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

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO: ML-20714	6. SURFACE: State
7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
8. UNIT or CA AGREEMENT NAME: UNIT #891008900A	
9. WELL NAME and NUMBER: NBU 1022-19P	
10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 10S 22E	
12. COUNTY: UINTAH	13. STATE: UTAH

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

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

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

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078 PHONE NUMBER: (435) 781-7024

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 766'FSL, 298'FEL 630458X 39.929140
AT PROPOSED PRODUCING ZONE: 4420798Y -109.473314

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 29.45 MILES SOUTH OF OURAY, UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
298'	320.00	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	8,680	RLB0005237
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
5296'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 32.3# H-40	1,900	265 SX CLASS G 1.18 YIELD 15.6 PPG
7 7/8"	4 1/2 11.6# I-80	8,680	1810 SX CLASS G 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
☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
☑ COMPLETE DRILLING PLAN
☐ 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 2/23/2007

(This space for State use only)

API NUMBER ASSIGNED: 43-047-39139

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:

Date: 04-24-07

By: [signature]

(See Instructions on Reverse Side)

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

(11/2001)

Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1022-19P, located as shown in the SE 1/4 SE 1/4 of Section 19, T10S, R22E, S.L.B.&M., Uintah County, Utah.

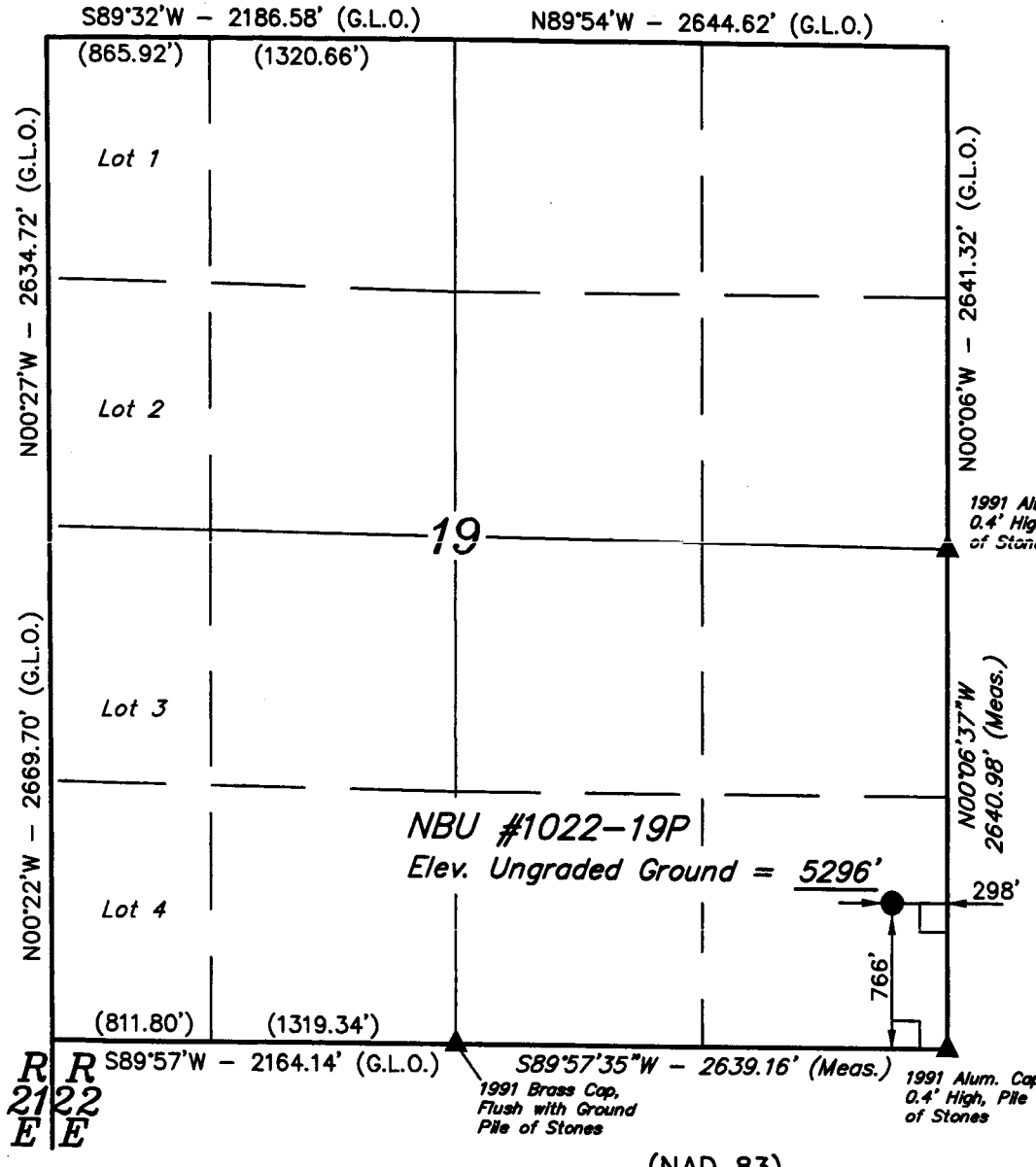
BASIS OF ELEVATION

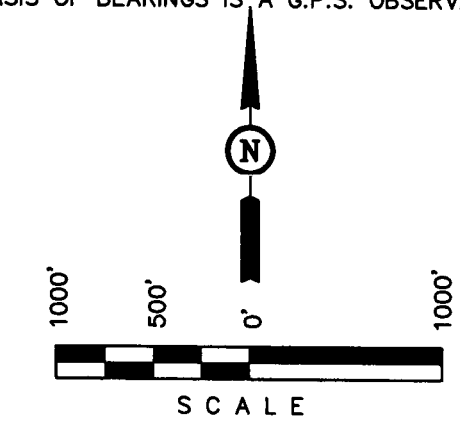
TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING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

BASIS OF BEARINGS

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

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





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°55'45.34" (39.929261)
LONGITUDE = 109°28'26.72" (109.474089)

(NAD 27)
LATITUDE = 39°55'45.46" (39.929294)
LONGITUDE = 109°28'24.26" (109.473406)

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

SCALE: 1" = 1000'	DATE SURVEYED: 01-02-07	DATE DRAWN: 01-05-07
PARTY: B.B. B.B. L.K.	REFERENCES: G.L.O. PLAT	
WEATHER: COLD	FILE: Kerr-McGee Oil & Gas Onshore LP	

NBU 1022-19P
SE/SE SEC. 19, T10S, R22E
UINTAH COUNTY, UTAH
ML-20714

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

Formation	Depth
Uinta	0- Surface
Green River	992'
Top of Birds Nest Water	1295'
Mahogany	1851'
Wasatch	4109'
Mesaverde	6610'
MVU2	7621'
MVL1	8184'
TD	8680'

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

Substance	Formation	Depth
	Green River	992'
Water	Top of Birds Nest Water	1295'
	Mahogany	1851'
Gas	Wasatch	4109'
Gas	Mesaverde	6610'
Gas	MVU2	7621'
Gas	MVL1	8184'
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 8680' TD, approximately equals 5382 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3472 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.

KerrMcGee

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	February 26, 2007	
WELL NAME	**NBU 1022-19P**		TD	8,680' MD/TVD	
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	ELEVATION	5,296' GL KB 5,311'
SURFACE LOCATION	SE/SE SEC. 19, T10S, R22E 766'FSL, 298'FEL			BHL	Straight Hole
	Latitude: 39.929261	Longitude: 109.474089			
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM (SURF & MINERALS), BLM,Tri-County Health Dept.				

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'	14"		
			12-1/4"	9-5/8", 32.3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 4,109'					
	Green River @	**0,992'**			
	Top of Birds Nest Water @	**1295'**			
	Mahogany @	**1,851'**			
	Preset f/ GL @	**1,900' MD**			
	Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the acutal depth of the loss zone.				
Mud logging program TBD					Water/Fresh Water Mud
Open hole logging program f/ TD - surf csg			7-7/8"	4-1/2",11.6#, I-80 or equivalent LTC casing	8.3-11.3 ppg
	Wasatch @	**4,109'**			
	Mverde @	**6,610'**			
	MVU2 @	**7,621'**			
	MVL1 @	**8,184'**			
	TD @	**8,680'**			Max anticipated Mud required 11.3 ppg

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						2270	1370	254000
SURFACE	9-5/8"	0	to	1900	32.30	H-40	STC	0.71********	1.54	4.73
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	8680	11.60	I-80	LTC	2.44	1.25	2.29

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.3 ppg) .22 psi/ft = gradient for partially evac wellbore

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

MASP 3191 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	3,600'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	390	60%	11.00	3.38
	TAIL	5,080'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1420	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.

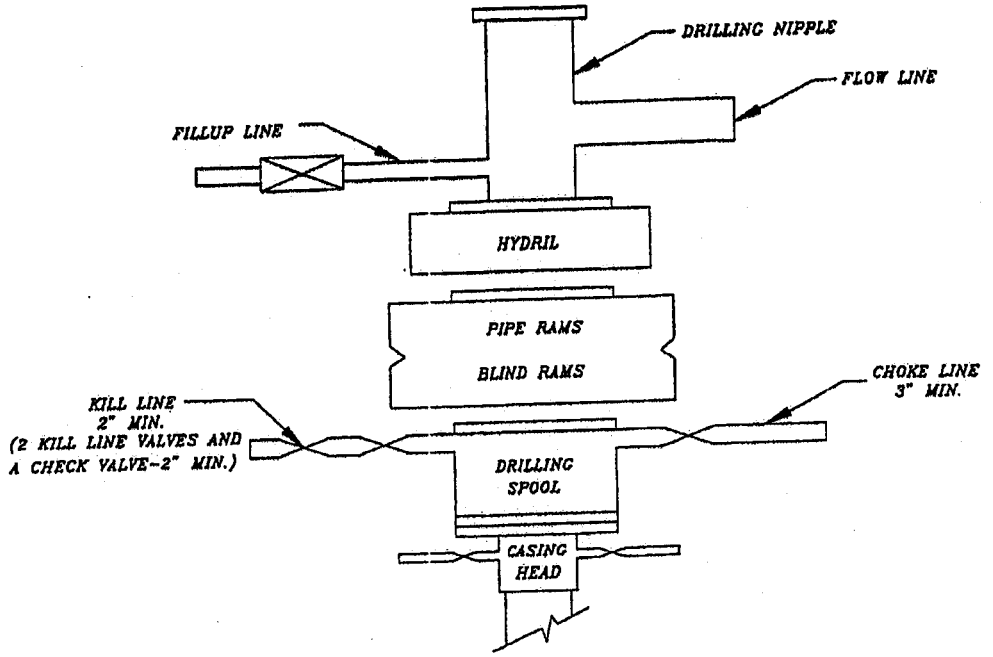
DRILLING ENGINEER: _____ **DATE:** _____

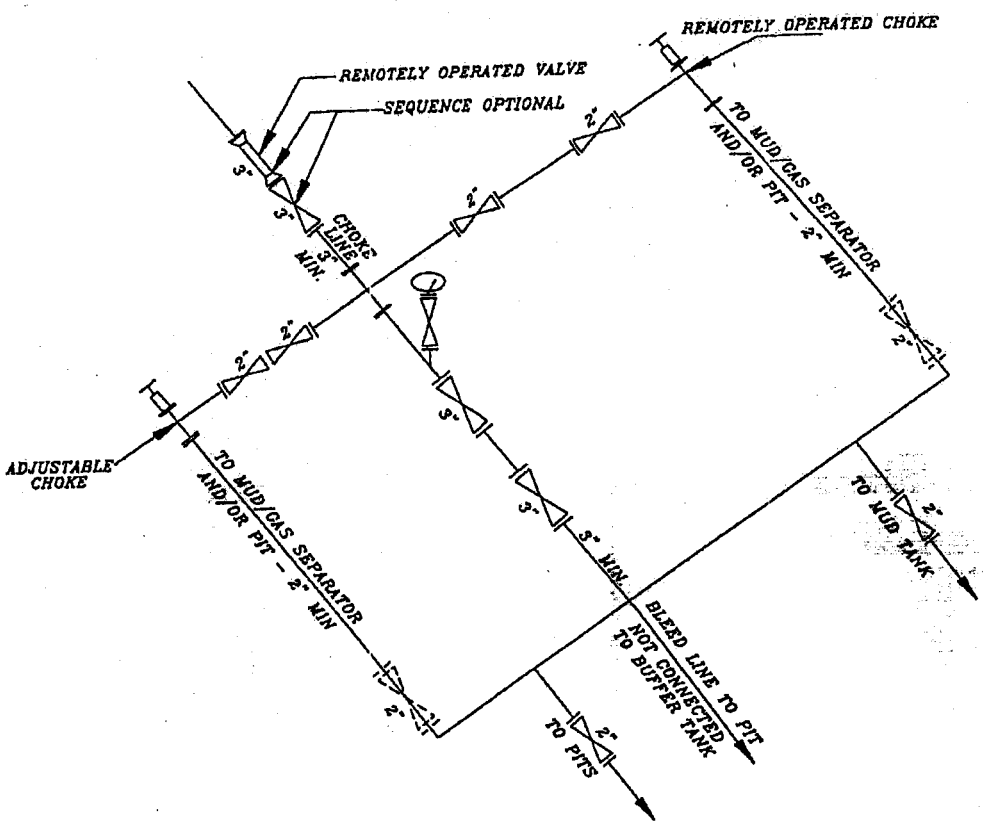
Brad Laney

DRILLING SUPERINTENDENT: _____ **DATE:** _____

Randy Bayne

5M BOP STACK and CHOKE MANIFOLD SYSTEM





NBU 1022-19P
SE/SE SEC. 19, T10S, R22E
Uintah County, UT
ML-20714

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 0.1 +/- 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 800' +/- of 4" steel pipeline is proposed. Please refer to the attached Topo Map D for pipeline placement.

Approximately 1400' +/- of 4" steel pipeline is proposed. Refer to the attached Topo Map D for pipeline placement.

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

2/26/2007
Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-19P
SECTION 19, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 8.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1022-19I TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 400' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 51.55 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-19P

LOCATED IN UINTAH COUNTY, UTAH
SECTION 19, T10S, R22E, S.L.B.&M.

