

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

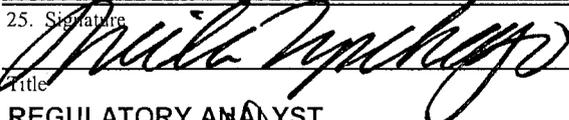
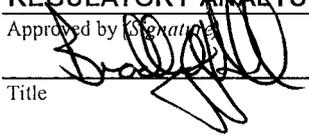
FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-0466
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERR MCGEE OIL & GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. UNIT #891008900A
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		8. Lease Name and Well No. NBU 1022-71
3b. Phone No. (include area code) (435) 781-7024		9. API Well No. 43-047-39157
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface NESE 2000'FSL, 948'FEL 630191X 39.961427 At proposed prod. Zone 4424401Y -109.475724		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 24.45 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk, and Survey or Area SEC. 7, T10S, R22E
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 948'	16. No. of Acres in lease 453.62	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well 40.00	13. State UTAH	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 9120'	20. BLM/BIA Bond No. on file BOND NO: WYB000291
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5306'UNGRADED GL	22. Approximate date work will start*	23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 	Name (Printed/Typed) SHEILA UPCHEGO	Date 3/14/2007
Title REGULATORY ANALYST		
Approved by Signature 	Name (Printed/Typed) BRADLEY G. HILL	Date 03-28-07
Title ENVIRONMENTAL MANAGER	Office	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

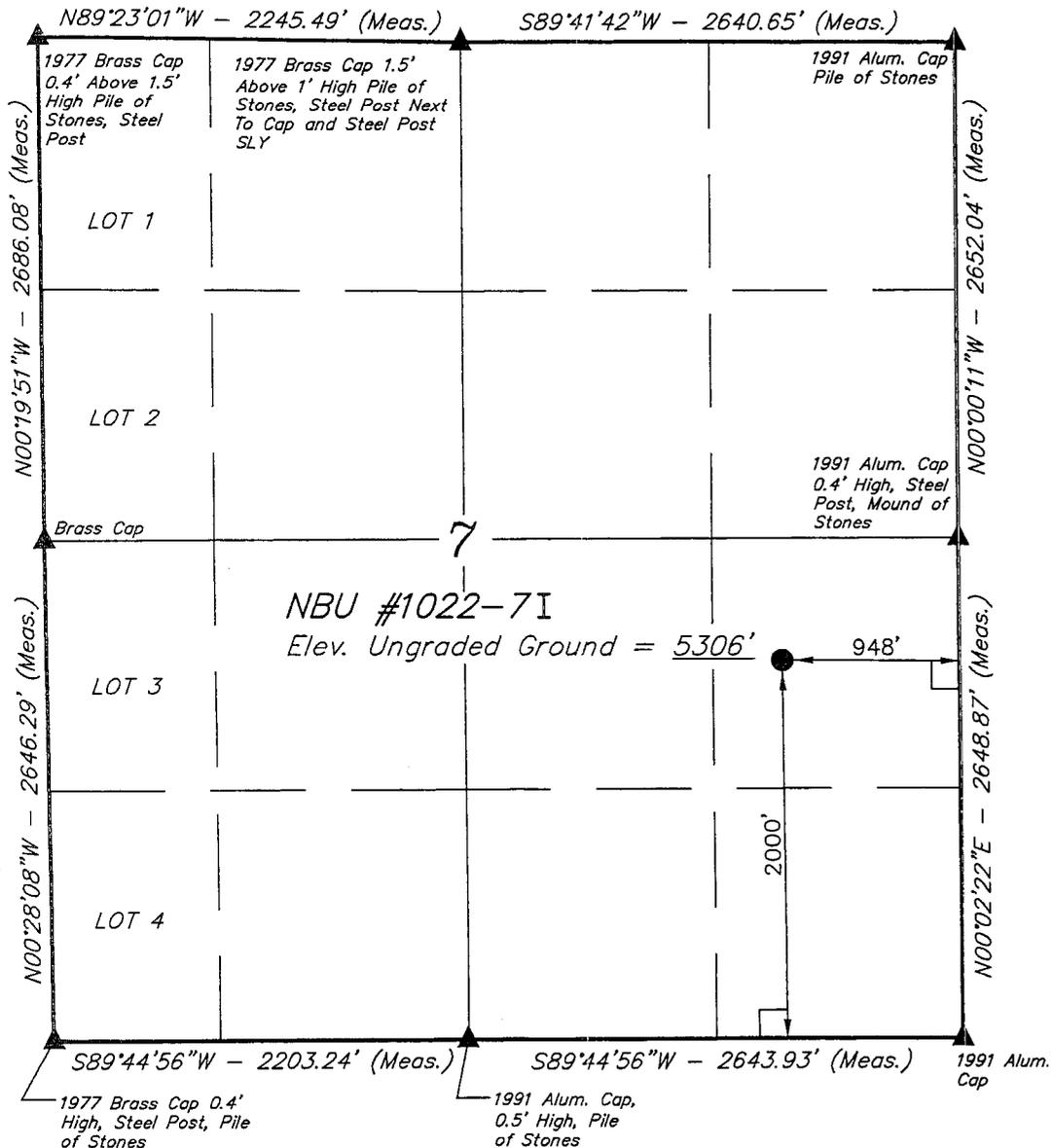
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

Federal Approval of this
Action is Necessary

RECEIVED
MAR 21 2007
DIV. OF OIL, GAS & MINING

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



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

(NAD 83)
 LATITUDE = 39°57'41.97" (39.961658)
 LONGITUDE = 109°28'35.29" (109.476469)

(NAD 27)
 LATITUDE = 39°57'42.09" (39.961692)
 LONGITUDE = 109°28'32.83" (109.475786)

Kerr McGee Oil & Gas Onshore LP

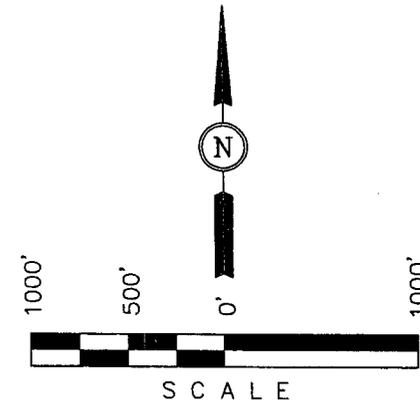
Well location, NBU #1022-7I, located as shown in the NE 1/4 SE 1/4 of Section 7, T10S, R22E, S.L.B.&M. Uintah County, Utah.

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

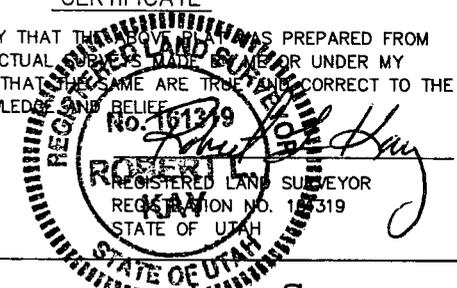
BASIS OF BEARINGS

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



CERTIFICATE

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



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

SCALE 1" = 1000'	DATE SURVEYED: 10-18-06	DATE DRAWN: 10-30-06
PARTY L.K. J.M. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE Kerr McGee Oil & Gas Onshore LP	

**NBU #1022-71
NE/SE SEC. T10S, R22E
UINTAH COUNTY, UTAH
UTU-0466**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1318'
Top of Birds Nest Water	1613'
Mahogany	2235'
Wasatch	4510'
Mesaverde	7068'
MVU2	7979'
MVL1	8567
TD	9120'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1318'
	Top of Birds Nest Water	1613'
	Mahogany	2235'
Gas	Wasatch	4510'
Gas	Mesaverde	7068'
Gas	MVU2	7979'
Gas	MVL1	8567
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

4. Proposed Casing & Cementing Program:

Please see the Natural Buttes Unit SOP.

