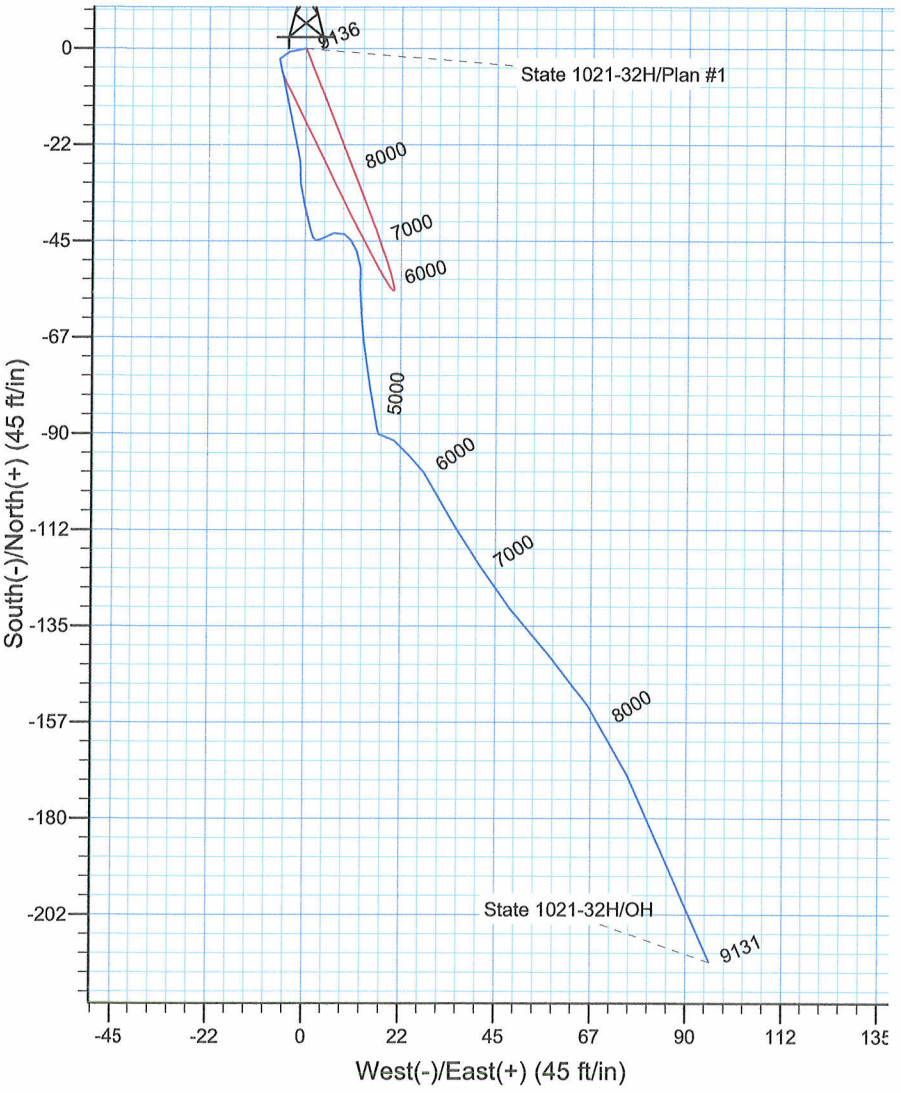
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
7/19/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1900#, TP 1500#, 16/64" CK, 14 BWPH, MED SAND, 1.3 GAS TTL BBLS RECOVERED: 3990 BBLS LEFT TO RECOVER: 1911
7/20/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1875#, TP 1500#, 16/64" CK, 7 BWPH, LIGHT SAND, 1.5 GAS TTL BBLS RECOVERED: 4225 BBLS LEFT TO RECOVER: 1676

Scientific Drilling
Rocky Mountain Operations

Project: Uintah County, UT UTM12
Site: State 1021-32H Pad
Well: State 1021-32H
Wellbore: OH
Design: OH

Kerr McGee Oil and Gas Onshore LP





WELL DETAILS: State 1021-32H

Ground Level: GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	14495150.33	2041944.19	39° 54' 22.741 N	109° 34' 5.711 W

REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well State 1021-32H, True North
Vertical (TVD) Reference: GL 5280' & RKB 18' @ 5298.00ft (Pioneer 6
Section (VS) Reference: Slot - (0.00N, 0.00E)
Measured Depth Reference: GL 5280' & RKB 18' @ 5298.00ft (Pioneer 6
Calculation Method: Minimum Curvature
Local North: True
Location: Sec 32 T10S R21E

PROJECT DETAILS: Uintah County, UT UTM12

Geodetic System: Universal Transverse Mercator (US Survey Feet)
Datum: NAD 1927 - Western US
Ellipsoid: Clarke 1866
Zone: Zone 12N (114 W to 108 W)

Design: OH (State 1021-32H/OH)

Created By: Rex Hall Date: 2010-07-06

Scientific Drilling
Rocky Mountain Operations

Kerr McGee Oil and Gas Onshore LP

Uintah County, UT UTM12
State 1021-32H Pad
State 1021-32H
OH

Design: OH

Standard Survey Report

06 July, 2010

Anadarko
Petroleum Corporation

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well State 1021-32H
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Site:	State 1021-32H Pad	**MD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Well:	State 1021-32H	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Project	Uintah County, UT UTM12		
Map System:	Universal Transverse Mercator (US Survey Feet)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 - Western US		
Map Zone:	Zone 12N (114 W to 108 W)		

Site	State 1021-32H Pad, Sec 32 T10S R21E				
Site Position:		**Northing:**	14,495,150.33 ft	**Latitude:**	39° 54' 22.741 N
From:	Lat/Long	**Easting:**	2,041,944.19 ft	**Longitude:**	109° 34' 5.711 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	in	**Grid Convergence:**	0.92 °

Well	State 1021-32H, 1808' FNL & 650' FEL					
Well Position	**+N/-S**	0.00 ft	**Northing:**	14,495,150.33 ft	**Latitude:**	39° 54' 22.741 N
	+E/-W	0.00 ft	**Easting:**	2,041,944.19 ft	**Longitude:**	109° 34' 5.711 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	5,280.00 ft