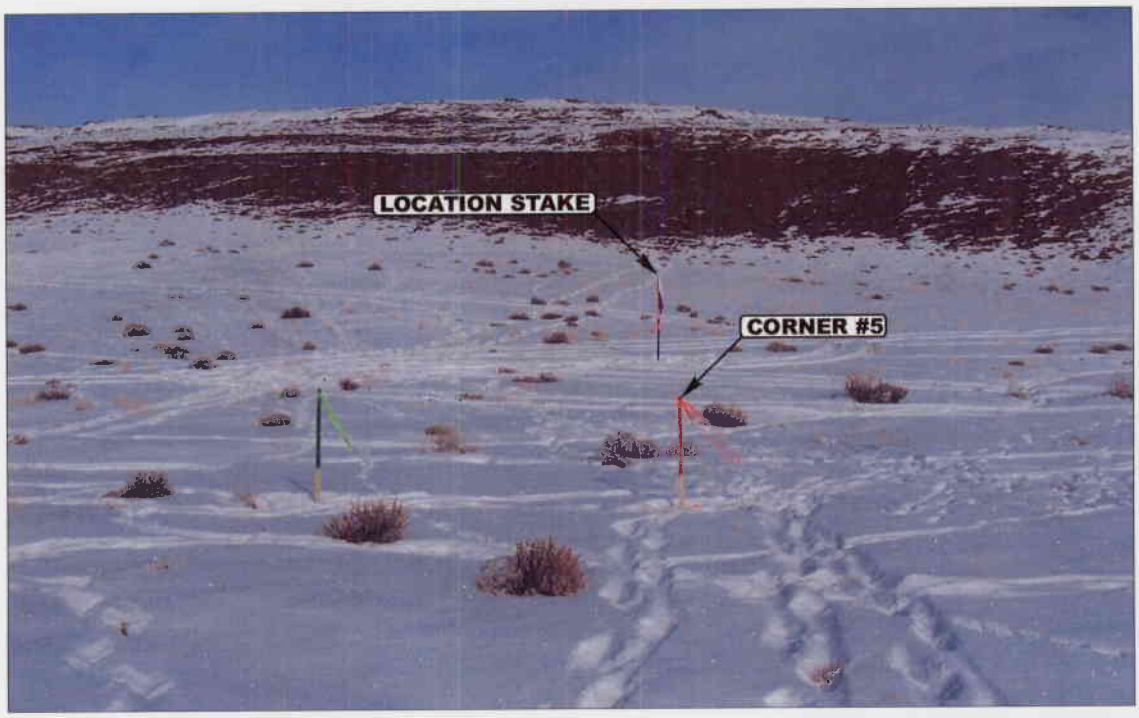
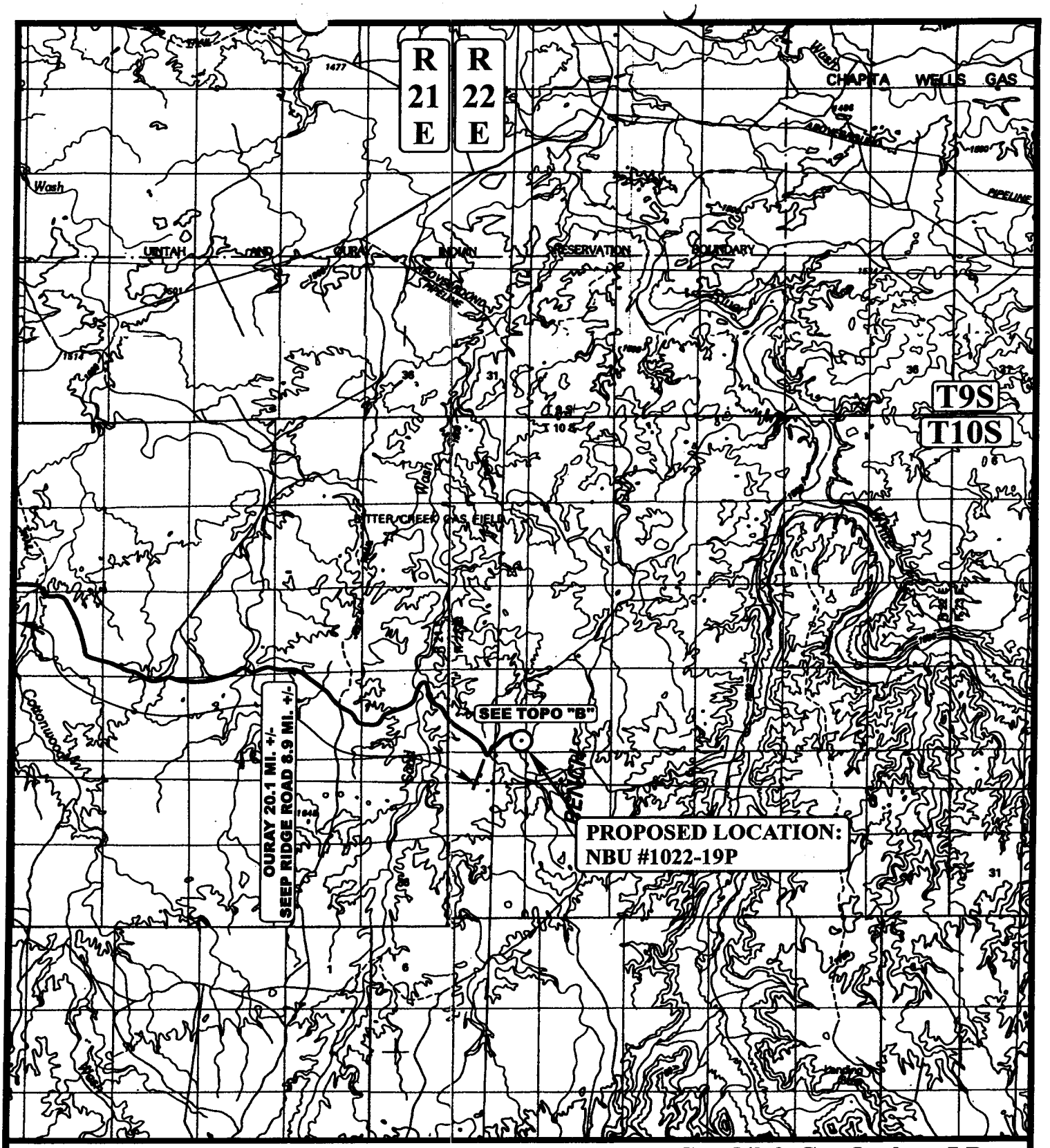


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHEASTERLY**

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

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

LOCATION PHOTOS	01 MONTH	03 DAY	07 YEAR	PHOTO
TAKEN BY: B.B.	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

⊙ PROPOSED LOCATION

N

Kerr-McGee Oil & Gas Onshore LP

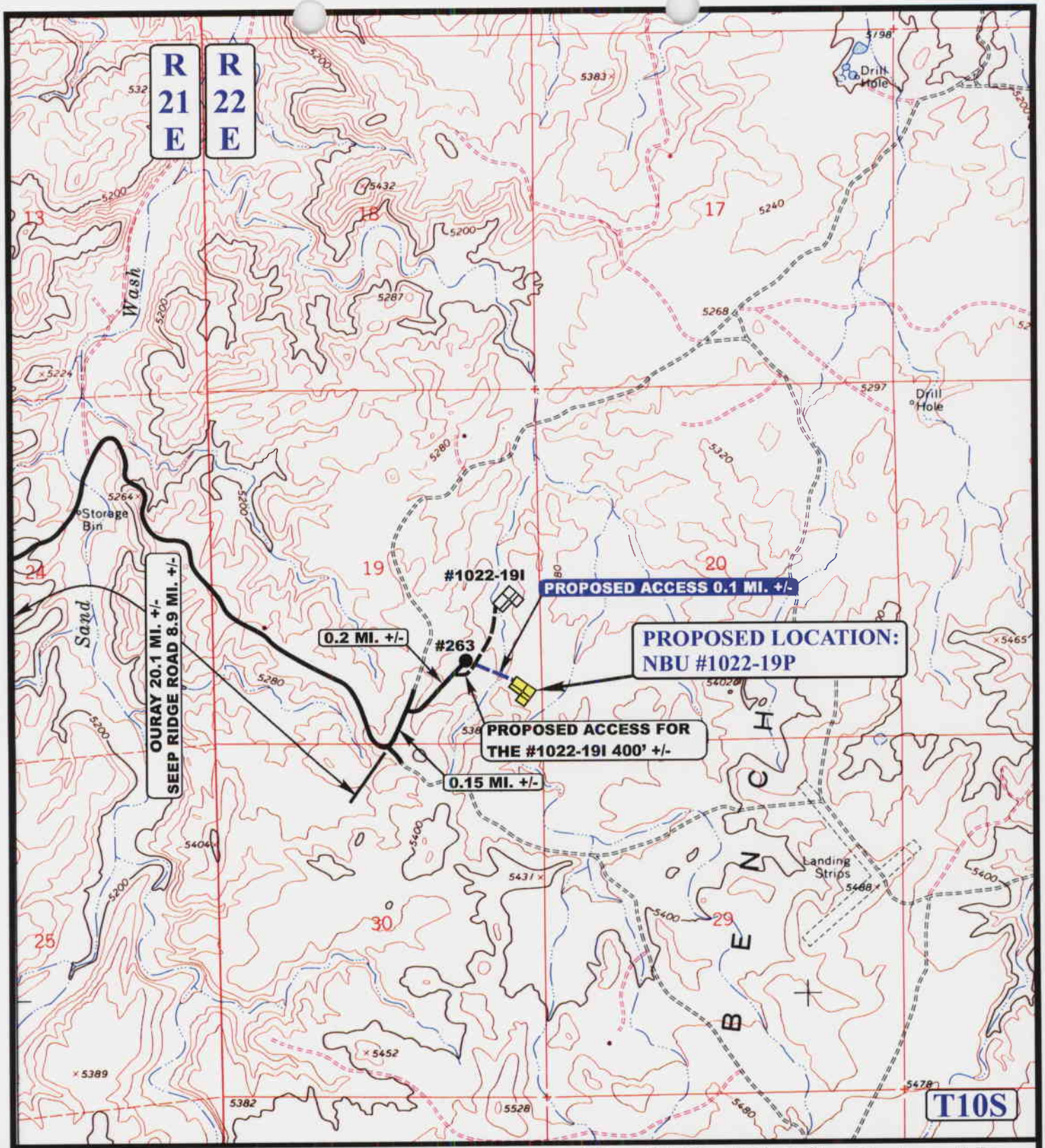
NBU #1022-19P

SECTION 19, T10S, R22E, S.L.B.&M.

766' FSL 298' FEL

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

TOPOGRAPHIC MAP	01 MONTH	03 DAY	07 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

N

Kerr-McGee Oil & Gas Onshore LP

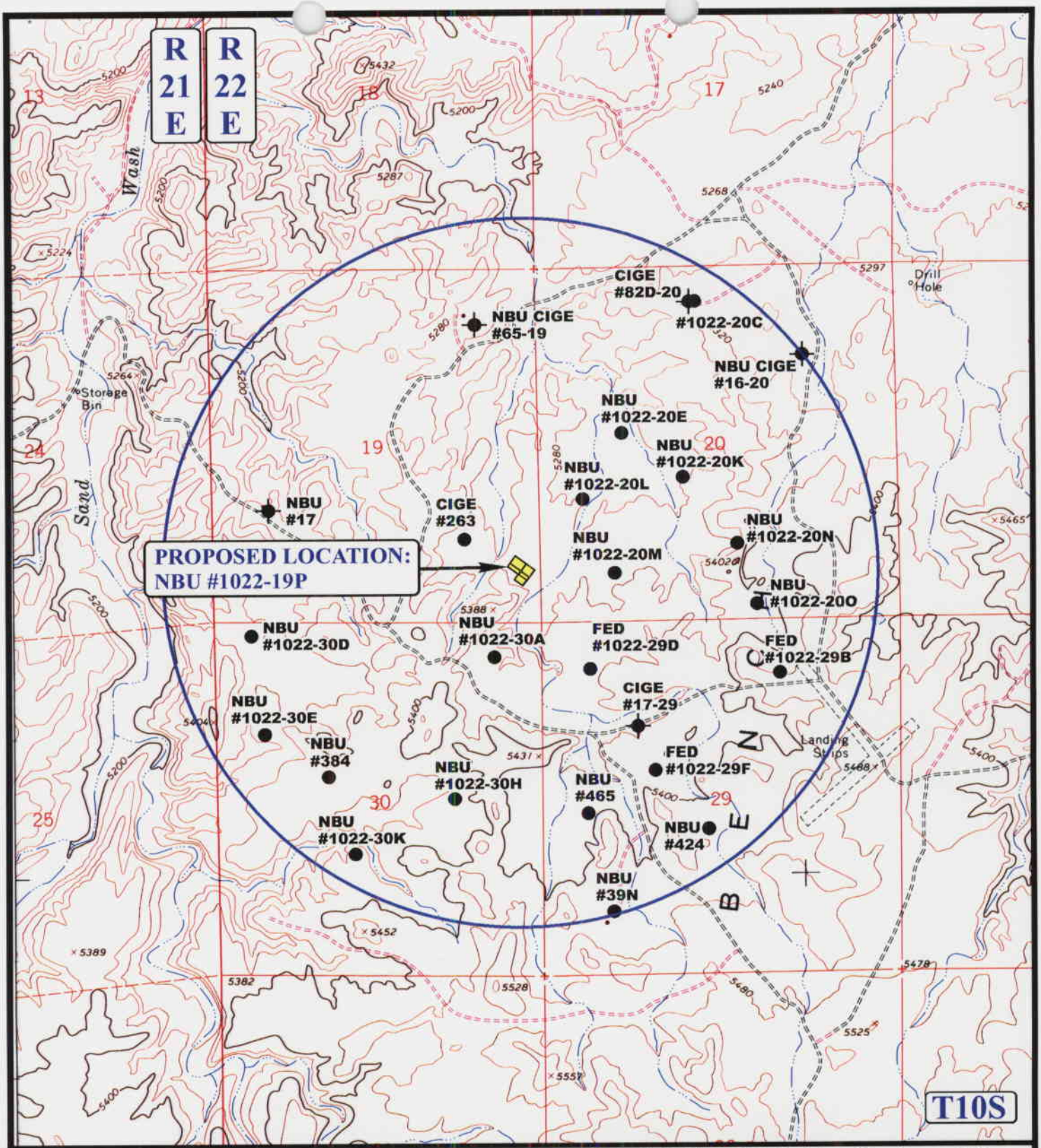
NBU #1022-19P

SECTION 19, T10S, R22E, S.L.B.&M.