5. Drilling Fluids Program:

Please see the Natural Buttes Unit SOP.

6. Evaluation Program:

Please see the Natural Buttes Unit SOP.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9120' TD, approximately equals 5654 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3648 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variations:**

Please see Natural Buttes Unit SOP.

10. **Other Information:**

Please see Natural Buttes Unit SOP.



KERR-McGEE OIL & GAS ONSHORE LP
DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2200	32.30	H-40	STC	0.66*****	1.33	4.08
PRODUCTION	4-1/2"	0 to 9120	11.60	I-80	LTC	7780	6350	201000
						2.26	1.16	2.18

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
 (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoys.Fact. of water)
 MASP 3447 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	Option 2	NOTE: If well will circulate water to surface, option 2 will be utilized					
	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	4,010'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	440	60%	11.00	3.38
	TAIL	5,110'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1430	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

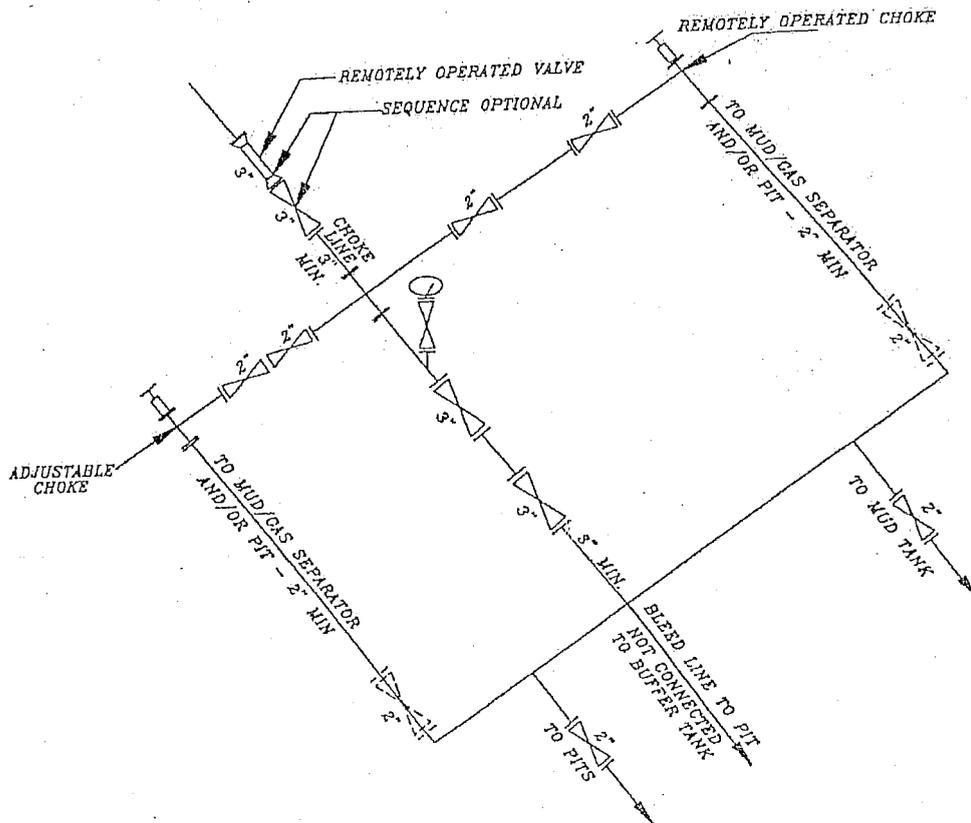
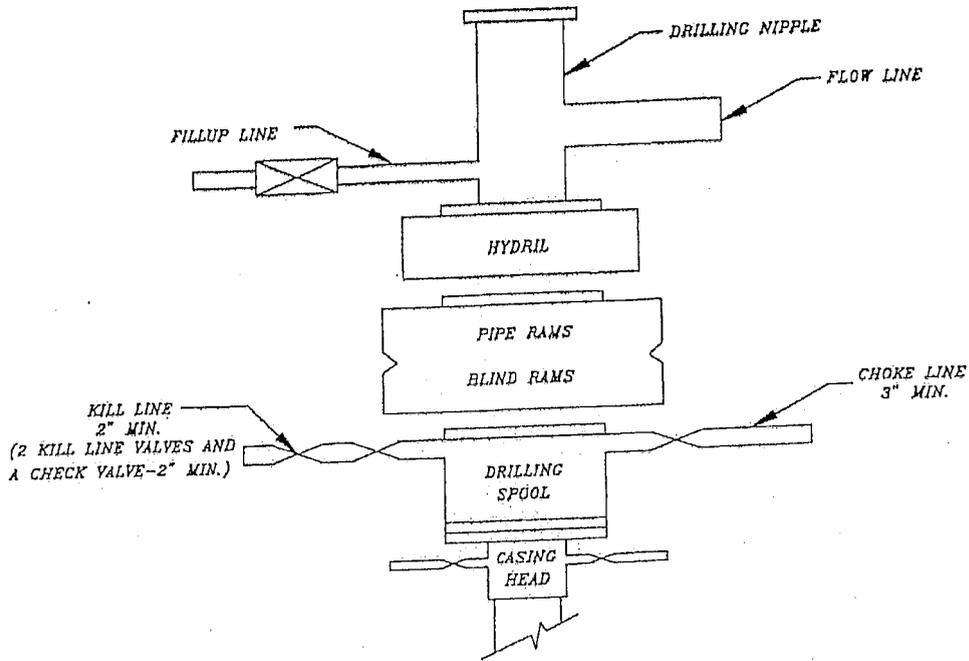
DRILLING ENGINEER: _____
Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
Randy Bayne

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU #1022-7I
NE/SE SEC 7. T10S, R22E
UINTAH COUNTY, UTAH
UTU-0466**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to the attached location directions.

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

2. Planned Access Roads:

Please see the Natural Buttes Unit Standard Operating Procedure (SOP).

The operator will move the gas line before construction. As discussed at the on-site inspection.

Approximately 340' +/- of access road is proposed. Please refer to the attached Topo Map B.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

Please see the Natural Buttes Unit SOP.

Approximately 189' +/- of 4" steel pipeline is proposed. Refer to Topo Map D.

Approximately 1700' +/- of 4" steel pipeline is proposed. Refer to Topo Map D.

Approximately 483' +/- of re-route pipeline is proposed. Refer to Topo Map D.

Variances to Best Management Practices (BMPs) Requested:

The pipeline shall be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface and the soil has a poor history for successful rehabilitation.

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 requested color is Carlsbad Canyon Brown (2.5Y 6/2), a non-reflective earthtone.

5. Location and Type of Water Supply:

Please see the Natural Buttes SOP.

6. Source of Construction Materials:

Please see the Natural Buttes SOP.

7. Methods of Handling Waste Materials:

Please see the Natural Buttes SOP.

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 (*Request is in lieu of filing Form 3160-5, after initial production*).

8. Ancillary Facilities:

Please see the Natural Buttes SOP.

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.

A 20 mil reserve pit liner with felt will be used. The existing pit will be relined. As discussed at the on-site inspection.

Location size may change prior to the drilling of the well due to the 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 3160-5 will be submitted.

10. Plans for Reclamation of the Surface:

Please see the Natural Buttes SOP.

When the pit is backfilled, the topsoil pile shall be spread on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The following seed mixture will be used to reclaim the surface for interim reclamation using appropriate reclamation methods. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for *drilled* seed are:

Blue Brush Wheatgrass	4 lbs.
Shad Scale	4 lbs.