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2005-10	2009/12/31	11.26	65.82	52,441

Design	OH				
Audit Notes:					
Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	221.06

Survey Program **Date** 2010/07/06

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
14.00	1,014.00	Survey #1 - Surface Single-Shot Surveys (O	CB-MAG-SS	Camera based mag single shot
1,899.00	9,136.00	Survey #2 - Production MWD (OH)	MWD SDI	MWD - Standard ver 1.0.1

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14.00	0.00	0.00	14.00	0.00	0.00	0.00	0.00	0.00	0.00
514.00	0.90	259.00	513.98	-0.75	-3.85	3.10	0.18	0.18	0.00
First Anadarko Surface SS Survey									
1,014.00	1.20	153.80	1,013.93	-6.20	-5.40	8.22	0.34	0.06	-21.04
Last Andarko Surface SS Survey									
1,899.00	1.53	179.86	1,898.69	-26.33	-1.28	20.69	0.08	0.04	2.94
First SDI Production MWD Survey									
2,092.00	1.50	176.81	2,091.62	-31.43	-1.13	24.44	0.04	-0.02	-1.58
2,281.00	1.77	163.33	2,280.54	-36.69	-0.16	27.77	0.25	0.14	-7.13
2,471.00	1.91	169.41	2,470.44	-42.61	1.27	31.30	0.13	0.07	3.20
2,662.00	1.30	57.06	2,661.40	-44.57	3.67	31.19	1.41	-0.32	-58.82

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well State 1021-32H
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Site:	State 1021-32H Pad	**MD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Well:	State 1021-32H	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
2,851.00	0.85	80.12	2,850.37	-43.16	6.85	28.04	0.33	-0.24	12.20
3,041.00	0.68	119.14	3,040.35	-43.47	9.23	26.72	0.28	-0.09	20.54
3,230.00	0.54	145.26	3,229.34	-44.74	10.71	26.70	0.16	-0.07	13.82
3,417.00	1.20	154.99	3,416.32	-47.24	12.04	27.71	0.36	0.35	5.20
3,606.00	1.41	178.24	3,605.27	-51.36	12.95	30.22	0.30	0.11	12.30
3,793.00	1.51	182.15	3,792.21	-56.12	12.93	33.83	0.08	0.05	2.09
4,015.00	1.81	173.42	4,014.12	-62.53	13.22	38.46	0.18	0.14	-3.93
4,209.00	1.81	175.31	4,208.02	-68.63	13.82	42.67	0.03	0.00	0.97
4,525.00	2.17	169.01	4,523.83	-79.47	15.37	49.83	0.13	0.11	-1.99
4,840.00	1.24	172.88	4,838.69	-88.71	16.93	55.77	0.30	-0.30	1.23
5,029.00	0.50	70.30	5,027.67	-90.46	17.96	56.41	0.76	-0.39	-54.28
5,376.00	0.74	135.74	5,374.66	-91.55	20.95	55.27	0.20	0.07	18.86
5,688.00	1.04	133.21	5,686.62	-94.94	24.42	55.54	0.10	0.10	-0.81
6,010.00	0.94	145.57	6,008.57	-99.12	28.04	56.32	0.07	-0.03	3.84
6,356.00	1.48	152.23	6,354.49	-105.41	31.73	58.64	0.16	0.16	1.92
6,672.00	1.60	146.94	6,670.38	-112.72	36.04	61.32	0.06	0.04	-1.67
6,986.00	2.01	147.16	6,984.22	-121.02	41.41	64.05	0.13	0.13	0.07
7,302.00	2.42	142.35	7,299.98	-130.96	48.50	66.89	0.14	0.13	-1.52
7,616.00	2.65	138.62	7,613.68	-141.65	57.34	69.14	0.09	0.07	-1.19
7,919.00	3.21	144.53	7,916.28	-153.82	66.90	72.04	0.21	0.18	1.95
8,252.00	3.12	156.00	8,248.78	-169.69	75.99	78.04	0.19	-0.03	3.44
Last SDI Production MWD Survey									
9,136.00	3.12	156.00	9,131.47	-213.64	95.56	98.32	0.00	0.00	0.00
Projection To TD									

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
State 1021-32H PBHL	0.00	0.00	9,136.00	0.00	0.00	14,495,150.33	2,041,944.19	39° 54' 22.741 N	109° 34' 5.711 W
- actual wellpath misses target center by 233.94ft at 9127.79ft MD (9123.27 TVD, -213.24 N, 95.38 E)									
- Point									

Design Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
514.00	513.98	-0.75	-3.85	First Anadarko Surface SS Survey
1,014.00	1,013.93	-6.20	-5.40	Last Andarko Surface SS Survey
1,899.00	1,898.69	-26.33	-1.28	First SDI Production MWD Survey
8,252.00	8,248.78	-169.69	75.99	Last SDI Production MWD Survey
9,136.00	9,131.47	-213.64	95.56	Projection To TD

Checked By: _____ Approved By: _____ Date: _____

Scientific Drilling
Rocky Mountain Operations

Kerr McGee Oil and Gas Onshore LP

Uintah County, UT UTM12
State 1021-32H Pad
State 1021-32H
OH

Design: OH

Survey Report - Geographic

06 July, 2010

Anadarko
Petroleum Corporation

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well State 1021-32H
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Site:	State 1021-32H Pad	**MD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Well:	State 1021-32H	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Project	Uintah County, UT UTM12		
Map System:	Universal Transverse Mercator (US Survey Feet)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 - Western US		
Map Zone:	Zone 12N (114 W to 108 W)		

Site	State 1021-32H Pad, Sec 32 T10S R21E				
Site Position:		**Northing:**	14,495,150.33 ft	**Latitude:**	39° 54' 22.741 N
From:	Lat/Long	**Easting:**	2,041,944.19 ft	**Longitude:**	109° 34' 5.711 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	in	**Grid Convergence:**	0.92 °