766' FSL 298' FEL

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

TOPOGRAPHIC MAP	01 MONTH	03 DAY	07 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: B.C.	REVISED: 00-00-00		



LEGEND:

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

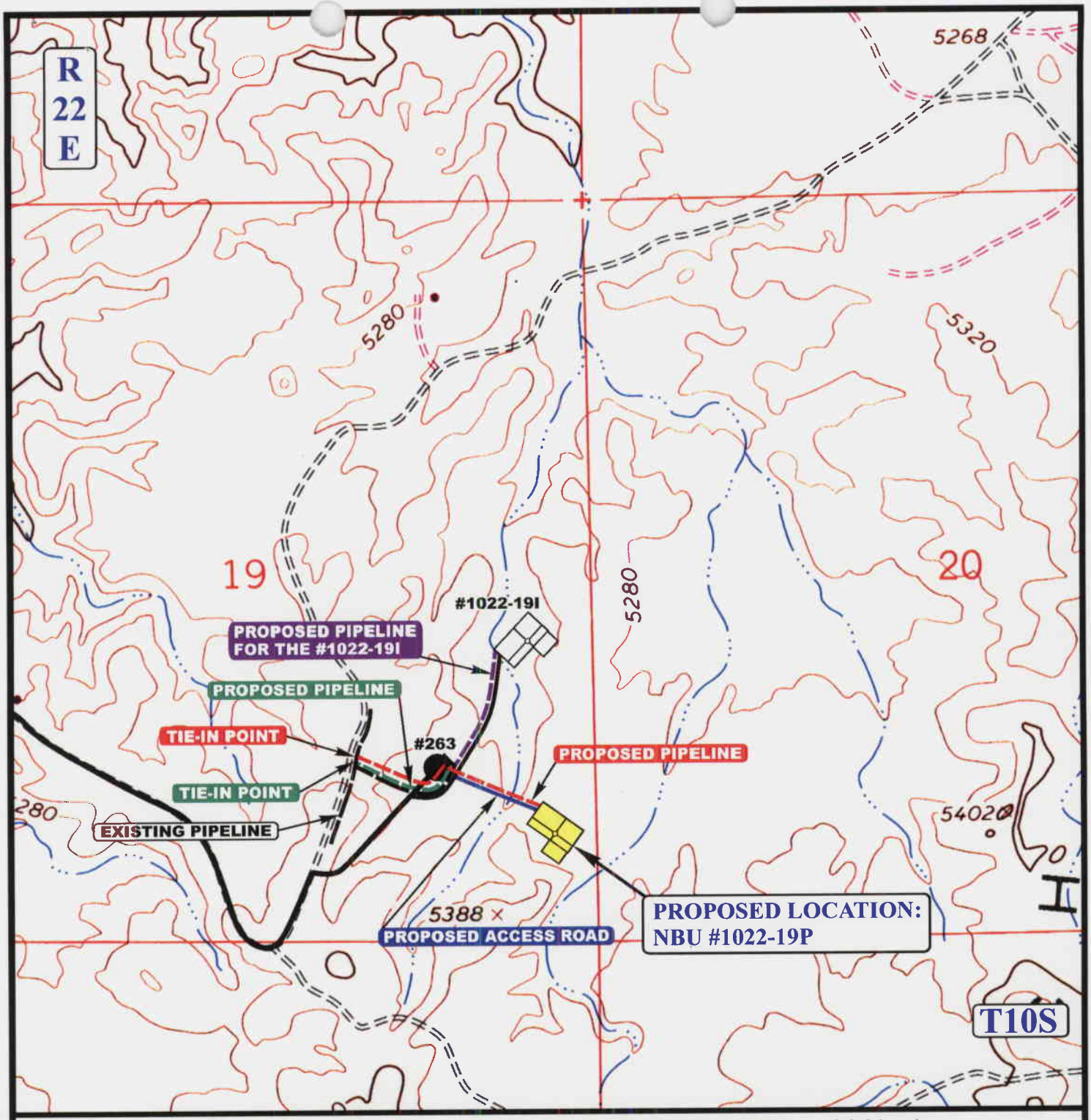
N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-19P
SECTION 19, T10S, R22E, S.L.B.&M.
766' FSL 298' FEL

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

TOPOGRAPHIC MAP	01 MONTH	03 DAY	07 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: B.C.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 800' +/-

APPROXIMATE TOTAL PIPELINE DISTANCE = 1,400' +/-

LEGEND:

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

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-19P
SECTION 19, T10S, R22E, S.L.B.&M.
766' FSL 298' FEL

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

TOPOGRAPHIC MAP	01 MONTH	03 DAY	07 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: B.C.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-19P

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH
SECTION 19, T10S, R22E, S.L.B.&M.

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

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

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

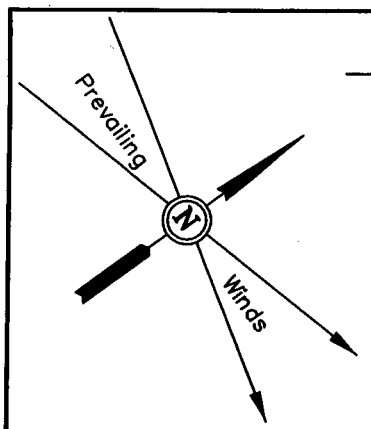
PIPELINE PHOTOS	01 MONTH	03 DAY	07 YEAR	PHOTO
TAKEN BY: B.B.	DRAWN BY: B.C.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

NBU #1022-19P
SECTION 19, T10S, R22E, S.L.B.&M.
766' FSL 298' FEL



SCALE: 1" = 50'
DATE: 01-05-06
Drawn By: L.K.

Approx. Toe of Fill Slope

Existing Drainage

Proposed Access Road

F-2.7'
El. 292.4'

C-3.9'
El. 299.0'

C-3.4'
El. 298.5'

Sta. 3+50

CONSTRUCT DIVERSION DITCH

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

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

Pit Topsoil

C-0.1'
El. 295.2'

Bloole Line

El. 300.8'
C-15.7'
(btm. pit)

Reserve Pit Backfill & Spoils Stockpile

15' WIDE BENCH

RESERVE PITS
(10' Deep)

Total Pit Capacity W/2' of Freeboard = 9,850 Bbls. ±
Total Pit Volume = 2,780 Cu. Yds.

SLOPE 1 1/2 : 1

Sta. 0+25

El. 301.3'
C-16.2'
(btm. pit)

15' WIDE BENCH

PIPE TUBS

CATWALK

PIPE RACKS

C-0.6'
El. 295.7'

RIG

MUD TANKS

DOG HOUSE

C-0.2'
El. 295.3'

LIGHT PLANT

BOILER

MUD TANKS

PUMP HOUSE

TRASH

C-3.9'
El. 299.0'

PROPANE STORAGE

C-4.2'
El. 299.3'

TOILET

TRAILER

WATER TANK

C-9.2'
El. 304.3'

Sta. 1+50

Approx. Top of Cut Slope

Round Corners as Needed

Sta. 0+00

C-3.9'
El. 299.0'

Topsoil Stockpile

C-13.6'
El. 308.7'

58'
70'
110'
135'
200'
150'
10'

NOTES:

Elev. Ungraded Ground At Loc. Stake = 5295.7'
FINISHED GRADE ELEV. AT LOC. STAKE = 5295.1'

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

Kerr-McGee Oil & Gas Onshore LP

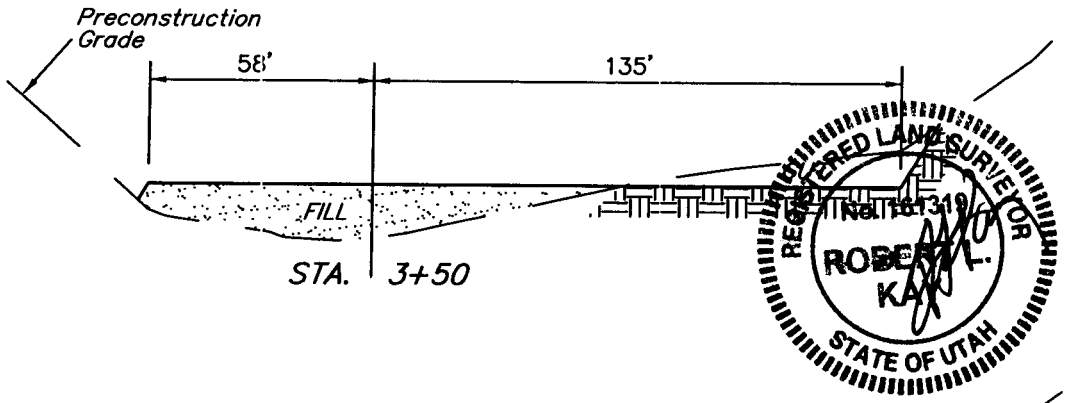
FIGURE #2

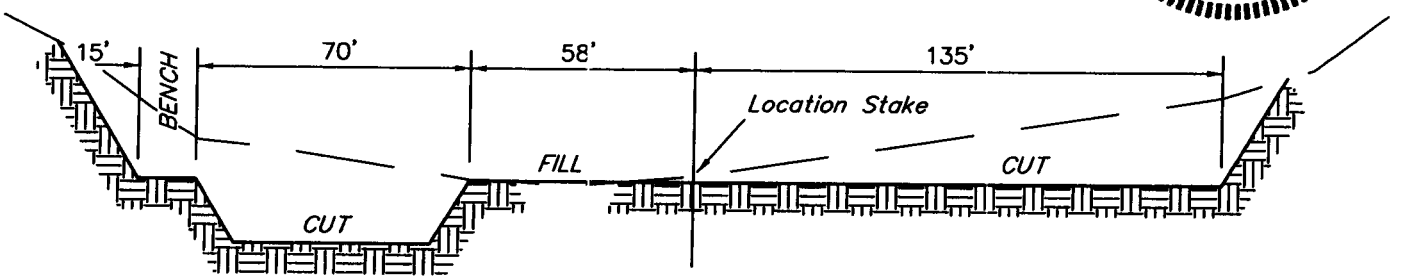
TYPICAL CROSS SECTIONS FOR

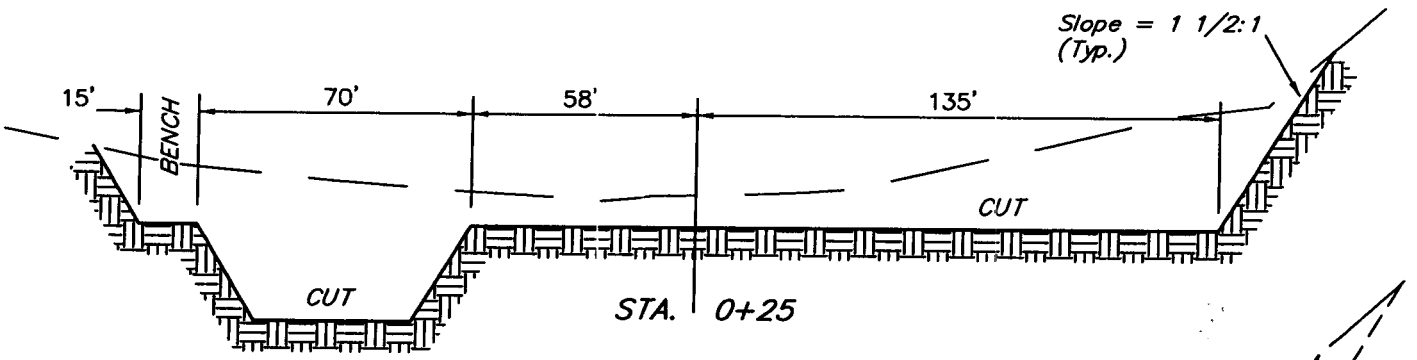
NBU #1022-19P
SECTION 19, T10S, R22E, S.L.B.&M.
766' FSL 298' FEL

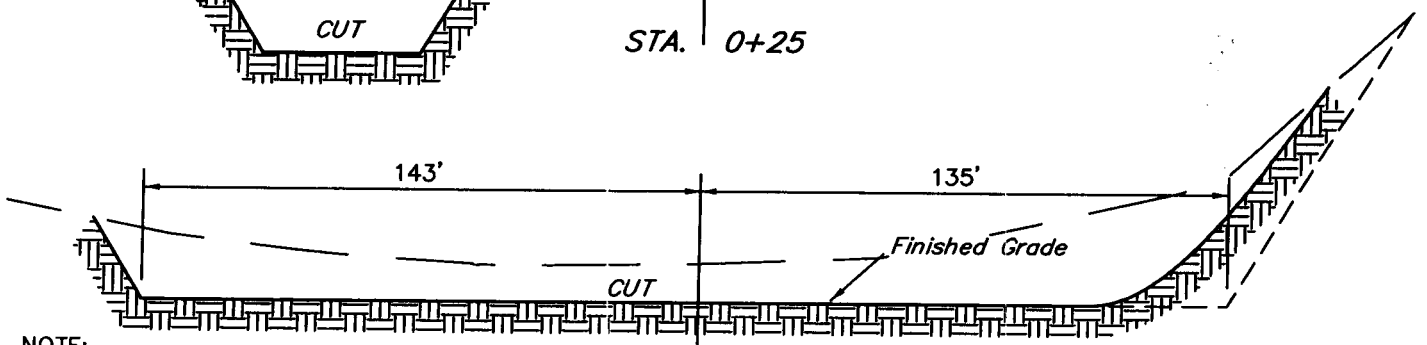
1" = 20'
X-Section Scale
1" = 50'

DATE: 01-05-06
Drawn By: L.K.









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 = 1,920 Cu. Yds.
Remaining Location = 16,660 Cu. Yds.

TOTAL CUT = 18,580 CU.YDS.
FILL = 1,700 CU.YDS.

EXCESS MATERIAL = 16,880 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,310 Cu. Yds.
EXCESS UNBALANCE (After interim Rehabilitation) = 13,570 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: 43-047-39139

WELL NAME: NBU 1022-19P
OPERATOR: KERR-MCGEE OIL & GAS (N2995)
CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:
SESE 19 100S 220E
SURFACE: 0766 FSL 0298 FEL
BOTTOM: 0766 FSL 0298 FEL
COUNTY: UINTAH
LATITUDE: 39.92914 LONGITUDE: -109.4733
UTM SURF EASTINGS: 630458 NORTHINGS: 4420798
FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	**Initials**	**Date**
Engineering	DKJ	4/23/07
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: ML-20714
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/A 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: NATURAL BUTTES
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
✓ Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-99
Siting: 460' fr u bdry & 920' fr uncomm Tract
___ R649-3-11. Directional Drill

COMMENTS: Needs Presite (04-06-07)

STIPULATIONS: 1- STATEMENT OF BASIS
2- OIL SHALE
3- Surface Csg Cmt Stip

OPERATOR: KERR MCGEE O&G (N9550)

SEC: 19 T.10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

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

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

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

Utah Oil Gas and Mining

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
339	43-047-39139-00-00		GW	S	No

Operator	KERR-MCGEE OIL & GAS ONSHORE, LP	**Surface Owner-APD**	
Well Name	NBU 1022-19P	**Unit**	
Field	UNDESIGNATED	**Type of Work**	
Location	SESE 19 10S 22E S 766 FSL 298 FEL	GPS Coord (UTM) 630458E 4420798N	

Geologic Statement of Basis

Kerr McGee proposes to set 1,900' 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 5,300'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 19. 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	4/18/2007
APD Evaluator	**Date / Time**

Surface Statement of Basis

The general area is the Natural Buttes Unit in the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 18 miles southeast of Ouray, Utah. Access is by State of Utah Highways, Uintah County and oilfield development roads a distance of 20 miles from Ouray, UT. All roads are in-place except approximately 400 feet, which will be constructed.

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

The NBU 1022-19P proposed gas well is located in a narrow swale which drains a small basin. The location will fill the bottom of the swale requiring a side-hill diversion along the north edge of the pad. Hills with rocky out-crops lie both to the north and south The White River is approximately 5 miles down drainage.

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	4/6/2007
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	NBU 1022-19P						
API Number	43-047-39139-0		**APD No** 339			**Field/Unit** UNDESIGNATED	
Location: 1/4,1/4 SESE		**Sec** 19	**Tw** 10S	**Rng** 22E	766 FSL 298 FEL		
GPS Coord (UTM) 630452		4420816	**Surface Owner**				

Participants

Floyd Bartlett (DOGM), Jim Davis (SITLA), Carroll Estes, Tony Kznick, (Kerr McGee), David Kay (Uintah Engineering and Land Surveying).