Operator shall call the BLM for the seed mixture when final reclamation occurs.

11. Surface Ownership:

The well pad and access road are located on lands owned by:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

12. Other Information:

A Class III archaeological survey has been performed and completed on December 29, 2006; The archaeological report No. 06-29, and the paleontological survey has been performed and completed on November 2, 2006 the Report No. 06-347, is being submitted along with the APD.

WILDLIFE STIPULATIONS:

GOLDEN EAGLE: No construction or drilling February 1st – July 15th. Check with BLM Biologist for clearance.

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 Operator's Representative & Certification:

Sheila Ucphego
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.

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 the terms and conditions of the lease for the operations conducted upon leased lands.

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.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by BLM Nationwide Bond #WYB000291.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Sheila Upchego

3/14/2007

Date

Kerr-McGee Oil & Gas Onshore LP
NBU #1022-7I
SECTION 7, 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 DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY DIRECTION APPROXIMATELY 340' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.45 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-71

LOCATED IN UINTAH COUNTY, UTAH

SECTION 7, T10S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

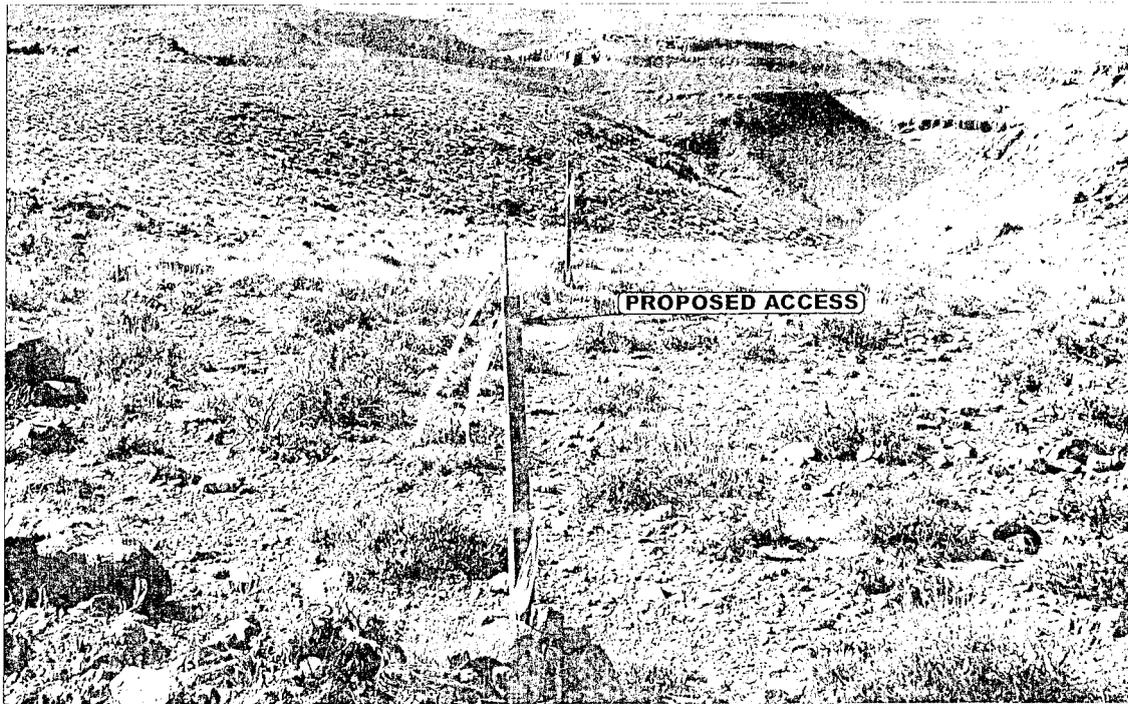


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

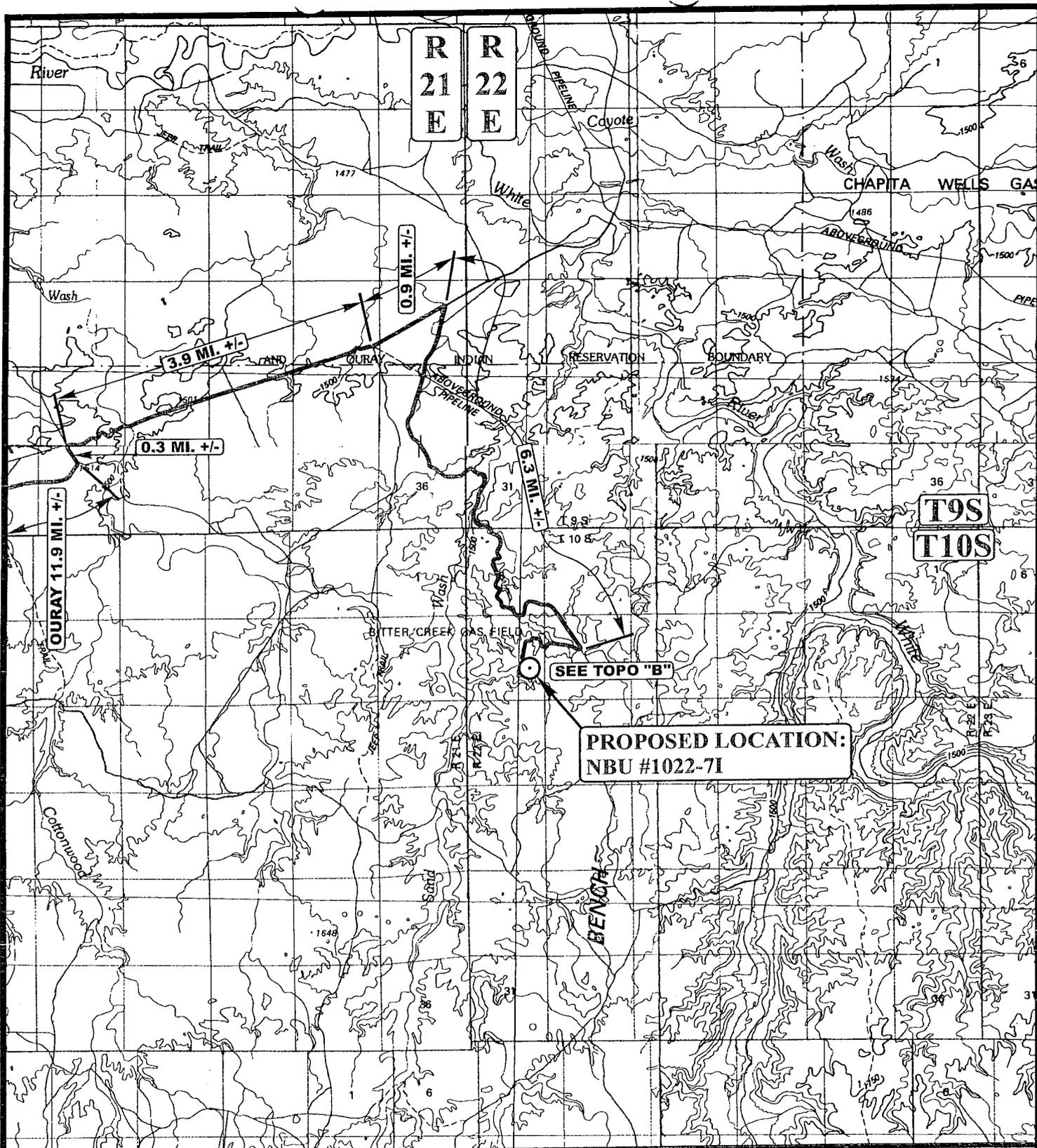
CAMERA ANGLE: SOUTHWESTERLY



Since 1964

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

LOCATION PHOTOS	10	23	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: C.P.		REVISED: 00-00-00	