Well	State 1021-32H, 1808' FNL & 650' FEL					
Well Position	**+N/-S**	0.00 ft	**Northing:**	14,495,150.33 ft	**Latitude:**	39° 54' 22.741 N
	+E/-W	0.00 ft	**Easting:**	2,041,944.19 ft	**Longitude:**	109° 34' 5.711 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	5,280.00 ft

Wellbore	OH				
Magnetics	**Model Name**	**Sample Date**	**Declination (°)**	**Dip Angle (°)**	**Field Strength (nT)**
	IGRF2005-10	2009/12/31	11.26	65.82	52,441

Design	OH				
Audit Notes:					
Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	0.00
Vertical Section:	**Depth From (TVD) (ft)**	**+N/-S (ft)**	**+E/-W (ft)**	**Direction (°)**	
	0.00	0.00	0.00	221.06	

Survey Program **Date** 2010/07/06

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
14.00	1,014.00	Survey #1 - Surface Single-Shot Surveys (O	CB-MAG-SS	Camera based mag single shot
1,899.00	9,136.00	Survey #2 - Production MWD (OH)	MWD SDI	MWD - Standard ver 1.0.1

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well State 1021-32H
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Site:	State 1021-32H Pad	**MD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Well:	State 1021-32H	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (ft)	Map Easting (ft)	Latitude	Longitude
0.00	0.00	0.00	0.00	0.00	0.00	14,495,150.33	2,041,944.19	39° 54' 22.741 N	109° 34' 5.711 W
14.00	0.00	0.00	14.00	0.00	0.00	14,495,150.33	2,041,944.19	39° 54' 22.741 N	109° 34' 5.711 W
514.00	0.90	259.00	513.98	-0.75	-3.85	14,495,149.51	2,041,940.35	39° 54' 22.734 N	109° 34' 5.760 W
First Anadarko Surface SS Survey									
1,014.00	1.20	153.80	1,013.93	-6.20	-5.40	14,495,144.04	2,041,938.89	39° 54' 22.680 N	109° 34' 5.780 W
Last Andarko Surface SS Survey									
1,899.00	1.53	179.86	1,898.69	-26.33	-1.28	14,495,123.98	2,041,943.34	39° 54' 22.481 N	109° 34' 5.727 W
First SDI Production MWD Survey									
2,092.00	1.50	176.81	2,091.62	-31.43	-1.13	14,495,118.89	2,041,943.56	39° 54' 22.431 N	109° 34' 5.725 W
2,281.00	1.77	163.33	2,280.54	-36.69	-0.16	14,495,113.64	2,041,944.62	39° 54' 22.379 N	109° 34' 5.713 W
2,471.00	1.91	169.41	2,470.44	-42.61	1.27	14,495,107.74	2,041,946.14	39° 54' 22.320 N	109° 34' 5.695 W
2,662.00	1.30	57.06	2,661.40	-44.57	3.67	14,495,105.82	2,041,948.58	39° 54' 22.301 N	109° 34' 5.664 W
2,851.00	0.85	80.12	2,850.37	-43.16	6.85	14,495,107.28	2,041,951.73	39° 54' 22.315 N	109° 34' 5.623 W
3,041.00	0.68	119.14	3,040.35	-43.47	9.23	14,495,107.01	2,041,954.11	39° 54' 22.312 N	109° 34' 5.592 W
3,230.00	0.54	145.26	3,229.34	-44.74	10.71	14,495,105.76	2,041,955.62	39° 54' 22.299 N	109° 34' 5.573 W
3,417.00	1.20	154.99	3,416.32	-47.24	12.04	14,495,103.28	2,041,956.99	39° 54' 22.274 N	109° 34' 5.556 W
3,606.00	1.41	178.24	3,605.27	-51.36	12.95	14,495,099.18	2,041,957.96	39° 54' 22.234 N	109° 34' 5.545 W
3,793.00	1.51	182.15	3,792.21	-56.12	12.93	14,495,094.42	2,041,958.02	39° 54' 22.186 N	109° 34' 5.545 W
4,015.00	1.81	173.42	4,014.12	-62.53	13.22	14,495,088.02	2,041,958.41	39° 54' 22.123 N	109° 34' 5.541 W
4,209.00	1.81	175.31	4,208.02	-68.63	13.82	14,495,081.93	2,041,959.11	39° 54' 22.063 N	109° 34' 5.533 W
4,525.00	2.17	169.01	4,523.83	-79.47	15.37	14,495,071.11	2,041,960.83	39° 54' 21.956 N	109° 34' 5.514 W
4,840.00	1.24	172.88	4,838.69	-88.71	16.93	14,495,061.90	2,041,962.54	39° 54' 21.864 N	109° 34' 5.494 W
5,029.00	0.50	70.30	5,027.67	-90.46	17.96	14,495,060.16	2,041,963.60	39° 54' 21.847 N	109° 34' 5.480 W
5,376.00	0.74	135.74	5,374.66	-91.55	20.95	14,495,059.12	2,041,966.61	39° 54' 21.836 N	109° 34' 5.442 W
5,688.00	1.04	133.21	5,686.62	-94.94	24.42	14,495,055.79	2,041,970.13	39° 54' 21.803 N	109° 34' 5.397 W
6,010.00	0.94	145.57	6,008.57	-99.12	28.04	14,495,051.67	2,041,973.82	39° 54' 21.761 N	109° 34' 5.351 W
6,356.00	1.48	152.23	6,354.49	-105.41	31.73	14,495,045.44	2,041,977.61	39° 54' 21.699 N	109° 34' 5.304 W
6,672.00	1.60	146.94	6,670.38	-112.72	36.04	14,495,038.20	2,041,982.03	39° 54' 21.627 N	109° 34' 5.248 W
6,986.00	2.01	147.16	6,984.22	-121.02	41.41	14,495,029.99	2,041,987.54	39° 54' 21.545 N	109° 34' 5.179 W
7,302.00	2.42	142.35	7,299.98	-130.96	48.50	14,495,020.16	2,041,994.78	39° 54' 21.447 N	109° 34' 5.088 W
7,616.00	2.65	138.62	7,613.68	-141.65	57.34	14,495,009.61	2,042,003.80	39° 54' 21.341 N	109° 34' 4.975 W
7,919.00	3.21	144.53	7,916.28	-153.82	66.90	14,494,997.60	2,042,013.54	39° 54' 21.221 N	109° 34' 4.852 W
8,252.00	3.12	156.00	8,248.78	-169.69	75.99	14,494,981.88	2,042,022.89	39° 54' 21.064 N	109° 34' 4.735 W
Last SDI Production MWD Survey									
9,136.00	3.12	156.00	9,131.47	-213.64	95.56	14,494,938.24	2,042,043.17	39° 54' 20.629 N	109° 34' 4.484 W
Projection To TD									