Regional/Local Setting & Topography

The general area is the Natural Buttes Unit in the Sand Wash Drainage of Uintah, County. Sand Wash is approximately 36 air miles south of Vernal, Utah and approximately 18 miles southeast of Ouray, Utah. Access is by State of Utah Highways, Uintah County and oilfield development roads a distance of 20 miles from Ouray, UT. All roads are in-place except approximately 400 feet, which will be constructed.

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

The NBU 1022-19P proposed gas well is located in a narrow swale which drains a small basin. The location will fill the bottom of the swale requiring a side-hill diversion along the north edge of the pad. Hills with rocky out-crops lie both to the north and south The White River is approximately 5 mile down drainage.

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
0.09	**Width** 278	**Length** 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Vegetation is a desert shrub type. Greasewood, shadscale, Gardner saltbrush, curly mesquite and spring annuals are present. Vegetation cover is sparse.

Antelope, sheep during the winter, rabbits, coyotes, and small mammals, birds and raptors.

Soil Type and Characteristics

Shallow rubbly sandy loam with angular surface rock.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required Y

The location will fill the bottom of the swale requiring a side-hill diversion along the north edge of the pad.

Berm Required? N

Erosion Sedimentation Control Required? N

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

Reserve Pit

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

Characteristics / Requirements

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

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

Other Observations / Comments

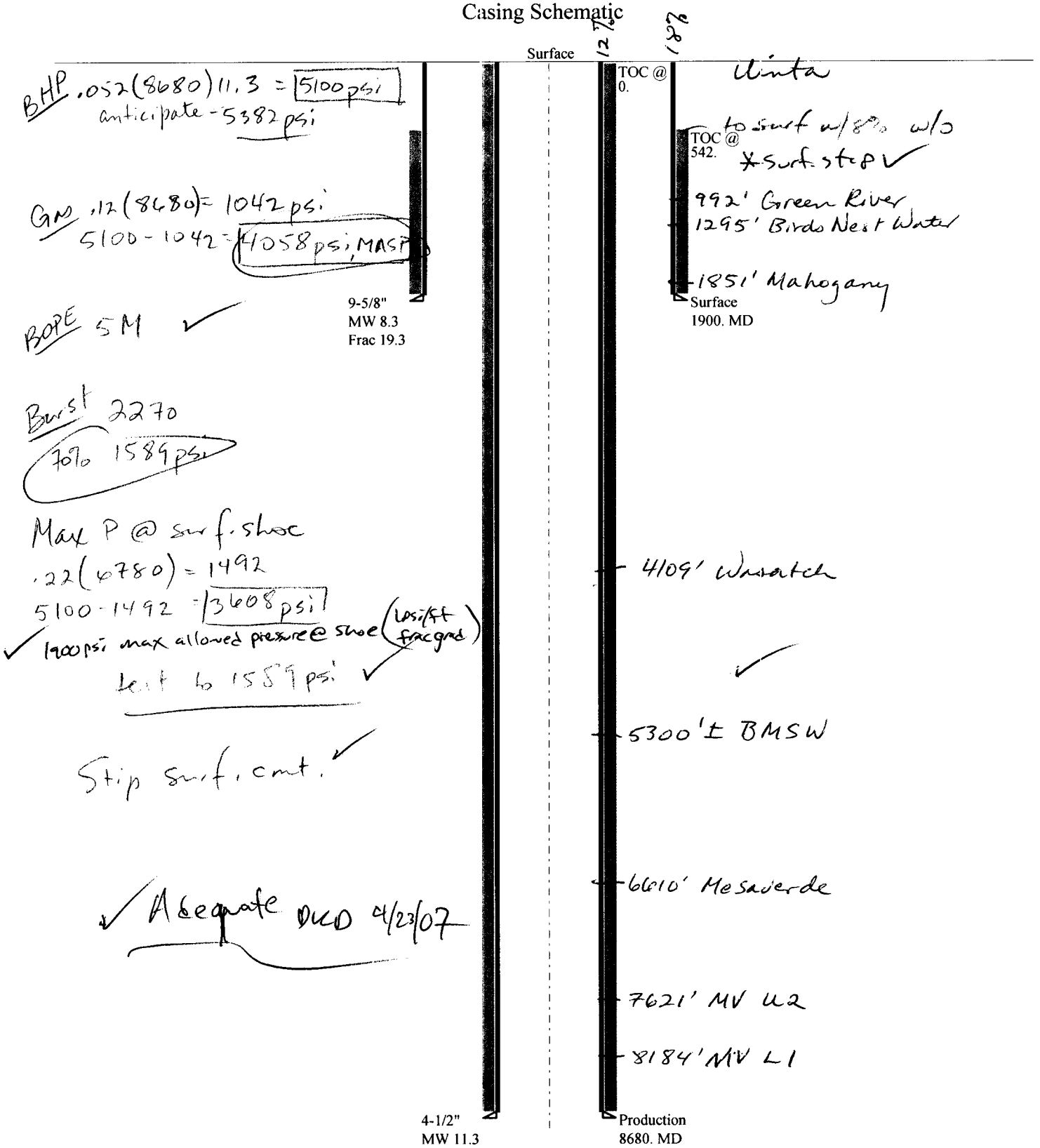
Ben Williams representing the UDWR was not at the pre-site but stated the previous day that all the remaining locations in the area were classified as yearlong critical habitat for antelope. He stated that the lack of water not forage is the limiting factor affecting the herd in the area. He recommended 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 locations.

ATV's were used to access the site.

Floyd Bartlett	4/6/2007
Evaluator	**Date / Time**

2007-04 Kerr McGee NBU 922-19P

Casing Schematic



Well name:	**2007-04 Kerr McGee NBU 1022-19P**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Surface
Project ID:	43-047-39139
Location:	Uintah County, Utah

Design parameters:

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

Burst
Max anticipated surface pressure: 1,672 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 1,900 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: 1,668 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 102 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,400 ft

Cement top: 542 ft

Non-directional string.

Re subsequent strings:
Next setting depth: 8,680 ft
Next mud weight: 11.300 ppg
Next setting BHP: 5,095 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 1,900 ft
Injection pressure: 1,900 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	1900	9.625	32.30	H-40	ST&C	1900	1900	8.876	839.6

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	819	1370	1.672	1900	2270	1.19	54	254	4.71 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 1900 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 NBU 1022-19P**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Production
Project ID:	43-047-39139
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 11.300 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 3,186 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,095 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: 7,214 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 197 °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	8680	4.5	11.60	I-80	LT&C	8680	8680	3.875	757.5

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	5095	6360	1.248	5095	7780	1.53	84	212	2.53 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 8680 ft, a mud weight of 11.3 ppg The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

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

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

March 27, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2007 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2007 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION

(Proposed PZ Wasatch/MesaVerde)

43-047-39107 NBU 1021-13N Sec 13 T10S R21E 0948 FSL 1602 FWL
43-047-39108 NBU 1021-13H Sec 13 T10S R21E 2351 FNL 0515 FEL
43-047-39109 NBU 1021-16D Sec 16 T10S R21E 0666 FNL 0666 FWL
43-047-39106 NBU 1021-28I Sec 28 T10S R21E 2269 FSL 0930 FEL
43-047-39100 NBU 1021-28F Sec 28 T10S R21E 1767 FNL 2157 FWL
43-047-39101 NBU 1021-28E Sec 28 T10S R21E 2046 FNL 0856 FWL
43-047-39102 NBU 1021-28D Sec 28 T10S R21E 0604 FNL 0614 FWL
43-047-39103 NBU 1021-28C Sec 28 T10S R21E 0476 FNL 1997 FWL
43-047-39104 NBU 1021-28B Sec 28 T10S R21E 0767 FNL 1997 FEL
43-047-39110 NBU 1021-29P Sec 29 T10S R21E 0286 FSL 1236 FEL
43-047-39111 NBU 1021-31A Sec 31 T10S R21E 0744 FNL 0815 FEL
43-047-39116 NBU 1021-31B Sec 31 T10S R21E 0777 FNL 1911 FEL
43-047-39136 NBU 1021-32G Sec 32 T10S R21E 2038 FNL 2065 FEL
43-047-39137 NBU 1021-32D Sec 32 T10S R21E 0777 FNL 0355 FWL
43-047-39138 NBU 1021-32E Sec 32 T10S R21E 1858 FNL 0651 FWL
43-047-39139 NBU 1022-19P Sec 19 T10S R22E 0766 FSL 0298 FEL
43-047-39141 NBU 1022-24J Sec 24 T10S R22E 1928 FSL 1972 FEL
43-047-39140 NBU 1022-24P Sec 24 T10S R22E 1110 FSL 1054 FEL
43-047-39142 NBU 1022-25G Sec 25 T10S R22E 1761 FNL 1462 FEL
43-047-39033 NBU 1022-25H Sec 25 T10S R22E 2604 FNL 0825 FEL
43-047-39156 NBU 1022-24O Sec 24 T10S R22E 0645 FSL 2007 FEL
43-047-39157 NBU 1022-7I Sec 07 T10S R22E 2000 FSL 0948 FEL

Our records indicate the NBU 1021-28I and the NBU 1022-25H are closer than 460 feet from the Natural Buttes Unit boundary (approximately 390 and 36 feet respectively).

We have no objections to permitting the wells so long as the unit operator receives an exception to the locating and siting requirements of the State of Utah (R649-3-2).

/s/ Michael L. Coulthard

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

MCoulthard:mc:3-27-07

From: Ed Bonner
To: Mason, Diana
Date: 4/23/2007 3:38 PM
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:

Bill Barrett Corporation
Peters Point State 8-2D-13-16 (API 43 007 31280)

EnCana Oil & Gas (USA) Inc
Middle Mountain State 36-12-29-24 (API 43 037 31855)

EOG Resources, Inc
East Chapita 60-16 (API 43 047 39150)
East Chapita 57-16 (API 43 047 39151)
East Chapita 58-16 (API 43 047 39152)

Kerr McGee Oil & Gas Onshore LP
NBU 1021-13N (API 43 047 39107)
NBU 1021-13H (API 43 047 39108)
NBU 1021-16D (API 43 047 39109)
NBU 1022-19P (API 43 047 39139)

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

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 24, 2007

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

Re: Natural Buttes Unit 1022-19P Well, 766' FSL, 298' FEL, SE SE, Sec. 19, T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39139.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA
Bureau of Land Management, Vernal Office

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*

Operator: Kerr McGee Oil & Gas Onshore LP
Well Name & Number Natural Buttes Unit 1022-19P
API Number: 43-047-39139
Lease: ML-20714

Location: SE SE **Sec.** 19 **T.** 10 South **R.** 22 East

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

   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. Surface casing shall be cemented to the surface.

7. 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.

FORM 6

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

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
4304739139	NBU 1022-19P	SESE	19	10S	22E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
B	99999	2900	2/22/2008	2/28/08

C

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 02/22/2008 AT 1000 HRS.

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304737218	NBU 1022-19J	NWSE	19	10S	22E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
B	99999	2900	2/22/2008	2/28/08

C

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 02/22/2008 AT 0900 HRS.

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
4304738172	NBU 1022-33P	SESE	33	10S	22E	UINTAH

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
B	99999	2900	2/24/2008	2/28/08

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 02/24/2008 AT 1200 HRS.

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

SHEILA UPCHEGO
Name (Please Print)
Signature
SENIOR LAND SPECIALIST
Title
2/25/2008
Date

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

(5/2000)

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER: ML-20714

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: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1022-19P

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

9. API NUMBER: 4304739139

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

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 766'FSL, 298'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 10S 22E

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: WELL SPUD
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

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

SPUD WELL LOCATION ON 02/22/2008 AT 1000 HRS.

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

SIGNATURE DATE 2/25/2008

(This space for State use only)

RECEIVED
MAR 0 3 2008
DIV. OF OIL, GAS & MINING

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

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-20714

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1022-19P

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

9. API NUMBER: 4304739139

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

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 766'FSL, 298'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 10S 22E

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: SET SURFACE CSG
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

MIRU PROPETRO AIR RIG ON 02/29/2008. DRILLED 12 1/4" SURFACE HOLE TO 2060'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/170 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS BUT NO LEAD CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE. GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/150 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT

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

SIGNATURE [signature] DATE 3/5/2008

(This space for State use only)

RECEIVED
MAR 10 2008
DIV. OF OIL, GAS & MINING

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

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-20714

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1022-19P

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

9. API NUMBER: 4304739139

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

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 766'FSL, 298'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 10S 22E

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: FINAL DRILLING OPERATIONS
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

FINISHED DRILLING FROM 2060' TO 8750' ON 04/16/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/340 SX PREM LITE II @11.0 PPG 3.38 YIELD. TAILED CMT W/1450 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/135 BBLS FRESH WATER. CLEAN MUD TANKS.

RELEASED PIONEER RIG 38 ON 04/17/2008 AT 1500 HRS.

RECEIVED
MAY 0 2 2008
DIV. OF OIL, GAS & MINING

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

SIGNATURE Sheila Upchego DATE 4/21/2008

(This space for State use only)

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

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-20714

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1022-19P

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

9. API NUMBER: 4304739139

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

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 766'FSL, 298'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 10S 22E

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: PRODUCTION START-UP
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 05/29/2008 AT 10:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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

SIGNATURE Sheila Upchego DATE 5/29/2008

(This space for State use only)

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

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

Wins No.: 95426

NBU 1022-19P

Well Operations Summary Long

Operator	FIELD NAME	SPUD DATE	GL	KB	ROUTE
KERR MCGEE OIL & GAS ONSHORE LP	NATURAL BUTTES	02/22/2008	5,296	5312	

API	STATE	COUNTY	DIVISION
4304739139	UTAH	UINTAH	ROCKIES

Long/Lat.: 39.92926 / -109.47409 **Q-Q/Sect/Town/Range:** SESE / 19 / 10S / 22E **Footages:** 766.00' FSL 298.00' FEL

Wellbore: NBU 1022-19P

MTD	TVD	PBMD	PBTVD
8,750	8,738		

EVENT INFORMATION:
EVENT ACTIVITY: DRILLING
OBJECTIVE: DEVELOPMENT
OBJECTIVE 2: ORIGINAL
REASON: SURF FACILITIES
START DATE: 2/22/2008
END DATE:
DATE WELL STARTED PROD.:
Event End Status:

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 38 / 38	04/29/2008	04/30/2008	04/29/2008	04/04/2008	05/07/2008	05/09/2008	

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
2/22/2008							
SUPERVISOR: LEW WELDON							
	10:00 - 16:00	6.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1000 HR 2/22/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 38 BLM AND STATE NOTFIED OF SPUD
2/29/2008							
SUPERVISOR: LEW WELDON							
	22:00 - 0:00	2.00	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 2200 HR 2/29/08 DRILL TO 450' AND TOOH TO REPAIR RIG @ REPORT TIME
3/1/2008							
SUPERVISOR: LEW WELDON							
	0:00 - 5:00	5.00	DRLSUR	07		Z	REPAIR RIG
	5:00 - 12:00	7.00	DRLSUR	02		P	TIH AND DRILLING AHEAD NO WATER 610'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1020'
3/2/2008							
SUPERVISOR: LEW WELDON							
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD 1560'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG T/D @ 2060' CONDITION HOLE 1 HR
3/3/2008							
SUPERVISOR: LEW WELDON							
	0:00 - 4:30	4.50	DRLSUR	05		P	TRIP DP OUT OF HOLE