LEGEND:

○ PROPOSED LOCATION

Kerr-McGee Oil & Gas Onshore LP

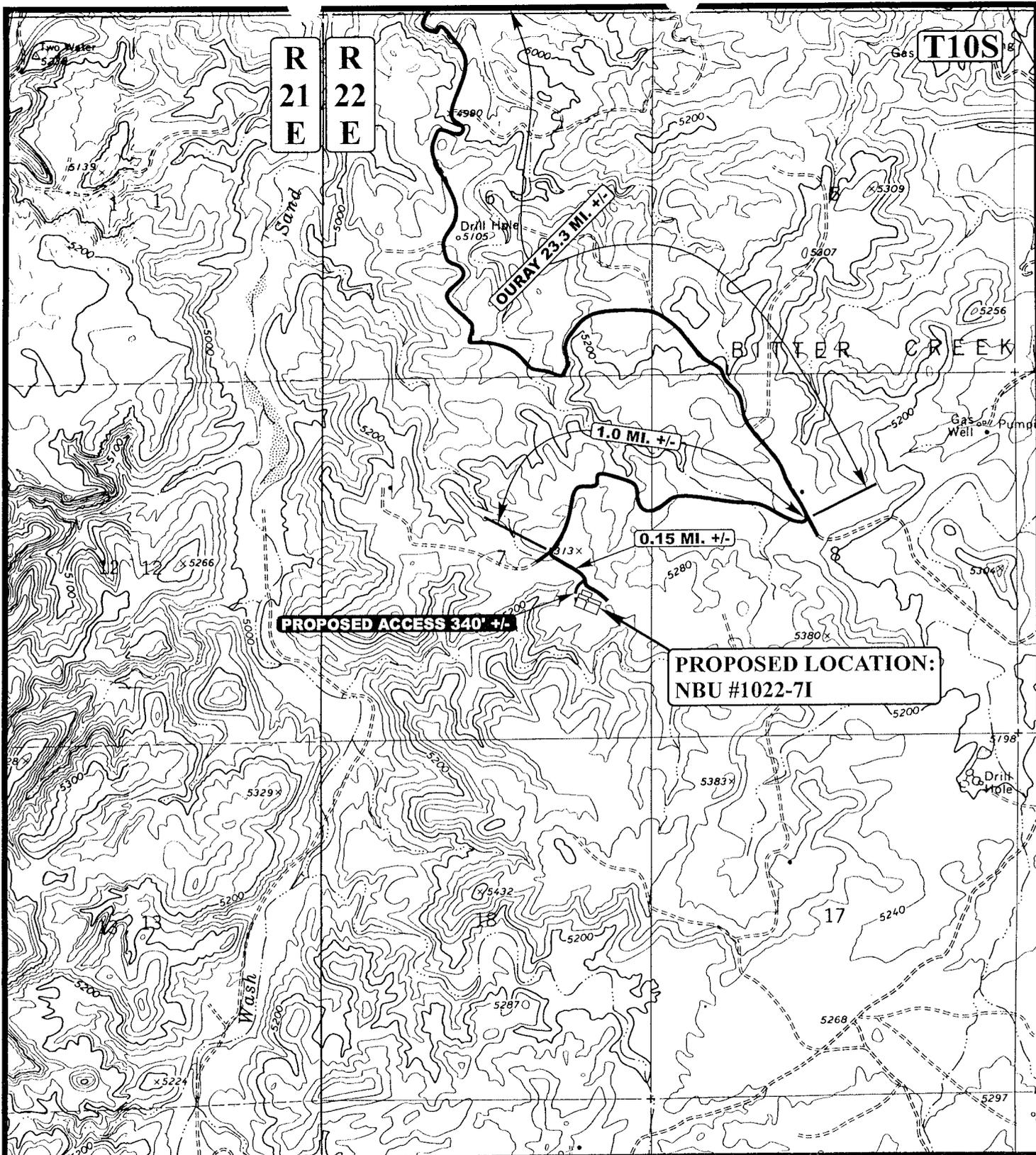
NBU #1022-71
 SECTION 7, T10S, R22E, S.L.B.&M.
 2000' FSL 948' FEL

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



TOPOGRAPHIC MAP 10 23 06
 MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7I
 SECTION 7, T10S, R22E, S.L.B.&M.
 2000' FSL 948' FEL



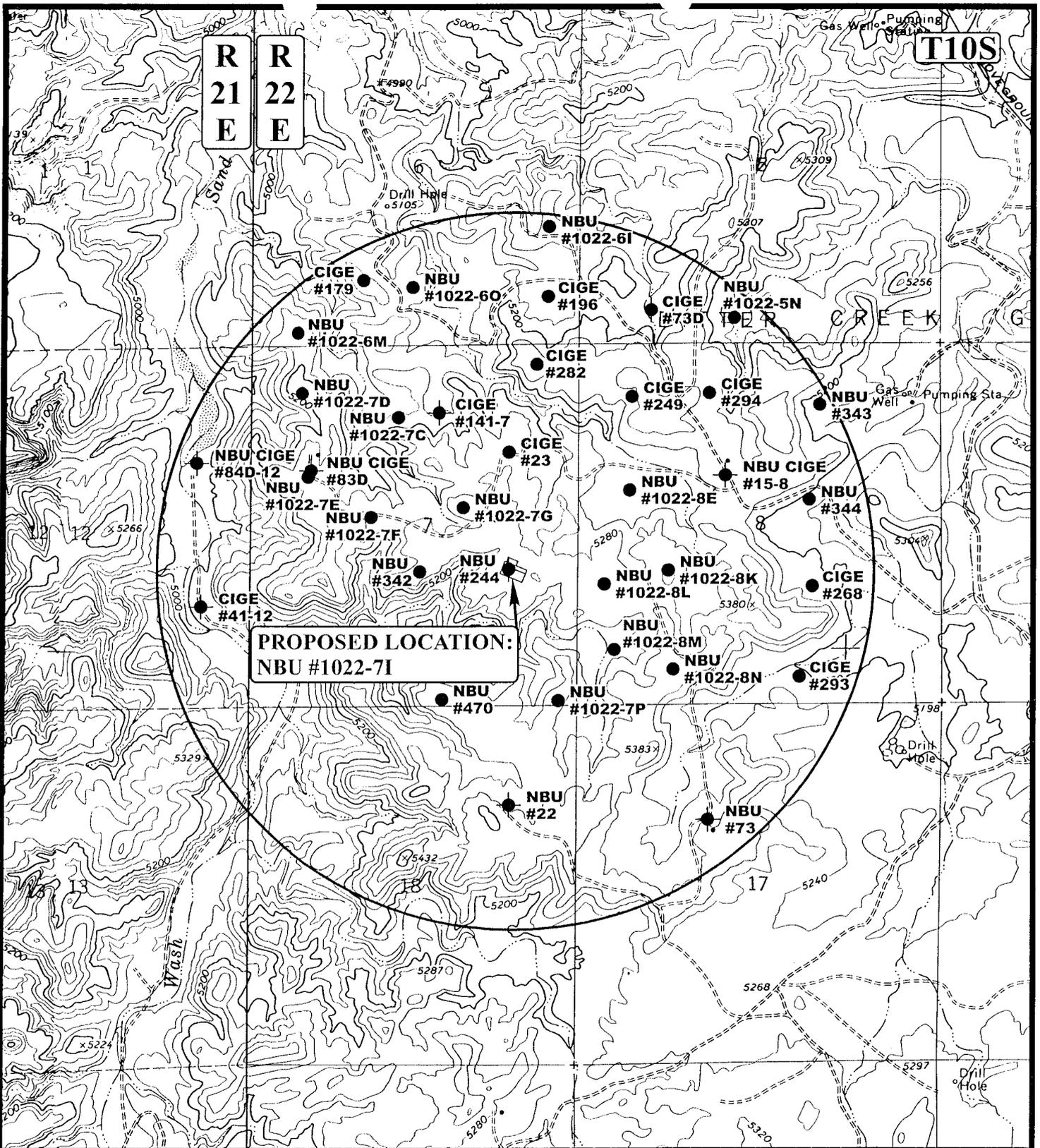
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