Company:	Kerr McGee Oil and Gas Onshore LP	**Local Co-ordinate Reference:**	Well State 1021-32H
Project:	Uintah County, UT UTM12	**TVD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Site:	State 1021-32H Pad	**MD Reference:**	GL 5280' & RKB 18' @ 5298.00ft (Pioneer 69)
Well:	State 1021-32H	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 2003.16 Multi-User Db

Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (ft)	Easting (ft)	Latitude	Longitude
State 1021-32H PBHL	0.00	0.00	9,136.00	0.00	0.00	14,495,150.33	2,041,944.19	39° 54' 22.741 N	109° 34' 5.711 W
- actual wellpath misses target center by 233.94ft at 9127.79ft MD (9123.27 TVD, -213.24 N, 95.38 E)									
- Point									

Design Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
514.00	513.98	-0.75	-3.85	First Anadarko Surface SS Survey
1,014.00	1,013.93	-6.20	-5.40	Last Andarko Surface SS Survey
1,899.00	1,898.69	-26.33	-1.28	First SDI Production MWD Survey
8,252.00	8,248.78	-169.69	75.99	Last SDI Production MWD Survey
9,136.00	9,131.47	-213.64	95.56	Projection To TD

Checked By: _____ Approved By: _____ Date: _____

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 Gas Well

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

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047391350000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6515 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 6/28/2011	☐ ACIDIZE	☐ ALTER CASING	✓ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ SPUD REPORT Date of Spud:	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
☐ DRILLING REPORT Report Date:	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Wellhead Repair

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

The operator requests approval to conduct wellhead/casing repair operations on the subject well location. Please find the attached procedure for the proposed repair work on the subject well location.

Approved by the Utah Division of Oil, Gas and Mining

Date: 07/11/2011

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Gina Becker	720 929-6086	Regulatory Analyst II
SIGNATURE N/A		**DATE** 6/28/2011

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WORKORDER #: 88119374

Name: STATE 1021-32H 6/23/2011
Surface Location: SENE Sec. 32, T10S, R21E
Uintah County, UT

API: 4304739135 LEASE#: ML-21577

ELEVATIONS: 5280' GL 5298' KB

TOTAL DEPTH: 9136' PBTD: 9080'

SURFACE CASING: 8 5/8", 28# J-55 @ 1837'

PRODUCTION CASING: 4 1/2", 11.6#, I-80 @ 9123'
TOC @ Surface per CBL

PERFORATIONS: Wasatch 5092' – 6752'
Mesaverde 7080' – 8699'

Tubular/Borehole	Drift inches	Collapse psi	Burst psi	Capacities		
				Gal./ft.	Cuft/ft.	Bbl./ft.
2.375" 4.7# J-55 tbg.	1.901	8100	7700	0.1624	0.02171	0.00387
4.5" 11.6# I-80	3.875	6350	7780	0.6528	0.0872	0.0155
8.625" 28# J-55	8.097	1370	2950	2.6223	0.3505	0.0624
Annular Capacities						
2.375" tbg. X 4 ½" 11.6# csg				0.4227	0.0565	0.01

GEOLOGICAL TOPS:

865' Green River
1590' Mahogany
4100' Wasatch
6952' Mesaverde

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STATE 1021-32H– WELLHEAD REPAIR PROCEDURE

PREP-WORK PRIOR TO MIRU:

1. Dig out down to the 2" surface casing valve or to the valve on the riser off the surface casing.
2. Install a tee with 2 valves, with a pressure gauge and sensor on one valve.
3. Open casing valve and record pressures.
4. Install nipple and steel hose on the other valve, the relief valve,. Do not use hammer unions. No impact equipment or tools to be used for any of this installation. Extend hose and hard piping to a downwind location at least 100' from the wellhead. Consider installing a manifold so that vent area could be in two locations approx. 90 degrees apart from the wellhead.
5. Open the relief valve and blow well down to the atmosphere.
6. Make a determination of amount of gas flow, either by installation of a choke nipple, bucket test or other.
7. Shut well in. Observe for rate of build-up by utilizing sensor data. Do not build-up for more than 24 hours. Vent gas through the vent line and leave open to the atmosphere.

WORKOVER PROCEDURE:

1. MIRU workover rig.
2. Kill well with 10# brine / KCL (dictated by well pressure).
3. Remove tree, install double BOP with blind and 2 3/8" pipe rams, with accumulator closing unit and manual back-ups. Function test BOP system.
4. POOH w/ tubing laying down extra tubing.
5. Rig up wireline service. RIH and set CBP @ ~5042'. Dump bail 4 sx cement on top of plug. POOH and RD wireline service. TIH w/ tubing and seating nipple. Land tubing ±60' above cement. RDMO.
6. Monitor well pressures. If surface casing is dead. MIRU. ND WH and NU BOP. POOH w/ tubing.
7. Depending on conditions at wellsite, continue with either CUT/PATCH Procedure or BACK-OFF Procedure.