0:00 - 4:30	4.50	DRLSUR	05		P	TRIP DP OUT OF HOLE
4:30 - 8:00	3.50	DRLSUR	11		P	RUN 2030' OF 9 5/8 CSG AND 200' OF 1" PIPE RIG DOWN AIR RIG
8:00 - 9:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 170 SKS LEAD @ 11# 3.82 23 GAL/SK AND 200 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK GOOD RETURNS BUT NO LEAD CMT TO PIT
9:00 - 9:30	0.50	DRLSUR	15		P	1ST TOP JOB 125 SKS DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK WOC
9:30 - 11:00	1.50	DRLSUR	15		P	2ND TOP JOB 150 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
11:00 - 11:00	0.00	DRLSUR				NO VISIBLE LEAKS PIT 1/4 FULL WORT

4/4/2008

SUPERVISOR: BRAD PEDERSEN

6:00 - 0:00	18.00	DRLPRO	01	E	P	RDRT PREPARE RIG F/ MOVE TO NBU 1022-19P THIS AM W/ JONES

4/5/2008

SUPERVISOR: BRAD PEDERSEN

0:00 - 0:00	24.00	DRLPRO	01	B	P	RDRT,MOVE RIG TO NBU 1022-19P,RURT 7 TRUCKS,2 FORKLIFTS,RELEASED @ 17:00

4/6/2008

SUPERVISOR: BRAD PEDERSEN

0:00 - 10:30	9.50	DRLPRO	01	B	P	RURT
10:30 - 11:30	1.00	DRLPRO	06	D	P	SLIP & CUT DRLG LINE
11:30 - 13:30	2.00	DRLPRO	13	A	P	NIPPLE UP BOP,FUNCTION TEST
13:30 - 20:30	7.00	DRLPRO	13	C	P	TEST BOP TO 5000 PSI,ANNULAR 2500 PSI,CASING 1500 PSI
20:30 - 21:00	0.50	DRLPRO	17		P	PRE SPUD INSPECTION DONE BY PUSHER & CONSULTANT
21:00 - 0:00	3.00	DRLPRO	05	A	P	SAFETY MEETING W/ TESCO R/U & P/U BHA

4/7/2008

SUPERVISOR: BRAD PEDERSEN

0:00 - 1:00	1.00	DRLPRO	05	A	P	FINISH P/U BHA ,R/D TESCO

1:00 - 5:00	4.00	DRLPRO	02	F	P	DRLG CMT & F.E
5:00 - 6:30	1.50	DRLPRO	02	B	P	SPUD @ 05:00 4/7/2008 DRLG F/ 2060' TO 2137' (77' 51.3' HR) WT 8.3/26
6:30 - 7:00	0.50	DRLPRO	09	A	P	SURVEY @ 2067' 6.75 DEG.
7:00 - 10:30	3.50	DRLPRO	02	B	P	DRLG F/ 2137' TO 2328' (191'54.5' HR) WT 8.3/26
10:30 - 11:00	0.50	DRLPRO	09	A	P	SURVEY @ 2258' 5.75 DEG.
11:00 - 15:30	4.50	DRLPRO	02	B	P	DRLG F/ 2328' TO 2582' (254' 56.4' HR) WT 8.3/26
15:30 - 16:00	0.50	DRLPRO	06	A	P	RIG SERVICE
16:00 - 21:30	5.50	DRLPRO	02	B	P	DRLG F/ 2582' TO 2933 (351' 63.8' HR) WT 8.4/27
21:30 - 22:00	0.50	DRLPRO	09	A	P	SURVEY @ 2863' 3 DEG.
22:00 - 0:00	2.00	DRLPRO	02	B	P	DRLG F/ 2933' TO 3081' (148' 74' HR WT 8.4/27

4/8/2008

SUPERVISOR: KENNY MORRIS

0:00 - 5:30	5.50	DRLPRO	02	B	P	DRLG F/ 3081' TO 3440,AVG 65, 359',WT8.5 37
5:30 - 6:00	0.50	DRLPRO	09	A	P	SURVEY @3370'=2
6:00 - 7:30	1.50	DRLPRO	02	B	P	DRILL F/3440 TO 3568,AVG 85
7:30 - 8:00	0.50	DRLPRO	06	A	P	RIG SERVICE
8:00 - 0:00	16.00	DRLPRO	07	A	P	PUMP PILL ,POOH F/RIG REPAIR,LT MUD UP @SHOE DURING REPAIR..SENT RT ANGLE BOX TO HOWCROFT F/BEARINGS REPLACMENT

4/9/2008

SUPERVISOR: KENNY MORRIS

0:00 - 4:00	4.00	DRLPRO	07	A	S	REPAIR ROTARY DRIVE
4:00 - 16:30	12.50	DRLPRO	02	B	P	DRILL F/3568 TO 4296',AVG 58 @728' WT8.7/40

16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE
17:00 - 17:30	0.50	DRLPRO	09	A	P	SURVEY@4226=2
17:30 - 0:00	6.50	DRLPRO	02	B	P	DRILL F/4296' TO 4805,AVG 78=509', WT 8.7/40

4/10/2008

SUPERVISOR: KENNY MORRIS

0:00 - 9:00	9.00	DRLPRO	02	B	P	DRILL F/4805' TO 5310,AVG 56 WT 9.2/40 505'
9:00 - 9:30	0.50	DRLPRO	06	A	P	RIG SERVICE
9:30 - 10:00	0.50	DRLPRO	09	A	P	SURVEY@5240'=2
10:00 - 0:00	14.00	DRLPRO	02	B	P	DRILL F/5310' TO 5915,AVG 43 WT 9.4/41

4/11/2008

SUPERVISOR: KENNY MORRIS

0:00 - 14:30	14.50	DRLPRO	02	B	P	DRILL F/5915' TO 6298, AVG 27 WT 9.8/42
14:30 - 15:00	0.50	DRLPRO	09	A	P	RIG SERVICE
15:00 - 0:00	9.00	DRLPRO	02	B	P	DRILL F/6298 TO 6582,,AVG 31 WT 10./40

4/12/2008

SUPERVISOR: KENNY MORRIS

0:00 - 4:30	4.50	DRLPRO	05	A	P	DROP SURVEY=2,PUMPPILL,,POOH,L/D BIT& MTR,FUNCTION TEST BOP,CHECK WEARRING
4:30 - 9:30	5.00	DRLPRO	05	A	P	P/U BIT & MTR#2,TIH TO SHOE CIRC BHA,TIH
9:30 - 16:00	6.50	DRLPRO	02	B	P	DRILL F/6582' TO 6807,AVG 35 10.1/42
16:00 - 16:30	0.50	DRLPRO	06	A	P	RIG SERVICE
16:30 - 0:00	7.50	DRLPRO	02	B	P	DRILL F/6807 TO 7040,AVG 31 WT 10.5/42

4/13/2008

SUPERVISOR: KENNY MORRIS

0:00 - 13:30	13.50	DRLPRO	02	B	P	DRILL F/7040 TO 7443,AVG 30,WT 10.7/44

13:30 - 14:00	0.50	DRLPRO	06	A	P	RIG SERVICE
14:00 - 0:00	10.00	DRLPRO	02	B	P	DRILL F/7443' TO 7750,AVG 31,WT 10.8/44

4/14/2008

SUPERVISOR: KENNY MORRIS

0:00 - 14:00	14.00	DRLPRO	02	B	P	DRILL F/ 7750' TO 8172,AVG 30 WT,11.2/44
14:00 - 14:30	0.50	DRLPRO	06	A	P	RIG SERVICE
14:30 - 23:30	9.00	DRLPRO	02	B	P	DRILL F/ 8172' TO 8362,AVG 21 WT 11.4/44
23:30 - 0:00	0.50	DRLPRO	05	A	S	DROP SURVEY,PUMPPILL,POOH

4/15/2008

SUPERVISOR: KENNY MORRIS

0:00 - 6:00	6.00	DRLPRO	05	A	P	POOH,L/D MTR & #2 BIT,FUNCTION BOP,SURVEY=2.5
6:00 - 11:30	5.50	DRLPRO	05	A	P	TIH,CIRC BHA,CIRC 4500,TIH
11:30 - 16:30	5.00	DRLPRO	02	A	P	DRILL F/ 8362 TO 8491,,AVG 26 WT 11.4/44
16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE
17:00 - 0:00	7.00	DRLPRO	02	A	P	DRILL F/8491 TO 8670,AVG 27 WT 11.5/45

4/16/2008

SUPERVISOR: 4/16/2008

0:00 - 2:30	2.50	DRLPRO	02	A	P	DRILL F/8670 TO TD @8750,AVG 32,WT11.5/45
2:30 - 3:30	1.00	DRLPRO	04	C	P	CIRCULATE F/SHORTTRIP
3:30 - 4:30	1.00	DRLPRO	05	E	P	SHORTTRIP, 10 STNDS,NO FILL
4:30 - 6:30	2.00	DRLPRO	04	C	P	CIRC F/ LDDP & BHA
6:30 - 15:00	8.50	DRLPRO	05	B	P	LDDP & BHA,BREAK KELLY ,PULL WEARRING
15:00 - 21:00	6.00	DRLPRO	08	F	P	SAFETY MEET W/HALLIBURTON,R/U RUN QUAD COMBO TO(LOGGERS DEPTH 8748')

15:00 - 21:00	6.00	DRLPRO	08	F	P	SAFETY MEET W/HALLIBURTON,R/U RUN QUAD COMBO TO(LOGGERS DEPTH 8748')
21:00 - 0:00	3.00	DRLPRO	11	B	P	SAFETY MT/W TESCO,

4/17/2008

SUPERVISOR: 4/16/2008

0:00 - 4:00	4.00	DRLPRO	11	B	P	RUN 4.5 PROD CASING TO 8740'
4:00 - 6:30	2.50	DRLPRO	04	A	P	CIRC F/CEMENT
6:30 - 9:30	3.00	DRLPRO	15	A	P	PUMP 360 SX LEAD, 1450 SX TAIL. DISPLACE 135 BBL CLAYFIX. FINAL CIRC PSI 2700. 80 BBLS CEMENT BACK, FLOATS HELD
9:30 - 10:00	0.50	DRLPRO	13	A	P	FLUSH STACK, SET MANDREL
10:00 - 13:00	3.00	DRLPRO	01	E	P	CLEAN PITS, RELEASE RIG @ 13:00 ON 4/17/08

EVENT INFORMATION:

EVENT ACTIVITY: COMPLETION
OBJECTIVE: CONSTRUCTION
OBJECTIVE 2: ORIGINAL
REASON: SURF FACILITIES

START DATE: 4/25/2008
END DATE: 4/30/2008
DATE WELL STARTED PROD.:
Event End Status: COMPLETE

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

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation

4/25/2008

SUPERVISOR: HAL BLANCHARD

Wins No.: 95426	NBU 1022-19P	API No.: 4304739139

EVENT INFORMATION:
EVENT ACTIVITY: COMPLETION
OBJECTIVE: DEVELOPMENT
OBJECTIVE 2: ORIGINAL
REASON: MV
START DATE: 5/19/2008
END DATE:
DATE WELL STARTED PROD.:
Event End Status:

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

MILES 2 / 2 — 05/19/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
5/16/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 - 15:00	8.00	COMP	46	F	P	RIG & CREW ON STANDBY
5/19/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 - 17:00	10.00	COMP	31	I	P	7:00 a.m. HSM R/U SERVICE RIG. NDWH. NUBOPE. PREP & TALLY 2 3/8" J-55 8RD 4.7# TBG. P/U 3 7/8" MILL, BIT SUB & RIH P/U TBG OFF TRAILER. TAG PBTD @ 8696', R/U PMP & LINES. REV CIRC WELL CLEAN W/ 70 BBLS REC. WTR. POOH STAND BACK TBG. EOT @ 8200'
5/20/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 - 15:00	8.00	COMP	34	H	P	7:00 A.M. HSM POOH STD BK TBG. L/D BHA. MIRU B&C QUICK TST. PSI TST CSG & FRAC VLV'S TO 7500# (HELD). RDMO B&C. MIRU CUTTERS. P/U 3 3/8" PERF GUNS LOADED W/ 23 GM CHARGES. 3 SPF, 120 DEG PHASING & RIH. SHOOT 30 HOLES F/ 8674' - 84', P/U SHOOT 9 HOLES F/ 8625' - 28'. POOH. PREP TO FRAC THURS. IN A.M. SWI. SDFN
5/21/2008							
SUPERVISOR: JEFF SAMUELS							
5/22/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 - 18:00	11.00	COMP	36	B	P	7:00 A.M. HSM MIRU WEATHERFORD FRAC SVC. MIRU CUTTERS. PREP TO FRAC ALL STAGES SHOT W/ 3 3/8" EXP PERF GUNS LOADED W/ 23 GM CHARGES. (SEE PERF SHEET FOR SPF & PHASING). ALL CBP'S ARE BAKER 4 1/2" 8K CBP'S. ALL ZONES TREATED W/ 30/50 OTTAWA SAND TAILED IN W/ 5000# TLC SAND FOR SAND CONTROLL. ALL STAGES INCLUDE NALCO DVE-005 SCALE INHIB. 3 GPT IN PAD & 1/2 RAMP, 10 GPT IN FLUSH & PRE PAD. ALL STAGES INCLUDE NALCO BIOCIDE .25 GPT IN ALL CL FL. PSI TST LINES TO 9300# (HELD). BEG PMP @ 7:45 A.M. BEG TO PMP MICRO MOTION ON BLENDER BROKE DWN. ATTEMPT TO REPAIR W/O SUCCESS. CALL FOR NEW BLENDER RD & REMOVE BLENDER. MIRU NEW BLENDER. BEGIN PMP @ 3:30 P.M. STG 1: BRK DWN PERF'S @ 4628#, EST INJ RT @ 50 BPM @ 5000#, ISIP 3094#, FG .80. TREAT STG 1 W/ 93,572# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 2572 BBLS. ISIP 2624#, NPI -470, FG .74 STG 2: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 8377', P/U SHOOT 20 HOLES F/ 8342' - 47', P/U SHOOT 20 HOLES F/ 8247' - 52'. POOH. BRK DWN PERF'S @ 4760#, EST INJ RT @ 50.9 BPM @ 4670#, ISIP 2758#, FG .77, TREAT STG 2 W/ 103,200# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 2673#, ISIP 2900#, NPI 142#, FG .79 SWI. SDFN

Wins No.: 95426	NBU 1022-19P	API No.: 4304739139

5/23/2008

SUPERVISOR: JEFF SAMUELS

7:00	- 18:00	11.00	COMP	36	B	P	7:00 A.M. HSM CONT TO FRAC MESA VERDE

STG 3: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 8158'. P/U SHOOT 6 HOLES F/ 8126' - 28', P/U SHOOT 9 HOLES F/ 8040' - 43', P/U SHOOT 16 HOLES F/ 8004' - 08', P/U SHOOT 16 HOLES F/ 7984' - 88', POOH, BRK DWN PERF'S @ 3705#, EST INJ RT @ 40.2 BPM @ 3840#, ISIP 2606#, FG .77, TREAT STG 3 W/ 145,131# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 3679 BBLS. ISIP 2826#, NPI 220# FG .79