10	23	06
MONTH	DAY	YEAR



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



LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ⊗ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-71
SECTION 7, T10S, R22E, S.L.B.&M.
2000' FSL 948' FEL



Uintah Engineering & Land Surveying
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 (435) 789-1017 * FAX (435) 789-1813

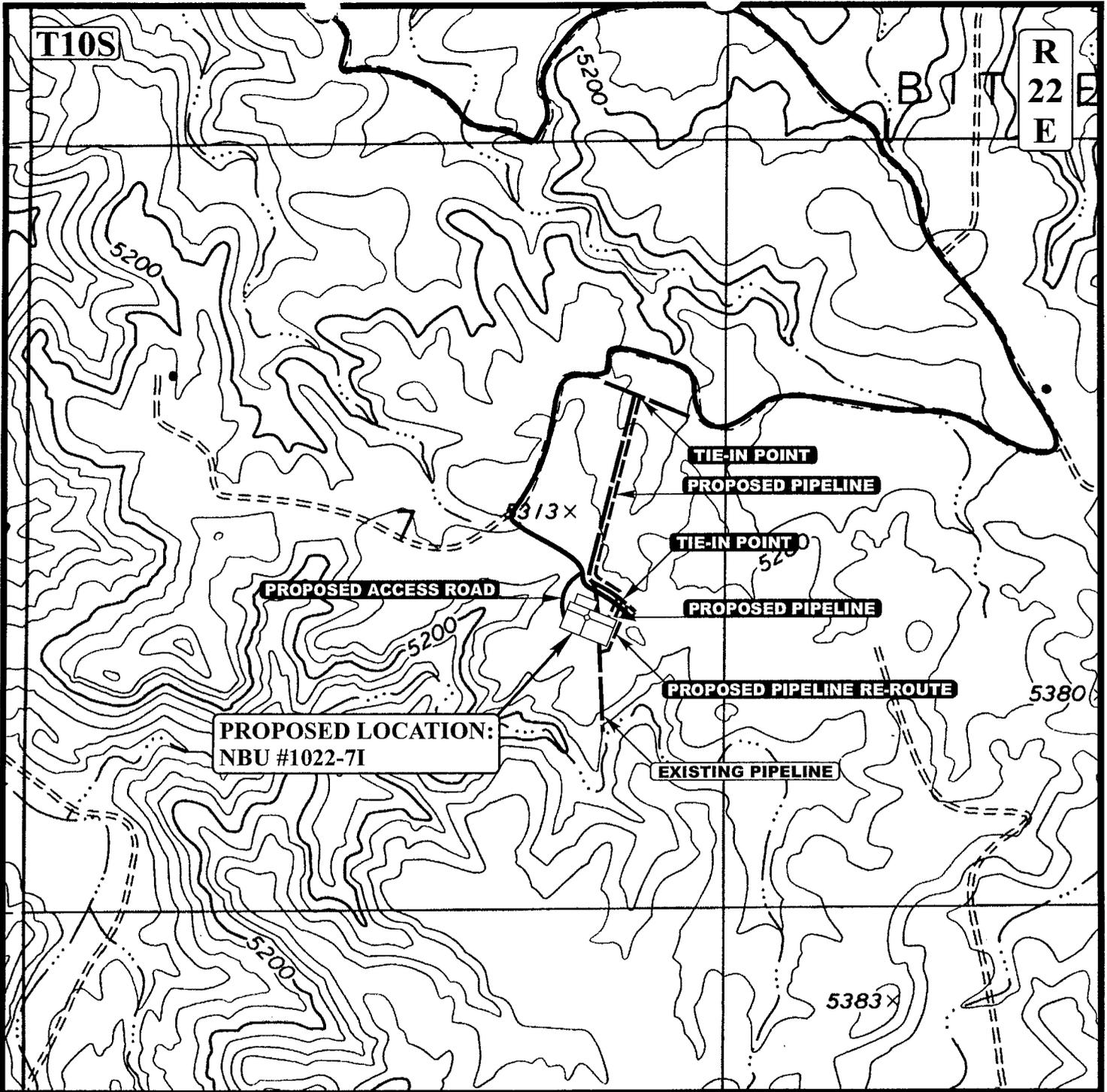


TOPOGRAPHIC
MAP

10 23 06
 MONTH DAY YEAR



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

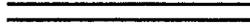


APPROXIMATE TOTAL PIPELINE RE-ROUTE DISTANCE = 483' +/-

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

APPROXIMATE TOTAL PIPELINE DISTANCE = 189' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED PIPELINE RE-ROUTE
-  PROPOSED ROAD RE-ROUTE



Kerr-McGee Oil & Gas Onshore LP

NBU #1022-71

SECTION 7, T10S, R22E, S.L.B.&M.

2000' FSL 948' FEL



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

TOPOGRAPHIC MAP	10	23	06
	MONTH	DAY	YEAR
SCALE: 1" = 1000'	DRAWN BY: C.P.		REVISED: 00-00-00



Kerr-McGee Oil & Gas Onshore LP

NBU #1021-7I

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 7, T10S, R22E, S.L.B.&M.