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CUT/PATCH PROCEDURE:

1. PU internal casing cutters and RIH. Cut casing at +/- 30' from surface.

2. POOH, LD cutters and casing.

3. PU 7 3/8" overshot with 4 ½" right hand standard wicker grapple, 1 - 4 ¾" drill collar with 3 ½" IF threads, pup joint, manual bumper sub, and crossovers. If casing cut is deeper than ±30' utilize >7000 ft-lb torque pipe as needed. Pull a minimum of 10,000# to keep grapple engaged if cement top is high (<~900'). If cement top is low (>~900'), more weight will be required to put casing in neutral. Torque casing string to ±7000 ft-lbs, count number of turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ±7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out, release overshot, POOH, and lay down.

4. TIH w/ skirted mill and dress off the fish top for approximately ½ hour. TOOH.

5. PU & RIH w/ 4 ½" 10k external casing patch on 4 ½" P-110 casing. Ensure that sliding sleeve assembly shifts ±3' and casing tags no-go portion of patch. NOTE: Shear pins will shear at 3500 to 4500 lbs.

6. Latch fish, PU to 100,000# tension. RU B&C. Cycle pressure test to 3500 psi.

7. Install slips. Land casing w/ 80,000# tension.

8. Cut-off and dress 4 ½" casing stub.

9. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~4992'. Clean out to PBTD (9080').

10. POOH, land tbg and pump off POBS.

11. NUWH, RDMO. Turn well over to production ops.

BACK-OFF PROCEDURE:

1. PU internal casing cutters and RIH. Cut casing at +/- 6' from surface.

2. POOH, LD cutters and casing.

3. PU 4 ½" overshot. RIH, latch fish. Pick string weight to neutral.

4. MIRU casing crew and wireline services. RIH and shoot string shot at casing collar @ ± 46'.

5. Back-off casing, POOH.

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6. PU new casing joint with buttress threads and entry guide and RIH. Tag casing top. Thread into casing and torque up to ±7000 ft-lbs, count number of additional turns to make-up, and document in the daily report. Ensure that tongs are safely anchored to rig and that all personnel are at a safe working distance from the tongs during torque-up and torque release. After initial make-up, place pipe torque to neutral and mark pipe. Place ±7000 ft-lbs on casing a second time, count turns, then return pipe torque to neutral and count turns. Repeat if torque-up turns do not equal torque release turns. Once torque-in equals torque-out go to step 7.

7. PU 100,000# tension string weight. RU B&C. Cycle pressure test to 3500 psi.

8. Install slips. Land casing w/ 80,000# tension.

9. Cut-off and dress 4 ½" casing stub.

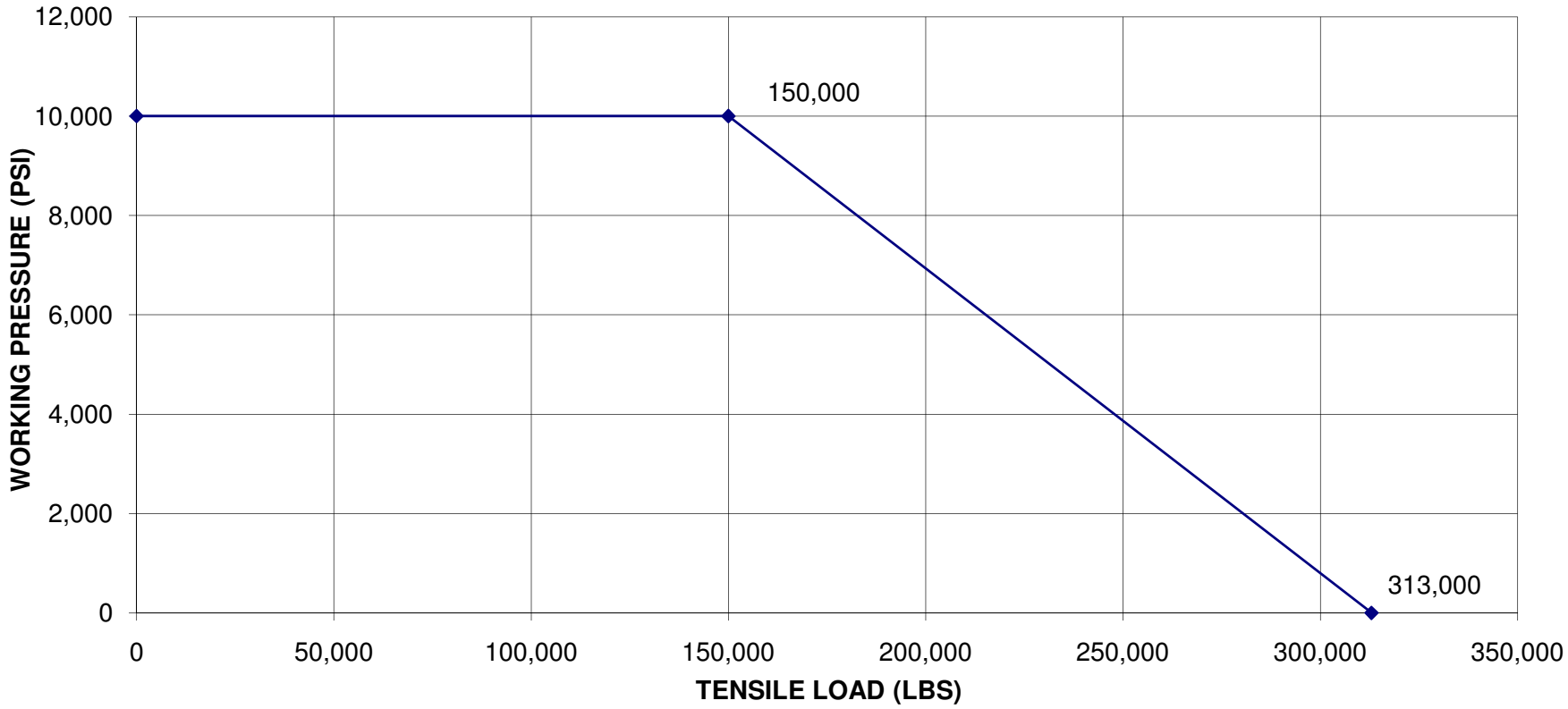
10. NUWH. PU 3 7/8" bit, POBS and RIH. D/O cement and plug ~4992'. Clean out to PBTD (9080').