STG 4: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 7784', P/U SHOOT 16 HOLES F/ 7750' - 54', P/U SHOOT 16 HOLES F/ 7702' - 06', P/U SHOOT 9 HOLES F/ 7652' - 55', P/U SHOOT 6 HOLES F/ 7598' - 7600'. POOH. BKR DWN PERF'S @ 4142#, EST INJ RT @ 40 BPM @ 3698#, ISIP 2531#, FG .77. TREAT STG 4 W/ 53,727# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 1447 BBLS. ISIP 2334#, NPI -197#, FG .75

STG 5: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 7570', P/U SHOOT 8 HOLES F/ 7535' - 37', P/U SHOOT 24 HOLES F/ 7458' - 64', P/U SHOOT 8 HOLES F/ 7419' - 21'. POOH, BRK DWN PERF'S @ 3063#, EST INJ RT @ 50.1 BPM @ 4180#, ISIP 2221#, FG .73, TREAT STG 5 W/ 69,127# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 1813 BBLS. ISIP 2780#, NPI 559#, FG .81

STG 6: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 7371', P/U SHOOT 28 HOLES F/ 7334' - 41', P/U SHOOT 9 HOLES F/ 7290' - 93', P/U SHOOT 6 HOLES F/ 7188' - 90', POOH, BRK DWN PERF'S @ 3071#, EST INJ RT @ 51.5 BPM @ 3950#, ISIP 1950#, FG .70, TREAT STG 6 W/ 59,645# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 1577 BBLS. ISIP 2632#, NPI 682#, FG .80

STG 7: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 7134', P/U SHOOT 16 HOLES F/ 7100' - 04', P/U SHOOT 24 HOLES F/ 6962' - 68', POOH, BRK DWN PERF'S @ 3374#, EST INJ RT @ 50.5 BPM @ 4500#, ISIP 1620#, FG .66, TREAT STG 7 W/ 66,072# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 1731 BBLS. ISIP 2721#, NPI 1101#, FG .82

STG 8: P/U 3 3/8" PERF GUNS & 4 1/2" CBP & RIH. SET CBP @ 6794', P/U SHOOT 30 HOLES F/ 6754' - 64', P/U SHOOT 15 HOLES F/ 6657' - 62', POOH, BRK DWN PERF'S @ 2218#, EST INJ RT @ 53.4 BPM @ 3450#, ISIP 1282#, FG .82, TREAT STG 8 W/ 140,897# SAND TAILED IN W/ 5000# TLC SAND W/ SLK WTR. TOT CL FL 3547 BBLS, ISIP 2479#, NPI 1197#, FG .80

P/U 4 1/2" CBP & RIH. SET KILL PLUG @ 6607', POOH, RDMO CUTTERS. RDMO WEATHERFORD. SWI. SDFN

5/27/2008

SUPERVISOR: JEFF SAMUELS

	7:00 - 17:00	10.00	COMP	44	C	P	7:00 a.m. HSM ND FRAC VLV'S. NU BOPE. P/U 3 7/8" BIT, POBS & RIH W/ TBG. TAG KILL PLUG @ 6607'. R/U DRL EQUIP, R/U PMP & LINES. BRK CONV CIRC & BEG TO DRL. DRL UP 1ST CBP (400# PSI INC). CONT TO RIH. TAG FILL @ 6754', (40' FILL). C/O TO 2ND CBP @ 6794'. DRL UP 2ND CBP (200# PSI INC). CONT TO RIH. TAG FILL @ 7014', (120' FILL). C/O TO 3RD CBP @ 7134'. DRL UP 3RD CBP (300# PSI INC). CONT TO RIH. TAG FILL @ 7341', (30' FILL). C/O TO 4TH CBP @ 7371'. DRL UP 4TH CBP (200# PSI INC). CONT TO RIH. TAG FILL @ 7540', (30' FILL). C/O TO 5TH CBP @ 7570'. DRL UP 5TH CBP (0# PSI INC). CONT TO RIH. TAG FILL @ 7759'. (25' FILL). C/O TO 6TH CBP @ 7784'. DRL UP 6TH CBP (500# PSI INC). CONT TO RIH. TAG FILL @ 8100', (60' FILL). C/O TO 7TH CBP @ 8160'. DRL UP 7TH CBP (400# PSI INC). CONT TO RIH TAG FILL @ 8352'. (25' FILL). C/O TO 8TH CBP @ 8377'. DRL UP 8TH CBP (400# PSI INC). CONT TO RIH. TAG FILL @ 8682', (15' FILL). C/O TO PBTD @ 8697'. CIRC WELL CLEAN. RD DRL EQUIP. POOH L/D 34 JTS. LUBRICATE T.H. INTO WELL. LAND TBG W/ EOT @ 7961'. NDBOPE. DROP BALL. NU WH. PMP OFF THE BIT SUB @ 2500#. R/U FLOW BACK EQUIP. RIG DWN, RACK OUT EQUIP. TURN OVER TO FLOW BACK CREW TBG ON LOC 287 JTS TBG IN WELL 253 JTS TBG LEFT ON TRAILER 34 JTS SICP 1250# FTP 50# 48/64 CHOKE
5/28/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 -			33	A		7 AM FLBK REPORT: CP 1425#, TP 1400#, 20/64" CK, 70 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 3357 BBLS LEFT TO RECOVER: 15682
5/29/2008							
SUPERVISOR: JEFF SAMUELS							
	7:00 -			33	A		7 AM FLBK REPORT: CP 1550#, TP 1500#, 20/64" CK, 50 BWPH, TRACE SAND, LIGHT GAS TTL BBLS RECOVERED: 4597 BBLS LEFT TO RECOVER: 14442

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-20714
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
8. WELL NAME and NUMBER: NBU 1022-19P
9. API NUMBER: 4304739139
10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 10S 22E
12. COUNTY: UINTAH
13. STATE: UTAH

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

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

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

3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 766'FSL, 298'FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

14. DATE SPUDDED:	15. DATE T.D. REACHED:	16. DATE COMPLETED:			17. ELEVATIONS (DF, RKB, RT, GL):
2/22/2008	4/16/2008	5/29/2008	ABANDONED ☐	READY TO PRODUCE ☑	5296'GL

18. TOTAL DEPTH: MD 8,750 TVD	19. PLUG BACK T.D.: MD 8,697 TVD	20. IF MULTIPLE COMPLETIONS, HOW MANY? *	21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-CCL-GR, BCS, SD, DSN, ACTR

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8 J-55	36#		2,060		645			
7 7/8"	4 1/2 I-80	11.6#		8,750		1790			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	7,961							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) MESAVERDE	6,657	8,684		
(B) WSMVD				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
6,657 8,684	0.36	341	Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6657'-8684'	PMP 19,039 BBLS SLICK H2O & 731,371# 30/50 SD

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

RECEIVED
JUN 18 2008
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:
5/29/2008	6/7/2008	24		0	1,144	600	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:
20/64	1,350	2,185					0	1,144	600	PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

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

SOLD

33. SUMMARY OF POROUS ZONES (Include Aquifers):

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

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
WASATCH	4,130	6,633			
MESAVERDE	6,633				

35. ADDITIONAL REMARKS (Include plugging procedure)

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

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

SIGNATURE Sheila Upchego DATE 6/16/2008

This report must be submitted within 30 days of

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

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

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

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

API Well No: 43047391390000

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ML-20714

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: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-19P

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

9. API NUMBER: 43047391390000

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: 0766 FSL 0298 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 19 Township: 10.0S Range: 22.0E 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: 6/30/2010	☐ 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.

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO RECOMPLETE THE WASATCH FORMATION. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH WITH THE EXISTING MESAVERDE FORMATION. PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

Approved by the Utah Division of Oil, Gas and Mining

Date: June 29, 2010

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 6/25/2010

RECEIVED June 25, 2010

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Sundry Conditions of Approval Well Number 43047391390000

Authorization: Board Cause No. 173-14.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: June 29, 2010

By:

Greater Natural Buttes Unit

NBU 1022-19P

RE-COMPLETIONS PROCEDURE

DATE:6/24/2010
AFE#:

COMPLETIONS ENGINEER: Cody Weitzel, Denver, CO
(303)-718-9115 (Cell)
(720)-929-6750 (Office)

SIGNATURE:

ENGINEERING MANAGER: JEFF DUFRESNE

SIGNATURE:

R E M E M B E R S A F E T Y F I R S T !

RECEIVED June 25, 2010

Name: **NBU 1022-19P**
Location: **SE SE Sec 19 T10S R22E**
Uintah County, UT
Date: **6/24/2010**

ELEVATIONS: 5296 GL 5312 KB

TOTAL DEPTH: 8750 **PBTD:** 8697
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 2049'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 8719'
Marker Joint **4075-4096**'

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 ½" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 ½" Annulus				0.0101	0.4227

TOPS:

1011' Green River
1320' Birds Nest
1742' Mahogany
4130' Wasatch
6665' Mesaverde
8750' Bottom of Mesaverde (TD)

Estimated T.O.C. from CBL @ 2750'

GENERAL:

- A minimum of **6** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 4/16/2008
- **3** fracturing stages required for coverage.
- Procedure calls for 4 CBP's (**8000** psi).
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and the ramp until 1.5 ppg is reached) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac**.
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above).
- **Call flush at 0 PPG @ inline densiometers. Slow to 5 bbl/min over last 10-20 bbls of flush. Flush to top perf.**

RECEIVED June 25, 2010

- **If distance between plug and top perf of previous stage is less than 50', it is considered to be tight spacing - over flush stage by 5 bbls (from top perf)**
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump **20/40 curable resin coated sand (SLC)** last 5,000# of all frac stages
- Tubing Currently Landed @~7875
- Originally completed on 5/22/2008
- **IR isotope tracer should be pumped on all three stages (early, middle and late proppant)**

Existing Perforations:

Zones	Perforations		SPF	Holes
	Top, ft	Bottom, ft		
MESAVERDE	6657	6662	3	15
MESAVERDE	6754	6764	3	30
MESAVERDE	6962	6968	4	24
MESAVERDE	7100	7104	4	16
MESAVERDE	7188	7190	3	6
MESAVERDE	7290	7293	3	9
MESAVERDE	7334	7341	4	28
MESAVERDE	7419	7421	4	8
MESAVERDE	7458	7464	4	24
MESAVERDE	7535	7537	4	8
MESAVERDE	7598	7600	3	6
MESAVERDE	7652	7655	3	9
MESAVERDE	7702	7706	4	16
MESAVERDE	7750	7754	4	16
MESAVERDE	7984	7988	4	16
MESAVERDE	8004	8008	4	16
MESAVERDE	8040	8043	3	9
MESAVERDE	8126	8128	3	6
MESAVERDE	8247	8252	4	20
MESAVERDE	8342	8347	4	20
MESAVERDE	8625	8628	3	9
MESAVERDE	8674	8684	3	30

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.

2. TOOH with 2-3/8", 4.7#, J-55 tubing (currently landed at ~7875'). Visually inspect for scale and consider replacing if needed.

3. If tbg looks ok consider running a gauge ring to 6594 (50' below proposed CBP). Otherwise P/U a mill and C/O to 6594 (50' below proposed CBP).

RECEIVED June 25, 2010

4. Set 8000 psi CBP at ~ 6544'. Pressure test BOP and casing to 6200 psi. .

5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	6488	6494	4	24

6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6488' and trickle 250gal 15%HCL w/ scale inhibitor in flush. **NOTE: PUMP ONE TRACER ISOTOPE (IR) THROUGHOUT ALL SAND RAMP**

7. Set 8000 psi CBP at ~6044'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5938	5944	4	24

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~5938' and trickle 250gal 15%HCL w/ scale inhibitor in flush. **NOTE: PUMP ONE TRACER ISOTOPE (IR) THROUGHOUT ALL SAND RAMP**

9. Set 8000 psi CBP at ~5828'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots	
WASATCH	5452	5454	4	8	
WASATCH	5502	5504	3	6	
WASATCH	5725	5728	4	12	-**Break down 1st set w/ frac crew before shooting other 2 sets**

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~5452' flush only with recycled water.
    - **NOTE: PUMP ONE TRACER ISOTOPE (IR) THROUGHOUT ALL SAND RAMP.**
    - **BREAK DOWN 1ST PERF SET W/ FRAC CREW BEFORE SHOOTING OTHER 2 PERF SETS**

11. Set 8000 psi CBP at~5402'.

12. TIH with 3 7/8" mill, pump-off sub, SN and tubing.

13. Mill plugs and clean out to 8697. Land tubing at ±**8217**' and pump off bit unless indicated otherwise by the well's behavior. This well will be commingled at this time.