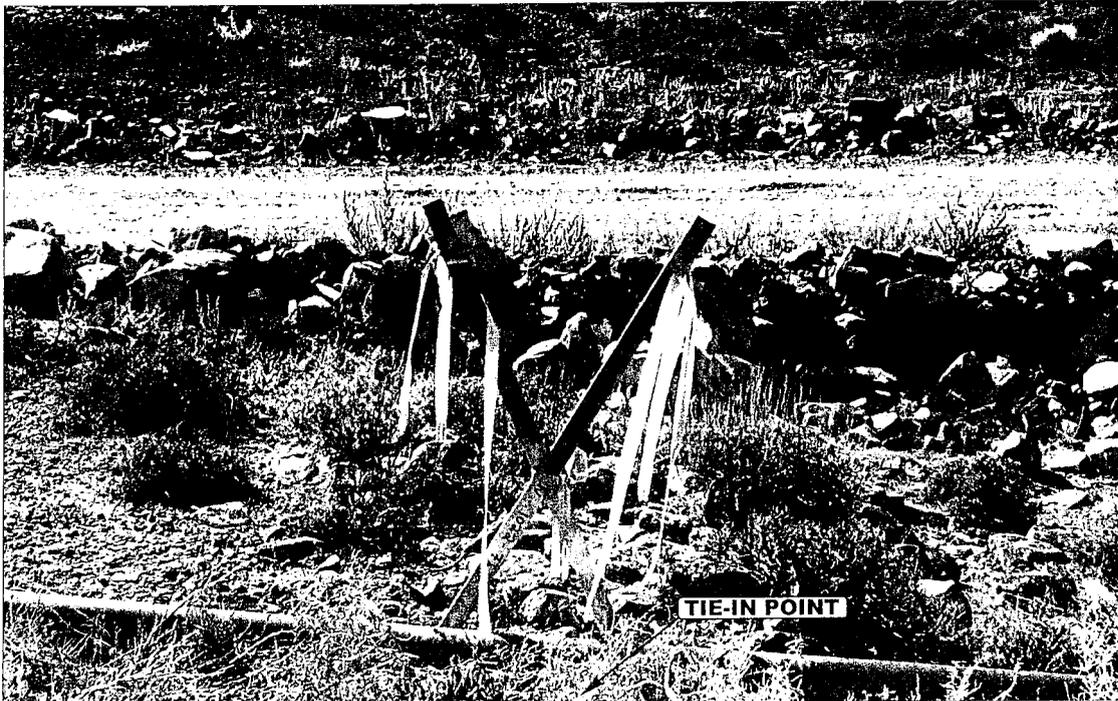


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHWESTERLY

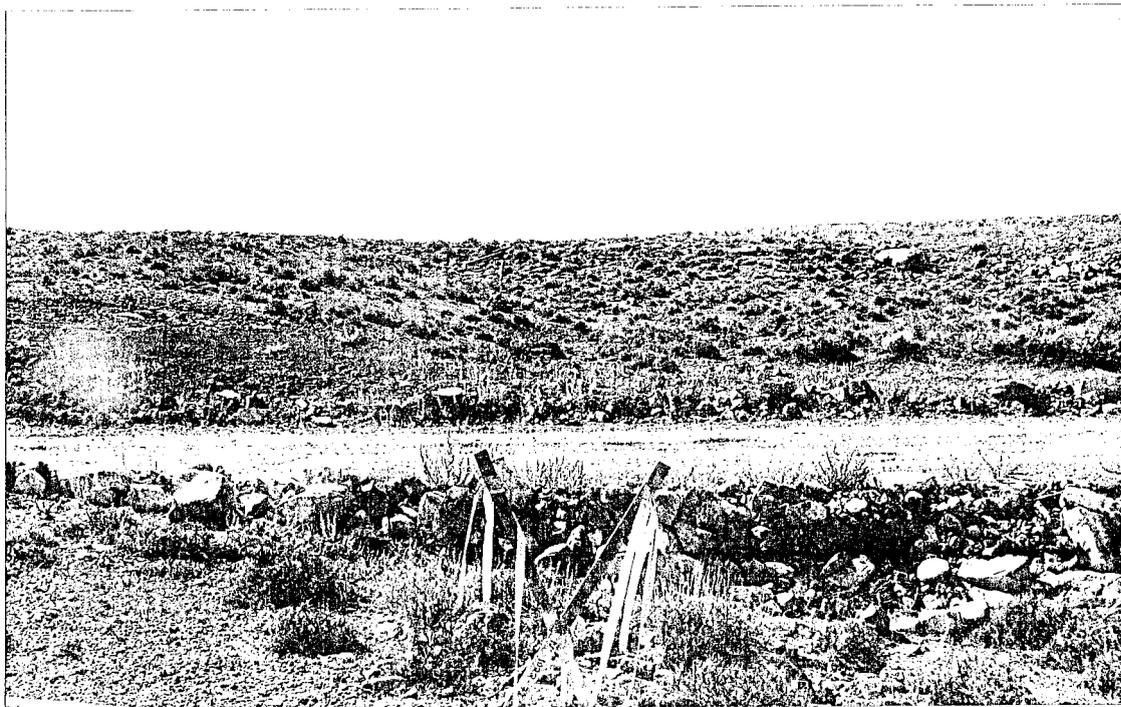


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

PIPELINE PHOTOS	10	23	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: C.P.		REVISED: 00-00-00	

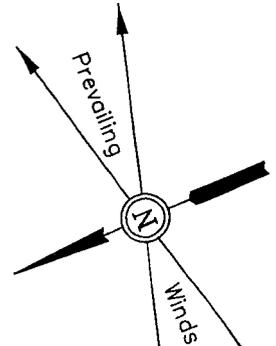
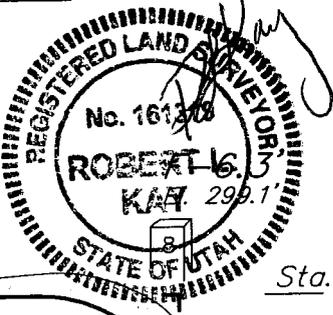
Kerr-McGee Oil & Gas Onshore LP

LOCATION LAYOUT FOR

NBU #1022-7I

SECTION 7, T10S, R22E, S.L.B.&M.

2000' FSL 948' FEL



SCALE: 1" = 50'
DATE: 10-30-06
Drawn By: C.H.

Sta. 3+50

Approx. Top of Cut Slope

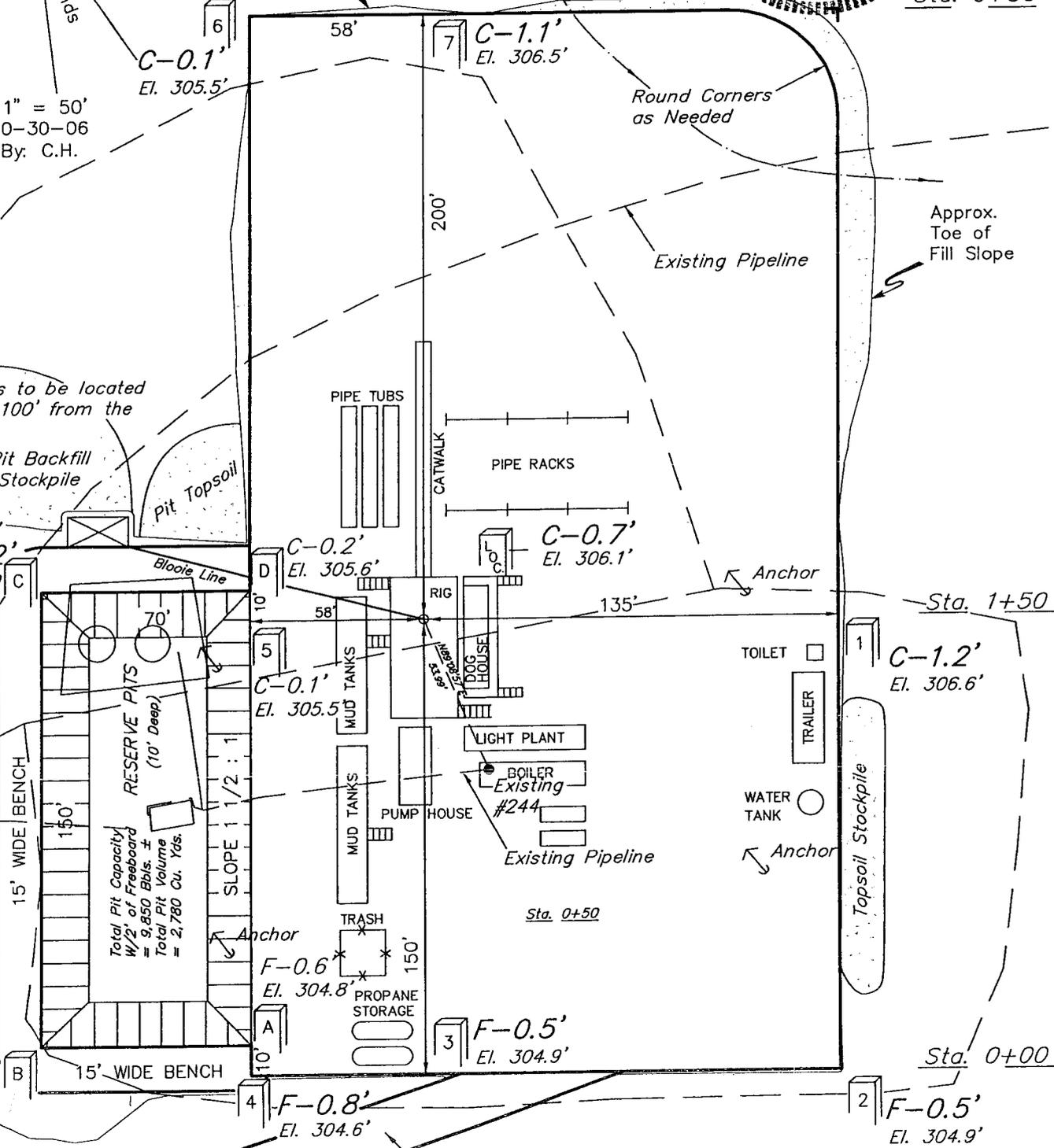
Existing Drainage

Approx. Toe of Fill Slope

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.
Reserve Pit Backfill & Spoils Stockpile