11. POOH, land tbg and pump off POBS.

12. NUWH, RDMO. Turn well over to production ops.

RECEIVED Jun. 28, 2011

STRENGTH DATA FOR LOGAN 5.88" OD "L" TYPE CSG PATCH
4-1/2 CASING, 10K PSI MAX WP 125K YIELD MAT'L
LOGAN ASSEMBLY NO. 510L-005 -000



COLLAPSE PRESSURE:
11,222 PSI @ 0 TENSILE
8,634 PSI @ 220K TENSILE

Tensile Strength @ Yield:
Tensile Strength w/ 0 Int. Press.= 472,791lbs.
Tensile Strength w/ 10K Int. Press.= 313,748lbs.

DATA BY SLS 11/16/2009

Logan High Pressure Casing Patches
Assembly Procedure

All parts should be thoroughly greased before being assembled.

1. Install all four Logan Type “L” Packers in the spaces provided in the Casing Patch Bowl. Refer to diagram provided for proper installation.

2. Install Packer Protector from the Basket Grapple end of the Bowl. The beveled end of the Packer Protector goes in first. Carefully push the Packer Protector through the four Type “L” Packers.

3. Align Shear Pin Holes in Packer Protector so that the holes have just passed into the counter bore at the Top Sub end, refer to diagram. The Packer Protector is provided with four Shear Pin Holes. Use only two holes, 180 degrees apart and install the pins.

4. Screw the Basket Grapple in from the lower end of the Bowl, using left-hand rotation. The Tang Slot in the Basket Grapple must land in line with the slot in the Bowl.

5. Insert the Basket Grapple Control into the end of the Bowl. Align Tang on the Basket Grapple Control with the Tang Slot of the Bowl and Basket Grapple. This secures the Bowl and the Basket Grapple together.

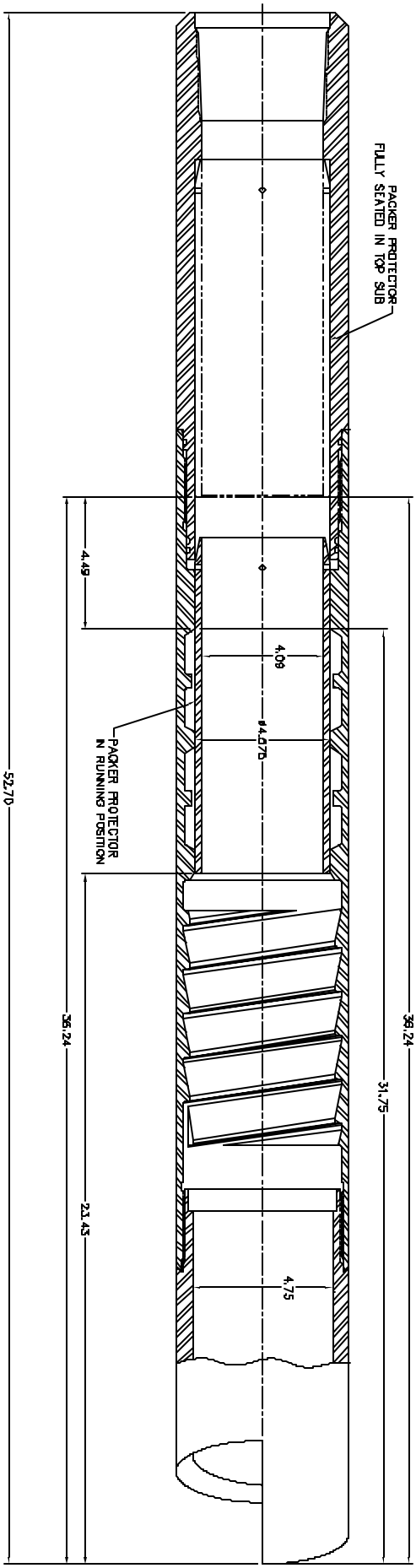
6. Install the Cutlipped Guide into the lower end of the Bowl.

7. Install O-Rings on the two five-foot long Extensions. Screw the first Extension into the top end of the Bowl. Screw the second Extension into the top end of the first Extension.

8. Install O-Ring on Top Sub. Screw Top Sub into top end of second Extension.

Follow recommended Make-Up Torque as provided in chart.

RECEIVED Jun. 28, 2011



510L-005-001 4-1/2" LOGAN HP CASING PATCH

RECEIVED Jun. 28, 2011

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

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Gas Well

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

2. NAME OF OPERATOR:
KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER:
43047391350000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6515

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☑ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 10/11/2011	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☑ OTHER	OTHER:

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

The operator has concluded the wellhead/casing repairs on the subject well location. Please see the attached chronological history for the details of the operations.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
January 24, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jaime Scharnowske	720 929-6304	Regulartory Analyst
SIGNATURE		**DATE**
N/A		1/24/2012