14. RDMO

15. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

16. Run a GR to detect tracer placement.

For design questions, please call
Cody Weitzel, Denver, CO
(303)-718-9115 (Cell)
(720)-929-6750 (Office)

RECEIVED June 25, 2010

For field implementation questions, please call
Jeff Samuels, Vernal, UT
(435)-781 9770 (Office)
(435)-828-6515 (Cell)

NOTES:
This is a limited entry perforated well
Stage 3 – Break down first perforation before shooting others
IR isotope tracer should be pumped on all three stages throughout all of sand ramp

RECEIVED June 25, 2010

Name NBU 1022-19P
Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes		Fracture Coverage		
		Top, ft	Bottom, ft						
1	WASATCH	6488	6494	4	24		6477	to	6502.5
	WASATCH								
	WASATCH								
	WASATCH								
	WASATCH								
	WASATCH								
	WASATCH								
	# of Perfs/stage				24		CBP DEPTH	6,044	
2	WASATCH	5938	5944	4	24		5921	to	5947
	WASATCH								
	WASATCH								
	WASATCH								
	WASATCH								
	WASATCH								
	WASATCH								
	# of Perfs/stage				24		CBP DEPTH	5,828	
3	WASATCH	5452	5454	4	8		5445	to	5456.5
	WASATCH	5502	5504	3	6		5498	to	5512.5
	WASATCH	5725	5728	4	12		5721.5	to	5731
	WASATCH								
	WASATCH								
	WASATCH								
	WASATCH								
	WASATCH								
	# of Perfs/stage				26		CBP DEPTH	5,402	
	Totals				74				

RECEIVED June 25, 2010

Fracturing Schedules

Name NBU 1022-19P

Slickwater Frac

Copy to new book

Recomplete?	Y
Pad?	N
ACTS?	N

Swabbing Days	0	Enter Number of swabbing days here for recompletes
Production Log	0	Enter 1 if running a Production Log
DFIT	0	Enter Number of DFITs

Stage	Zone	Md-Ft of Pay	Perfs Top, ft.	Perfs Bot., ft	SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.
1	WASATCH	1.10	6488	6494	4	24	Varied	Pump-in test			Slickwater		0	0	0						
	WASATCH	0.00					0	ISIP and 5 min ISIP													39
	WASATCH	0.00					40	Slickwater Pad			Slickwater	3,794	3,794	90	90	15.0%	0.0%	0	0		11
	WASATCH	0.00					40	Slickwater Ramp	0.25	1.5	Slickwater	12,647	16,441	301	391	50.0%	35.7%	11,066	11,066		38
	WASATCH	0.00					40	Slickwater Ramp	1.5	3	Slickwater	8,853	25,293	211	602	35.0%	64.3%	19,918	30,984		0
	WASATCH	0.00					40	Flush (4-1/2)			Slickwater	4,235	29,528	101	703				30,984		0
	WASATCH	0.00						ISDP and 5 min ISDP			Slickwater										0
	WASATCH	0.00																			0
	WASATCH	0.00																	30,984		0
	WASATCH	0.00											29,528	101	703						39
	WASATCH	0.00																			127
						Look											gal/md-ft	23,000	28,175	lbs sand/md-ft	
		1.10		# of Perfs/stage		24									Flush depth	6488		CBP depth	6,044	444	
							17.6	<< Above pump time (min)													
2	WASATCH	2.33	5938	5944	4	24	Varied	Pump-in test			Slickwater		0	0	0						
	WASATCH	0.00					0	ISIP and 5 min ISIP													
	WASATCH	0.00					50	Slickwater Pad			Slickwater	5,243	5,243	125	125	15.0%	0.0%	0	0		16
	WASATCH	0.00					50	Slickwater Ramp	0.25	1.5	Slickwater	17,477	22,720	416	541	50.0%	35.7%	15,293	15,293		52
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	12,234	34,955	291	832	35.0%	64.3%	27,527	42,819		0
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	3,876	38,831	92	925				42,819		0
	WASATCH	0.00						ISDP and 5 min ISDP			Slickwater										0
	WASATCH	0.00																			0
	WASATCH	0.00																	42,819		0
	WASATCH	0.00											38,831	92	925						37
	WASATCH	0.00																			106
						Look											gal/md-ft	15,000	18,375	lbs sand/md-ft	
		2.33		# of Perfs/stage		24									Flush depth	5938		CBP depth	5,828	110	
							18.5	<< Above pump time (min)													
3	WASATCH	0.12	5452	5454	4	8	Varied	Pump-in test			Slickwater		0	0	0						
	WASATCH	0.02	5502	5504	3	6	0	ISIP and 5 min ISIP													
	WASATCH	0.07	5725	5728	4	12	50	Slickwater Pad			Slickwater	2,909	2,909	69	69	15.0%	0.0%	0	0		9
	WASATCH	0.00					50	Slickwater Ramp	0.25	1.5	Slickwater	9,698	12,607	231	300	50.0%	35.7%	8,485	8,485		29
	WASATCH	0.00					50	Slickwater Ramp	1.5	3	Slickwater	6,788	19,395	162	462	35.0%	64.3%	15,274	23,759		0
	WASATCH	0.00					50	Flush (4-1/2)			Slickwater	3,559	22,954	85	547				23,759		0
	WASATCH	0.00						ISDP and 5 min ISDP			Slickwater										0
	WASATCH	0.00																			0
	WASATCH	0.00																	23,759		0
	WASATCH	0.00											22,954	85	547						0
	WASATCH	0.00																			38
						Look							LOOK		LOOK		gal/md-ft	90,000	110,250	lbs sand/md-ft	
		0.22		# of Perfs/stage		26									Flush depth	5452		CBP depth	5,402	50	
							10.9	<< Above pump time (min)													
	Totals	3.65				74						Total Fluid	91,313	gals	2,174	bbls		Total Sand	97,562		
													2,174	bbls							
							0.8								4.8	tanks				Total Scale Inhib. =	270

API Well No: 43047391390000

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-20714

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: NBU 1022-19P

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

9. API NUMBER: 43047391390000

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: 0766 FSL 0298 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 19 Township: 10.0S Range: 22.0E 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: 8/10/2010	☐ 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.

PLEASE SEE ATTACHED CHRONOLOGICAL WELL HISTORY FOR DETAILS ON A CASING LEAK AND REPAIR THAT OCCURED PRIOR TO THE RECENT RECOMPLETION OPERATIONS ON THIS WELL. A WELL COMPLETION REPORT WILL BE SUBMITTED DOCUMENTING DETAILS OF THIS RECOMPLETION.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

September 20, 2010

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 9/17/2010

RECEIVED September 17, 2010

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-19P	Spud Conductor: 2/22/2008	Spud Date: 2/29/2008	
Project: UTAH-UINTAH	Site: NBU 1022-19P		Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD	Start Date: 8/3/2010		End Date: 8/16/2010
Active Datum: RKB @5,312.00ft (above Mean Sea Leve	UWI: NBU 1022-19P		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/3/2010	7:00 - 15:00	8.00	COMP	30	A	P		7AM [DAY 1] JSA-- MOVING RIG & EQUIPMENT. PRIOR TO MIRU, PLE EQUIPMENT WAS REMOVED FROM WELL. RDMO BONANZA 1023-9J. ROAD RIG TO NBU 1022-19P. MIRU, SPOT EQUIPMENT. FTP=50#, FCP=50#. BLEW WELL DN. PMP 31 BBLS TMAC DN TBG. NDWH, NUBOP. R/U FLOOR & TBG EQUIPMENT. UNLAND TBG. L/D HANGER. MIRU, PMP'D 3 BBLS 15% HCL DN TBG & CHASED WITH 60 BBLS TMAC MIXED W/ NALCO 9021 H2S SCAVENGER. SWI. RDMO NALCO. 3PM SDFD
8/4/2010	-		COMP	30		P		[DAY 2] RIG ON STAND BY.
8/5/2010	7:00 - 16:00	9.00	COMP	30		P		7AM [DAY 3] JSA POOH W/ TBG, WATCH FOR TBG BLOW. WIRELINE WORK SITP=750#, SICP=750#. BLEW WELL DN. PMP 30 BBLS TMAC DN TBG. EOT @ 7875'. POOH STDG BACK TBG. L/D BHA. TBG LOOKED GOOD. KILL WELL WITH ANOTHER 40 BBLS WHILE POOH. RD FLOOR & TBG EQUIP. NDBOP, NUFV'S. MIRU CASED HOLE SOLUTIONS. RIH W/ GAUGE RING FOR 4.5 CSG TO 6600'. POOH. P/U BAKER 10K CBP, RIH, & SET @ 6544'. POOH & L/D W.L. TOOLS. FILL CSG W/ 60 BBLS TMAC. MIRU B&C TESTERS. ATTEMPT TO P.T. CSG & FRAC VALVES TO 6200#. RIH W/ ANOTHER BAKER 8K CBP & SET @ 6520'. POOH & L/D W.L. TOOLS. FILL CSG W/ 10 BBLS. ATTEMPT TO P.T. CSG AGAIN. NO LUCK. [CSG LEAK] RDMO B&C & CASED HOLE SOLUTIONS. GOT TO 3000# & SHUT DN PMP, BLED OFF 1000# IN 1 MIN ON BOTH TESTS. NDFV'S, NUBOP. R/U FLOOR & TBG EQUIPMENT. 4PM SWI-SDFN. PREP TO RIH W/ PKR & FIND CSG LEAK IN AM.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-19P	Spud Conductor: 2/22/2008	Spud Date: 2/29/2008
Project: UTAH-UINTAH	Site: NBU 1022-19P	Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD	Start Date: 8/3/2010	End Date: 8/16/2010
Active Datum: RKB @5,312.00ft (above Mean Sea Leve	UWI: NBU 1022-19P	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/6/2010	7:00 - 15:00	8.00	COMP	30		P		7AM [DAY 4] JSA-- RIH W/ PKR. SICP=210#. BLEW WELL DN IN 2 MIN. P/U WTFRD HD PKR & RIH OUT OF DERRICK ON 2-3/8" TBG. SET PKR @ 3264'. FILL CSG W/ 7 BBLS TMAC. P.T. TO 3000#. FILL TBG W/ 5 BBLS. NO TEST. --STARTING INJECTING @ 2800# @ 1.5 BPM. LOST 1500# IN LESS THEN 1 MINUTE. WORK PKR UP & DOWN HOLE. FOUND CSG LEAK BETWEEN 5358'-5375'. POOH AND L/D PKR. CONSULT W/ ENGINEERING. DECISION WAS TO RUN A CSG PATCH. CALL FOR PATCH & CSG CALIPER TOOLS. 3PM SWI-SDF-WE. PREP TO RIH W/ CSG CALIPER LOGGING TOOLS & CSG PATCH DUMMY RUN ON MONDAY 8/9/10
8/9/2010	7:00 - 18:00	11.00	COMP	30		P		7AM [DAY 5] JSA-- WIRELINE WORK W/ SJ CSG CALIPER LOG. WE-SICP=10#. MIRU S.J. WIRELINE. RIH W/ CSG CALIPER LOG TOOLS. LOG FROM 6000' TO 5000'. POOH & L/D WIRELINE TOOLS. RDMO S.J. WIRLINE. DID NOT SEE A HOLE IN CSG FROM LOG INFORMATION?? P/U WEATHERFORD TAPER MILL, SCRAPER, BIT SUB, X-O SUB, TOTAL BHA OF 7.70'. RIH OUT OF DERRICK ON 2-3/8" J-55 TBG. WORK TOOLS FROM 5406' TO 5343'. REVERSE CIRCULATE W/ 55 BBLS TMAC. POOH & L/D BHA. P/U WEATHERFORD ROTARY SHOE, JT OF WASH PIPE, DRIVE PUP, XO SUB, TOTAL BHA OF 36.97'. RIH OUT OF DERRICK ON 2-3/8" TBG. EOT @ 5404'. POOH & L/D BHA. TOOLS RAN WITH NO PROBLEM. [TOOLS SIMULATE CSG PATCH] 6 PM SWI-SDFN
8/10/2010	7:00 -		COMP	30		P		7AM [DAY 6] JSA--RIH W/ PKR & CSG PATCH. SICP=0#. P/U WTFRD HD PKR FOR 4.5 CSG & RIH OUT OF DERRICK ON 2-3/8" TBG. WORK PKR & ISOLATE LEAK BETWEEN 5371'-5372.5' USING TBG TALLY W/ 8' KB. WITH OUT USING 8' KB--PUTS LEAK IN COLLAR AT 5364'. POOH & L/D PKR. P/U CSG PATCH LINER, LINER SETTING TOOL, BUMPER SUB (OPEN), SLIDE VALVE, [TOTAL LENGTH 49.87] RIH OUT OF DERRICK ON 2-3/8" TBG. RIH SLOW. SET LINER [TBG TALLY W/ 8' KB] W/ LINER TOP @ 5362.50 & BTM OF LINER @ 5382.50'. 20' CSG PATCH X 3.70 ID. POOH & L/D TOOLS. 5 PM SWI-SDFN. PREP TO RIH W/ 3.600 TAPERED DRIFT THROUGH CSG PATCH IN AM.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-19P	Spud Conductor: 2/22/2008	Spud Date: 2/29/2008	
Project: UTAH-UINTAH	Site: NBU 1022-19P		Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD	Start Date: 8/3/2010		End Date: 8/16/2010
Active Datum: RKB @5,312.00ft (above Mean Sea Leve	UWI: NBU 1022-19P		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/11/2010	7:00 - 15:00	8.00	COMP	30		P		7AM [DAY 7] JSA--RIH TBG, ND, NU. P/U 3.600" CONE DRIFT & RIH OUT OF DERRICK ON 2-3/8" TBG. WORK DRIFT FROM 5360'-5403'. TIGHT SPOT @ 5381'.WORKED THROUGH. LINER DRIFTED GOOD. POOH & L/D BHA. R/D FLOOR & TBG EQUIPMENT. NDBOP, NUFV'S. 3PM SWI-SDFN. PREP TO P.T, PERF & FRAC IN AM.

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 20714

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME: UTU63047A

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

8. WELL NAME and NUMBER: NBU 1022-19P

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

9. API NUMBER: 4304739139

3. ADDRESS OF OPERATOR: P.O.BOX 173779 CITY DENVER STATE CO ZIP 80217

PHONE NUMBER: (720) 929-6100

10 FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: SESE 766' FSL, 298' FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW:
AT TOTAL DEPTH:

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 19 10S 22E S

12. COUNTY: UINTAH

13. STATE: UTAH

14. DATE SPUDDED: 2/22/2008

15. DATE T.D. REACHED: 4/16/2008

16. DATE COMPLETED: 8/18/2010 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): 5296 GL

18. TOTAL DEPTH: MD 8,750 TVD

19. PLUG BACK T.D.: MD 8,697 TVD

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL-CCL-GR-BCS-SD/DSN/ACTR

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

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

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#		40		28			
12 1/4"	9 5/8" J-55	36#		2,060		645			
7 7/8"	4 1/2" I-80	11.6#		8,750		1,790			

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,196							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) WASATCH	5,452	6,494		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)		SIZE	NO. HOLES	PERFORATION STATUS
5,452	6,494	0.36	74	Open ☑ Squeezed ☐
				Open ☐ Squeezed ☐
				Open ☐ Squeezed ☐
				Open ☐ Squeezed ☐

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

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5452 - 6494	PUMP 2,527 BBLS SLICK H2O & 107,957 LBS 30/50 SAND

RECEIVED
SEP 22 2010
DIV. OF OIL, GAS & MINING

29. ENCLOSED ATTACHMENTS:
☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: PROD

(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:
8/18/2010		8/25/2010		24			12	1,674	159	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:
64/64	270	899					12	1,674	159	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	1,011				
BIRD'S NEST	1,320				
MAHOGANY	1,742				
WASATCH	4,130				
MESAVERDE	6,665	8,750	TD		

35. ADDITIONAL REMARKS (Include plugging procedure)

ATTACHED IS THE CHRONOLOGICAL RECOMPLETION HISTORY.