El. 308.6'
C-13.2' (btm. pit)

El. 304.6'
C-9.2' (btm. pit)



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5306.1'
FINISHED GRADE ELEV. AT LOC. STAKE = 5305.4'

FIGURE #1

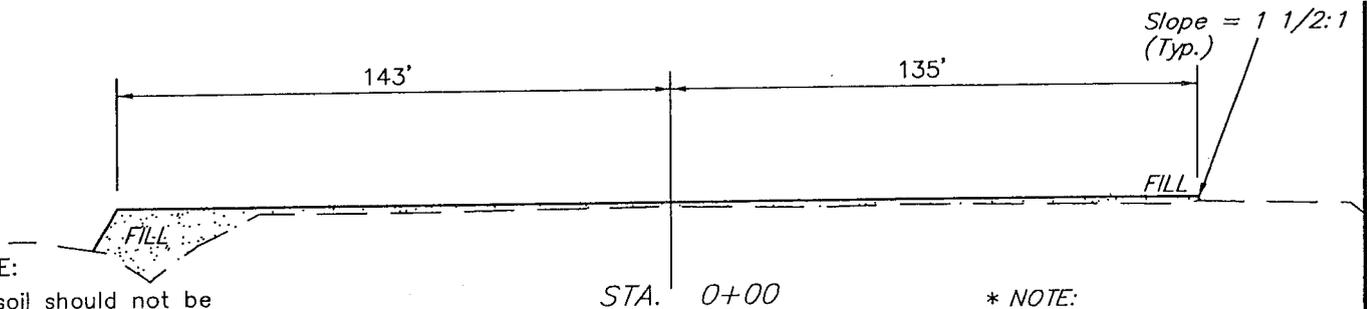
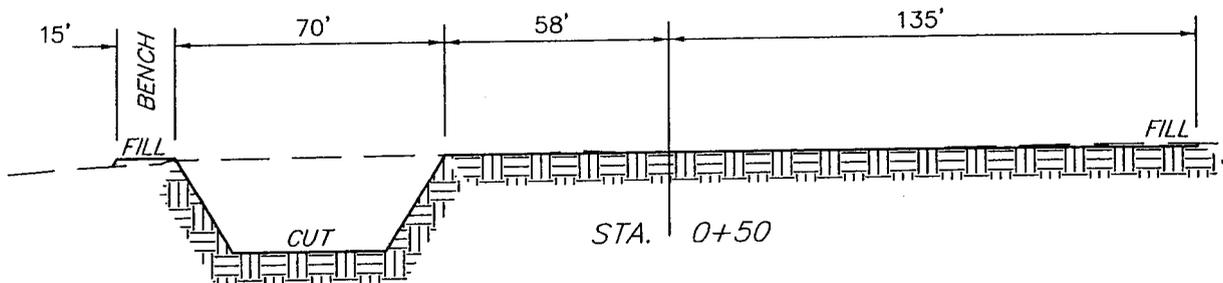
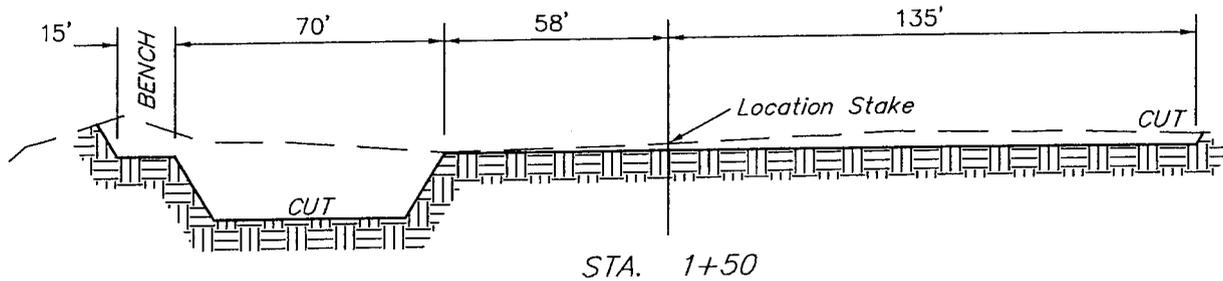
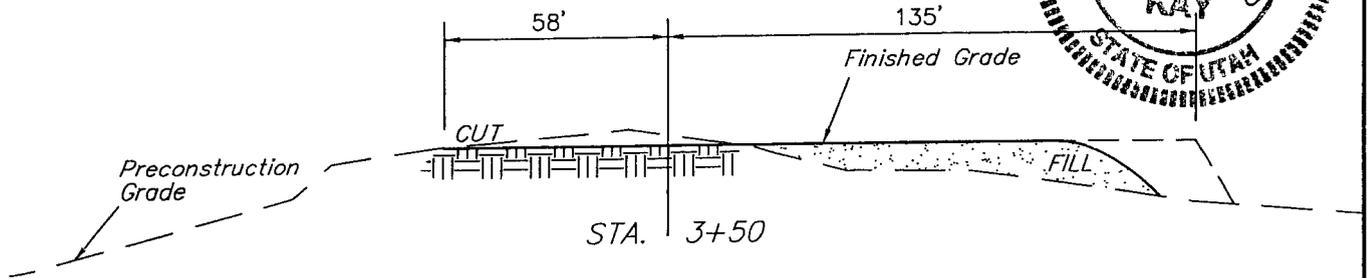
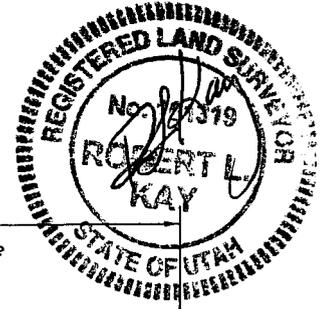
Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #1022-7I
SECTION 7, T10S, R22E, S.L.B.&M.
2000' FSL 948' FEL

1" = 20'
X-Section Scale
1" = 50'
DATE: 10-30-06
Drawn By: C.H.



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	=	840 Cu. Yds.
Remaining Location	=	4,470 Cu. Yds.
TOTAL CUT	=	5,310 CU.YDS.
FILL	=	3,080 CU.YDS.