RECEIVED: Jan. 24, 2012

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud Date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig Name No: SWABBCO 1/1
Event: WELL WORK EXPENSE	Start Date: 10/8/2011	End Date: 10/11/2011
Active Datum: RKB @5,298.01ft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
10/8/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA= WELL CONTROL
	7:15 - 17:00	9.75	WO/REP	30		P		FWP= 100 PSI MIRU CONT TUBING W/ 20 BBLS TMAC ND W/H NU BOPS RU FLOOR & TUBING EQUIP CONTROL CSG W/ 20 BBLD TMAC UNLAND TUBING LD HNGR POOH W/ 190 JNTS 2-3/8" J-55 TUBING BTM 2 JNTS HEAVY SCALE LD BHA RU W/L RIH W/ GUAGE RNG TO 5100' PU 10K CIBP RIH SET @ 5040' DUMP BAIL 2 SKS CEM ON BP FILL HOLE W/ TMAC PRESS TEST TO 500# SIW PREP TO REPAIR W/H MON SDFW
10/10/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA= WELLHEAD REMOVAL
	7:15 - 17:00	9.75	WO/REP	30		P		SIWP=0 PSI ND BOPS N D WELLHEAD RU PWR SWVL RUN PLUMB BOB DWN SURFACE TAG CEM @ 15' PU INT CUTTER RIH CUT CSG BELOW HNGR PU OVERSHOT RIH OVER CSG RU W/L & CSG TONGS APPLY LH TORQUE SET OFF STRING SHOT B/O PUP POOH PU NEW 10' PUP RIH THREAD ONTO CSG 14 RNDS TORQUE TO 6000# PULL 90000# RD W/L & TONGS RU TESTER TEST TO 3500# 30 MIN SET SLIPS NU WELLHEAD & BOPS RU FLOOR & TUBING EQUIP PU 3-7/8" BIT RIH TAG TOC W/ 161 JNTS @ 5020' RU PWR SWVL & DRILLING HEAD PREP TO D/O W/ FOAM/ AIR UNIT IN AM SIW SDFN
10/11/2011	7:00 - 7:15	0.25	WO/REP	48		P		JSA= FOAMING
	7:15 - 17:00	9.75	WO/REP	30		P		SIWP= 0 PSI EST CIRC W/ N2 FOAM UNIT DRILL THRU CEM & 10K CIBP @ 5040' CIRC CLEAN CONTINUE TO RIH TO 8900' DIDNT TAG POOH LD 91 JNTS LAND TUBING ON HNGR W/ 190 JNTS EOT @ 6005.60' PUMP OFF BIT RU RIH W/ BROACH TO XN NPL RD FLOOR & TUBING EQUIP ND BOPS NU WELLHEAD SIW RD RIG & EQUIP MOVE TO STATE 1021-32O SPOT EQUIP SDFN

RECEIVED: Jan. 24, 2012

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. 72 wells 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

(5/2000)

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

API	Well Name	QTR/QTR	orig entity Section	TWNSHP	RANGE	Producing Intervals
4304737079	FEDERAL 920-25I	NESE	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 MVRD
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	14982	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	14097	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	SENW	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 MVRD
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 MVRD
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	SENW	16560	33	10S	22E	WASATCH/MESAVERDE from WSTC
4304737107	FEDERAL 1022-33K	NESW	16124	33	10S	22E	WASATCH/MESAVERDE
4304737109	FEDERAL 1022-33N	SESW	16126	33	10S	22E	WASATCH/MESAVERDE
4304737110	FEDERAL 1022-33B	NWNE	16561	33	10S	22E	WASATCH/MESAVERDE
4304735810	STATE 1021-36E	SWNW	14295	36	10S	21E	WASATCH/MESAVERDE

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-21577

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

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

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047391350000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6524

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1808 FNL 0650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SENE Section: 32 Township: 10.0S Range: 21.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 1/28/2016	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☑ OTHER	OTHER: TUBING OBSTRUCTION

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

A WORKOVER FOR TUBING OBSTRUCTION HAS BEEN COMPLETED ON THE STATE 1021-32H WELL. PLEASE SEE THE ATTACHED OPERATIONS SUMMARY REPORT FOR DETAILS.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
February 03, 2016

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Kristina Geno	720 929-6824	Regulatory Analyst
SIGNATURE N/A		**DATE** 2/1/2016

RECEIVED: Feb. 01, 2016

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig name no.: GWS 1/1
Event: WELL WORK EXPENSE	Start date: 1/13/2016	End date: 1/25/2016
Active datum: RKB @5,298.00usft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
1/13/2016	6:45 - 7:00	0.25	MAINT	48				HSM.
	7:00 - 10:00	3.00	MAINT	30	G	P		ROAD RIG F/ 1022-10O3BS.
	10:00 - 12:00	2.00	MAINT	30	A	P		MIRU RIG & SPOT RIG EQUIP.
	12:00 - 17:30	5.50	MAINT	31	I	P		FWP = 50 PSI. BLOW WELL DWN. ND WH, NU BOP. RU RIG FLOOR & TBG EQUIP. UNLAND TBG. LD 7 1/16 TBG HNGR. PREP & TALLY NEW 2 3/8 P-110. RIH W/ 34 JTS & TAG @ 7061'. (BTM PERF @ 8699', PBTD @ 9079') POOH LD 34 JTS. SWI. SPOT PIPE RACKS & PIPE WRANGLE. PREP T/ SCAN TBG IN THE MORNING. SDFN.
1/14/2016	6:45 - 7:00	0.25	MAINT	48		P		HSM
	7:00 - 11:00	4.00	MAINT	45	A	P		SICP = 235 PSI. BLOW WELL DOWN. MIRU SCAN TECH. SCAN 190 JTS 2 3/8 J-55 OOH. LD XN. FOUND 174 YB, 5 BB, 1 DBB, 10 RB. THERE WAS LIGHT OD SCALE F/ JT 71- 188. HEAVY OD SCALE ON 189-190. JT 188 LIGHT ID SCALE, JT 189 HAD STUCK TOOLS IN IT. RDMO SCAN TECH.
	11:00 - 17:00	6.00	MAINT	31				PU 3 7/8 MILL, POBS. RIH W/ 214 JTS 2 3/8 TBG, TAG SCALE @ 6778'. RU DRL EQUIP. SWIFWE. READY T/ CO MONDAY. WINTERIZE WH & RIG EQUIP. SDFWE.
1/18/2016	6:45 - 7:00	0.25	MAINT	48		P		HSM.
	7:00 - 17:00	10.00	MAINT	44	D	P		SICP = 300 PSI. BLOW WELL DOWN. BRK CONV CIRC W/ FU/N2 (1hr 10 min T/ GET RETURNS) BEG CO F/ 6778'. CO 525' T/ 7303'. CIRC WELL CLEAN. SHUT DOWN FU/N2. POOH W/ 9 JTS TBG. PUMP 10 BBL DOWN TBG. TAKE OUT STRING FLOAT. EOT @ 7081'. SWIFN.
1/19/2016	6:45 - 7:00	0.25	MAINT			P		HSM
	7:00 - 8:30	1.50	MAINT	31	I	P		SICP = 525 PSI. BLW WELL DWN T/ FBT. PUMP 10 BBLS DOWN TBG. RIH W/ 9 JTS. RU DRL EQUIP.