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 9/17/2010

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: NBU 1022-19P	Spud Conductor: 2/22/2008	Spud Date: 2/29/2008
Project: UTAH-UINTAH	Site: NBU 1022-19P	Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD	Start Date: 8/3/2010	End Date: 8/16/2010
Active Datum: RKB @5,312.01ft (above Mean Sea Level)	UWI: NBU 1022-19P	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/3/2010	7:00 - 15:00	8.00	COMP	30	A	P		7AM [DAY 1] JSA-- MOVING RIG & EQUIPMENT. PRIOR TO MIRU, PLE EQUIPMENT WAS REMOVED FROM WELL. RDMO BONANZA 1023-9J. ROAD RIG TO NBU 1022-19P. MIRU, SPOT EQUIPMENT. FTP=50#, FCP=50#. BLEW WELL DN. PMP 31 BBLS TMAC DN TBG. NDWH, NUBOP. R/U FLOOR & TBG EQUIPMENT. UNLAND TBG. L/D HANGER. MIRU, PMP'D 3 BBLS 15% HCL DN TBG & CHASED WITH 60 BBLS TMAC MIXED W/ NALCO 9021 H2S SCAVENGER. SWI. RDMO NALCO. 3PM SDFD
8/4/2010	-		COMP	30		P		[DAY 2] RIG ON STAND BY.
8/5/2010	7:00 - 16:00	9.00	COMP	30		P		7AM [DAY 3] JSA POOH W/ TBG, WATCH FOR TBG BLOW. WIRELINE WORK SITP=750#, SICP=750#. BLEW WELL DN. PMP 30 BBLS TMAC DN TBG. EOT @ 7875'. POOH STDG BACK TBG. L/D BHA. TBG LOOKED GOOD. KILL WELL WITH ANOTHER 40 BBLS WHILE POOH. RD FLOOR & TBG EQUIP. NDBOP, NUFV'S. MIRU CASED HOLE SOLUTIONS. RIH W/ GAUGE RING FOR 4.5 CSG TO 6600'. POOH. P/U BAKER 10K CBP, RIH, & SET @ 6544'. POOH & L/D W.L. TOOLS. FILL CSG W/ 60 BBLS TMAC. MIRU B&C TESTERS. ATTEMPT TO P.T. CSG & FRAC VALVES TO 6200#. RIH W/ ANOTHER BAKER 8K CBP & SET @ 6520'. POOH & L/D W.L. TOOLS. FILL CSG W/ 10 BBLS. ATTEMPT TO P.T. CSG AGAIN. NO LUCK. [CSG LEAK] RDMO B&C & CASED HOLE SOLUTIONS. GOT TO 3000# & SHUT DN PMP, BLED OFF 1000# IN 1 MIN ON BOTH TESTS. NDFV'S, NUBOP. R/U FLOOR & TBG EQUIPMENT. 4PM SWI-SDFN. PREP TO RIH W/ PKR & FIND CSG LEAK IN AM.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-19P	Spud Conductor: 2/22/2008	Spud Date: 2/29/2008	
Project: UTAH-UINTAH	Site: NBU 1022-19P		Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD	Start Date: 8/3/2010		End Date: 8/16/2010
Active Datum: RKB @5,312.01ft (above Mean Sea Level)	UWI: NBU 1022-19P		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/6/2010	7:00 - 15:00	8.00	COMP	30		P		7AM [DAY 4] JSA-- RIH W/ PKR. SICP=210#. BLEW WELL DN IN 2 MIN. P/U WTFRD HD PKR & RIH OUT OF DERRICK ON 2-3/8" TBG. SET PKR @ 3264'. FILL CSG W/ 7 BBLS TMAC. P.T. TO 3000#. FILL TBG W/ 5 BBLS. NO TEST. --STARTING INJECTING @ 2800# @ 1.5 BPM. LOST 1500# IN LESS THEN 1 MINUTE. WORK PKR UP & DOWN HOLE. FOUND CSG LEAK BETWEEN 5358'-5375'. POOH AND L/D PKR. CONSULT W/ ENGINEERING. DECISION WAS TO RUN A CSG PATCH. CALL FOR PATCH & CSG CALIPER TOOLS. 3PM SWI-SDF-WE. PREP TO RIH W/ CSG CALIPER LOGGING TOOLS & CSG PATCH DUMMY RUN ON MONDAY 8/9/10
8/9/2010	7:00 - 18:00	11.00	COMP	30		P		7AM [DAY 5] JSA-- WIRELINE WORK W/ SJ CSG CALIPER LOG. WE-SICP=10#. MIRU S.J. WIRELINE. RIH W/ CSG CALIPER LOG TOOLS. LOG FROM 6000' TO 5000'. POOH & L/D WIRELINE TOOLS. RDMO S.J. WIRLINE. DID NOT SEE A HOLE IN CSG FROM LOG INFORMATION?? P/U WEATHERFORD TAPER MILL, SCRAPER, BIT SUB, X-O SUB, TOTAL BHA OF 7.70'. RIH OUT OF DERRICK ON 2-3/8" J-55 TBG. WORK TOOLS FROM 5406' TO 5343'. REVERSE CIRCULATE W/ 55 BBLS TMAC. POOH & L/D BHA. P/U WEATHERFORD ROTARY SHOE, JT OF WASH PIPE, DRIVE PUP, XO SUB, TOTAL BHA OF 36.97'. RIH OUT OF DERRICK ON 2-3/8" TBG. EOT @ 5404'. POOH & L/D BHA. TOOLS RAN WITH NO PROBLEM. [TOOLS SIMULATE CSG PATCH] 6 PM SWI-SDFN
8/10/2010	7:00 -		COMP	30		P		7AM [DAY 6] JSA--RIH W/ PKR & CSG PATCH. SICP=0#. P/U WTFRD HD PKR FOR 4.5 CSG & RIH OUT OF DERRICK ON 2-3/8" TBG. WORK PKR & ISOLATE LEAK BETWEEN 5371'-5372.5' USING TBG TALLY W/ 8' KB. WITH OUT USING 8' KB--PUTS LEAK IN COLLAR AT 5364'. POOH & L/D PKR. P/U CSG PATCH LINER, LINER SETTING TOOL, BUMPER SUB (OPEN), SLIDE VALVE, [TOTAL LENGTH 49.87] RIH OUT OF DERRICK ON 2-3/8" TBG. RIH SLOW. SET LINER [TBG TALLY W/ 8' KB] W/ LINER TOP @ 5362.50 & BTM OF LINER @ 5382.50'. 20' CSG PATCH X 3.70 ID. POOH & L/D TOOLS. 5 PM SWI-SDFN. PREP TO RIH W/ 3.600 TAPERED DRIFT THROUGH CSG PATCH IN AM.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-19P	Spud Conductor: 2/22/2008	Spud Date: 2/29/2008
Project: UTAH-UINTAH	Site: NBU 1022-19P	Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD	Start Date: 8/3/2010	End Date: 8/16/2010
Active Datum: RKB @5,312.01ft (above Mean Sea Level)	UWI: NBU 1022-19P	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/11/2010	7:00 - 15:00	8.00	COMP	30		P		7AM [DAY 7] JSA--RIH TBG, ND, NU. P/U 3.600" CONE DRIFT & RIH OUT OF DERRICK ON 2-3/8" TBG. WORK DRIFT FROM 5360'-5403'. TIGHT SPOT @ 5381'.WORKED THROUGH. LINER DRIFTED GOOD. POOH & L/D BHA. R/D FLOOR & TBG EQUIPMENT. NDBOP, NUFV'S. 3PM SWI-SDFN. PREP TO P.T, PERF & FRAC IN AM.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-19P	Spud Conductor: 2/22/2008	Spud Date: 2/29/2008
Project: UTAH-UINTAH	Site: NBU 1022-19P	Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD	Start Date: 8/3/2010	End Date: 8/16/2010
Active Datum: RKB @5,312.01ft (above Mean Sea Level)	UWI: NBU 1022-19P	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/12/2010	6:00 - 16:00	10.00	COMP	36	E	P		6AM [DAY 8] JSA--HLBRTN FRAC MIRU B&C TESTERS. P.T. CSG & FRAC VALVES TO 6000#. RDMO B&C. MIRU HLBRTN & CASEDHOLE SOLUTIONS. [STG#1] RIH W/ PERF GUN & PERF THE WASATCH @ 6488-6494 USING 3-3/8" EXP GUNS, 23 GM, 0.36, 90* PHS, 4 SPF, 24 HOLES. WHP=0#. P.T. SURFACE LINES TO 8000#. BRK DN PERFS @ 3289 @ 4 BPM. ISIP=1809, FG=.71. BULLHEAD 3 BBLS 15% HCL. CALC 18/24 75% PERFS OPEN. PMP'D 913 BBLS SLK WTR & 31,500# 30/50 SAND W/ 5000# EXPEDITE RC @ TAIL. ISIP=2574, FG=.83, NPI=765, MP=4731, MR=42, AP=345, AR=37 BPM. RAMP TO 3# SAND. PROTECHNIC TRACED W/ IRIDIUM. [STG#2] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 6050'. PERF THE WASATCH @ 5938'-5944 USING 3-3/8" EXP GUNS, 23 GM, 0.36, 90* PHS, 4SPF, 24 HLS. WHP=156#. BRK DN PERFS @ 2744 @ 3 BPM. ISIP=1019, FG=.60. CALC 21/24 87% PERFS OPEN. PMP'D 974 BBLS SLK WTR & 42,784# 30/50 SAND W/ 5000# EXPEDITE RC @ TAIL. ISIP=2065, FG=.78, NPI=1046, MP=4135, MR=52, AP=2878, AR=43 BPM. RAMP TO 3# SAND. PROTECHNIC TRACED W/ IRIDIUM. [STG#3] RIH W/ BAKER 8K CBP & PERF GUNS. SET CBP @ 5836'. PERF THE WASATCH @ 5725-5728, 90* PHS, 4 SPF, 12 HOLES. BRK DN PERFS @ 2237# @ 1 BPM. ISIP=1774, FG=.75. PERF REMAINING PERFS @ 5502-5504, 120* PHS, 3 SPF, & 5452-5454, 90* PHS, 4 SPF USING 3-3/8" EXP GUNS, 23 GM, 0.36, 26 HOLES TOTAL. WHP=1035#. BRK DN PERFS @ 1580# @ 4 BPM. ISIP=1421, FG=.69. CALC 16/26--61% PERFS OPEN. PMP'D 640 BBLS SLK WTR & 33,673# 30/50 SAND W/ 5000# EXPEDITE RC @ TAIL. ISIP=1740, FG=.74, NPI=319, MP=5540, MR=51, AP=3164, AR=48 BPM. RAMP TO 3# SAND. PROTECHNIC TRACED W/ IRIDIUM. [KILL PLUG] RIH W/ BAKER 8K CBP & SET @ 5310'. POOH & L/D WIRELINE TOOLS. RDMO HLBRTN & CASEDHOLE SOLUTIONS. GRAND TOTAL 30/50 OTTAWA & EXPEDITE RC SAND=107,957# AND TOTAL FLUID=2727 BBLS. INSTALL TBG HANGER PLUG IN TBG HANGER BOWL, NDFV'S, NUBOP. RETREIVE PLUG IN HANGER BOWL. P/U 3-5/8" MILL TOOTH BIT, POBS W/ XN NIPPLE & RIH OUT OF DERRICK ON 2-3/8" J-55 TBG. TAG KILL PLUG @ 5310'. R/U SWVL & RIG PUMP. 4PM SW-SDFN. PREP TO D/O 5 CBP'S IN AM.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-19P	Spud Conductor: 2/22/2008	Spud Date: 2/29/2008
Project: UTAH-UINTAH	Site: NBU 1022-19P	Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD	Start Date: 8/3/2010	End Date: 8/16/2010
Active Datum: RKB @5,312.01ft (above Mean Sea Level)	UWI: NBU 1022-19P	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/13/2010	7:00 - 15:00	8.00	COMP	30		P		7AM [DAY 9] JSA--N2 UNIT & D/O PLUGS. EOT @ 5300'. ESTABLISH CIRC W/ RIG PUMP. P.T. BOP TO 2500#. MIRU CUDD N2 UNIT. [DRLG CBP#1] @ 5310' D/O BAKER 8K CBP IN 5 MIN. 150# INC. RIH & C/O 25' SAND TO CBP#2. FCP=50#. NOTE: LOST 4000# TBG WEIGHT GOING THRU CSG PATCH. [DRLG CBP#2] @ 5836'. DRILL OUT BAKER 8K CBP IN 3 MIN. 50# INC. RIH & C/O 25' SAND TO CBP#3. FCP=50#. [DRLG CBP#3] @ 6050'. DRILL OUT BAKER 8K CBP IN 3 MIN. 100# INC. RIH & C/O 30' SAND TO CBP#4. FCP=100#. [DRLG CBP#4] @ 6520'. DRILL OUT BAKER 8K CBP IN 2 MIN. 50# INC. RIH TO CBP#5. FCP=100#. KICK IN N2 UNIT & UNLOAD WATER FROM WELL. FCP=550# [DRLG CBP#5] @ 6544'. DRILL OUT BAKER 10K CBP IN 10 MIN. 100# INC. RIH TAG SCALE @ 7840'. LOST CIRCULATION. ATTEMPT TO GET CIRCULATION W/ NITROGEN FOR 1.5 HRS. NO LUCK. CONSULT W/ ENGINEERING. 3PM SWI FOR WEEKEND TO BUILD PSI. PREP TO C/O & LAND TBG ON MONDAY 8/16/10.
8/16/2010	7:00 -							7AM [DAY 10] JSA--C/O PBTD, RIG DN RIG. EOT @ 7840'. SICP=950#. OPEN CSG TO FBT. KILL TBG W/ 25 BBLS TMAC. INSTALL STRING FLOAT. ESTABLISH CIRCULATION W/ N2 UNIT. C/O 30' SOFT SCALE. FELL THROUGH. RIH, TAG SOFT SCALE @ 8235'. FCP=300#. C/O 20'. RIH, TAG SOFT SCALE @ 8330'. C/O 365' LIGHT SCALE TO PBTD @ 8695'. FCP=300#. CIRCULATE WELL CLEAN.R/D SWVL. POOH & RETEIVE STRING FLOAT. LAND TBG ON HANGER W/ 260 JTS 2-3/8" J-55 TBG. EOT @ 8196.52' & POBS W/ XN @ 8194.32'. AVG 5 MIN/PLUG & C/O 88' SAND & 415' LIGHT SCALE. R/D FLOOR & TBG EQUIPMENT. NDBOP, NUWH. DROP BALL DOWN TBG & PUMP OFF THE BIT W/ N2 @ 1750#.?? OPEN WELL TO FBT ON OPEN CHOKE. FTP=0, SICP=1000#. RACK EQUIPMENT. RDMO CUDD. 2 PM TURN WELL OVER TO DELSCO FBC. LTR @ 2 PM=1877 BBLS. RDMO RIG. ROAD RIG TO BONANZA 1023-18A. SPOT RIG & EQUIPMENT. WELL DID NOT FLOW UP TBG. [BIT STILL ON] MIRU DELSCO ATTEMPT TO SWAB & KNOCK OFF BIT SUB W/ WEIGHT BARS, NO LUCK. MIRU CUTTERS. PERF TBG @ 8145-8151,WLM, .25 HOLE SIZE, 24 HOLES. RDMO CUTTERS. FTP=1400, SICP=1650 ON 20/64 CHOKE.

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-19P	Spud Conductor: 2/22/2008	Spud Date: 2/29/2008
Project: UTAH-UINTAH	Site: NBU 1022-19P	Rig Name No: LEED 698/698
Event: RECOMPL/RESEREVEADD	Start Date: 8/3/2010	End Date: 8/16/2010
Active Datum: RKB @5,312.01ft (above Mean Sea Level)	UWI: NBU 1022-19P	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/18/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1400#, TP 1050#, 20/64" CK, 50 BWPH, LIGHT SAND, -LIGHT GAS TTL BBLS RECOVERED: 1140 BBLS LEFT TO RECOVER: 1587
8/19/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 1300#, TP 1000#, 20/64" CK, 6 BWPH, trace SAND, - GAS TTL BBLS RECOVERED: 1277 BBLS LEFT TO RECOVER: 1450
8/25/2010	7:00 -							WELL IP'D ON 8/25/10 - 1674 MCFD, 12 BOPD, 159 BWPD, CP 899#, FTP 270#, CK 64/64", LP 114#, 24 HRS