RECEIVED: Feb. 01, 2016

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig name no.: GWS 1/1
Event: WELL WORK EXPENSE	Start date: 1/13/2016	End date: 1/25/2016
Active datum: RKB @5,298.00usft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
	8:30 - 16:30	8.00	MAINT	44	D	P		BRK CONV CIRC W/ FOAM UNIT (1hr 10 min T/ GET RETURNS) CONT MILLING F/ 7303' STOP MAKING HOLE @ 7376'. VERY HARD MILLING @ 7376'. CIRC WELL CLN. STD BK DRL EQUIP. POOH W/ 234 JTS 2 3/8 TBG. LD BIT SUB & 3 7/8 MILL. FOUND METAL CHUNK IN CENTER PORT OF MILL AND MILL WAS WORE IN THE MIDDLE IN A POBS BALL SHAPE. SWIFN. PU 3 7/8 WO SHOE IN THE MORNING. WINTERIZE WH & RIG EQUIP.
1/20/2016	6:45 - 7:00	0.25	MAINT	48		P		HSM.
	7:00 - 9:30	2.50	MAINT	46	E	P		SICP = 916 PSI. BLW WELL DWN. PU 3 7/8 WO SHOE W/ 2' EXT. WHILE MAKING UP TOOL JTS, OVER TORQUE TOOL JT & FLARED FEMALE END. WAIT FOR NEW XOVER.
	9:30 - 11:30	2.00	MAINT	31	I	P		PUMP 20 BBLS DWN CSG. PU NEW 3 7/8 WO SHOE W/ 2' EXT. RIH W/ 233 JTS TBG.
	11:30 - 18:00	6.50	MAINT	44	D	P		RU DRL EQUIP. BRK CONV CIRC W/ FU. 1hr 30 min T/ GET RETURNS. WO OLD POBS @ 7376' FOR 20 MIN (OLD POBS) STARTED MAKING HOLE. MILL DWN T/ 7591', TOTAL MILLED T/DAY = 215'. (1109' T/ BTM PERF) CIRC WELL CLN. STD BCK DRL EQUIP. POOH LD 7 JTS. EOT @ 7401'. SWIFN. WINTERIZE WH & RIG EQUIP. SDFN.
1/21/2016	6:45 - 7:00	0.25	MAINT	48		P		HSM.
	7:00 - 8:00	1.00	MAINT	49	A	P		MAKE REPAIRS T/ RIG.
	8:00 - 11:30	3.50	MAINT	31	I	P		SICP = 900 PSI. BLW WELL DWN. PUMP 10 BBLS DWN TBG. RIH W/ 8 JTS. RU DRL EQUIP. BRK CONV CIRC W/ FU. 1hr 30min T/ GET RETURNS.
	11:30 - 16:00	4.50	MAINT	44	D	P		CONT MILL F/ 7591'. MILL DWN T/ 7763', FELL FREE. CONT RIH T/ 8824' = 124' OF RAT HOLE. CIRC WELL CLEAN W/ FU/N2 UNIT (1hr 20 min T/ GET BTM UP). RD DRL EQUIP.
	16:00 - 17:30	1.50	MAINT	31	I	P		POOH LD 33 JTS 2 3/8 P-110 TBG. EOT @ 7736'. SWIFWE. WINTERIZE WH & RIG EQUIP. SDFWE.
1/25/2016	6:45 - 7:00	0.25	MAINT	48		P		HSM.
	7:00 - 8:30	1.50	MAINT	46	C	P		WELL HEAD FROZE.

RECEIVED: Feb. 01, 2016

US ROCKIES REGION

Operation Summary Report

Well: STATE 1021-32H	Spud Conductor: 3/7/2010	Spud date: 4/11/2010
Project: UTAH-UINTAH	Site: STATE 1021-32H	Rig name no.: GWS 1/1
Event: WELL WORK EXPENSE	Start date: 1/13/2016	End date: 1/25/2016
Active datum: RKB @5,298.00usft (above Mean Sea Level)	UWI: STATE 1021-32H	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
	8:30 - 12:00	3.50	MAINT	31	I	P		SICP = 750 PSI. BLW WELL DWN T/ FBT. PUMP 10 BBLS DWN TBG. FINISH LD EXESS TBG (54 JTS P-110). STD BCK 54 JTS 2 3/8 P-110, 6' P-110 PUP JT & 179 JTS 2 3/8 J-55. LD 2' WO EXT & WO SHOE. FOUND OLD POBS IN WO SHOE.
	12:00 - 17:30	5.50	MAINT	31	I	P		PU 1.875 XN/NC. RIH W/ 179 JTS 2 3/8 J-55, 6' P-110 PUP JT, 54 JTS 23/8 P-110 TBG. RU BROACH EQUIP. BROACH TBG. ALL TBG BROACHED GOOD. RD BROACH EQUIP. PU 7 1/16 TBG HNGR. LAND TBG. EOT @ 7410'. RD TBG EQUIP & RIG FLOOR. ND BOP, NU WH. SWI. RACK OUT RIG EQUIP. RD RIG. READY T/ ROAD RIG IN THE :AM. SDFN.
1/26/2016	6:54 - 7:00	0.10	MAINT	48		P		HSM.
	7:00 - 11:00	4.00	MAINT	31	H	P		RU FU/N2 T/ TBG. OPEN CSG T/ FBT. UNLOAD WELL W/ FU/N2. 1hr 30min T/ GET RETURNS. UNLOAD 70 BBLS W/ FU/N2. SWI FOR PSI BUILD UP. RDMO WTF FU/N2 UNITS. NOTE - THIS WELL WILL NEED T/ BE PURGED BEFORE GOING T/ SALES.
1/27/2016	7:00 - 14:00	7.00	PROD	42		P		SWABBING FL 3800
1/28/2016	7:00 - 19:00	12.00	PROD	42		P		SWABBING FL 3900

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