EXCESS MATERIAL	=	2,230 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	2,230 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 03/21/2007

API NO. ASSIGNED: 43-047-39157

WELL NAME: NBU 1022-7I
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

NESE 07 100S 220E
 SURFACE: 2000 FSL 0948 FEL
 BOTTOM: 2000 FSL 0948 FEL
 COUNTY: UINTAH
 LATITUDE: 39.96163 LONGITUDE: -109.4757
 UTM SURF EASTINGS: 630191 NORTHINGS: 4424401
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-0466
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

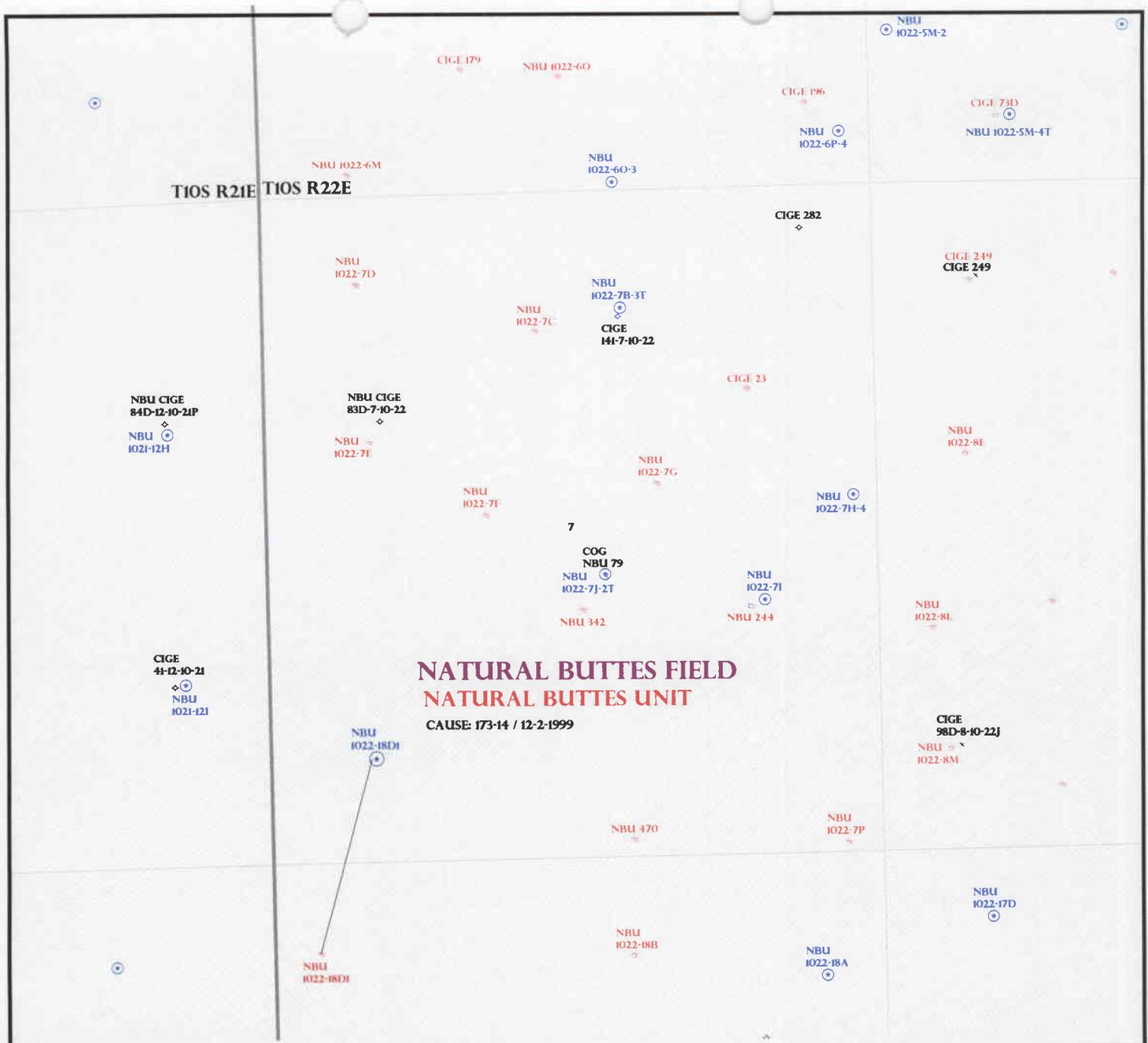
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WYB000291)
- N Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- N RDCC Review (Y/N)
(Date: _____)
- N/A Fee Surf Agreement (Y/N)
- N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

- ___ R649-2-3.
- Unit: 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: 12-2-1999
Siting: 460' W Uhdrg & unme. tract
- ___ R649-3-11. Directional Drill

COMMENTS: Sup. Service file

STIPULATIONS: 1- Federal Approval
2- OIL SHALE



NATURAL BUTTES FIELD
NATURAL BUTTES UNIT
 CAUSE: 173-14 / 12-2-1999

OPERATOR: KERR MCGEE O&G (N2995)
 SEC: 7 T.10S R. 22E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 173-14 / 12-2-1999

Field Status	Unit Status
ABANDONED	EXPLORATORY
ACTIVE	GAS STORAGE
COMBINED	NF PP OIL
INACTIVE	NF SECONDARY
PROPOSED	PENDING
STORAGE	PI OIL
TERMINATED	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



PREPARED BY: DIANA MASON
 DATE: 26-MARCH-2007

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	

Page 2

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



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

March 28, 2007

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

Re: NBU 1022-7I Well, 2000' FSL, 948' FEL, NE SE, Sec. 7, 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 43-047-39157.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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

Operator: Kerr-McGee Oil & Gas Onshore LP
Well Name & Number NBU 1022-7I
API Number: 43-047-39157
Lease: UTU-0466

Location: NE SE Sec. 7 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

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact 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. 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.

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.



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

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

API: 4304739157
Well Name: NBU 1022-7I
Location: NESE, Sec. 7, T 10S R 22E
Company Permit Issued to: Kerr-McGee Oil & Gas Onshore, LP
Date Original Permit Issued: 3/28/2007

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

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

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

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

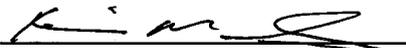
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

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

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

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



Signature

3/28/2008

Date

Title: Regulatory Analyst I

Representing: Kerr-McGee Oil & Gas Onshore, LP

RECEIVED

MAR 31 2008

DIV. OF OIL, GAS & MINING

RECEIVED
VERNAL FIELD OFFICE

2007 MAR 15 AM 9:45

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

Form 3160-3
(August 1999)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU-0466
6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.
UNIT #891008900A

8. Lease Name and Well No.
NBU 1022-7I

9. API Well No.
43 047 39157

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Blk, and Survey or Area
SEC. 7, T10S, R22E

12. County or Parish
UINTAH

13. State
UTAH

1a. Type of Work: DRILL REENTER

b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
KERR MCGEE OIL & GAS ONSHORE LP

3a. Address
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)
(435) 781-7024

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **NESE 2000'FSL, 948'FEL**

At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office*
24.45 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
948'

16. No. of Acres in lease
453.62

17. Spacing Unit dedicated to this well
40.00

18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.
REFER TO TOPO C

19. Proposed Depth
9120'

20. BLM/BIA Bond No. on file
BOND NO: WYB000291

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5306'UNGRADED GL

22. Approximate date work will start*

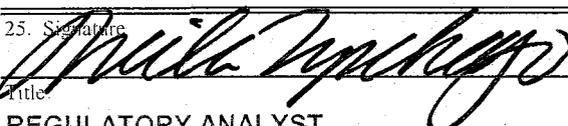
23. Estimated duration

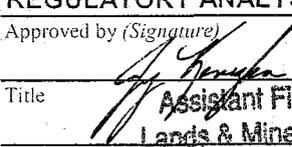
24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office.

- 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- 5. Operator certification.
- 6. Such other site specific information and/or plans as may be required by the authorized office.

25. Signature  Name (Printed/Typed) **SHEILA UPCHEGO** Date **3/14/2007**

Approved by (Signature)  Name (Printed/Typed) **JERRY KENZLER** Date **FEB 25 2009**
Title **Assistant Field Manager** Office **VERNAL FIELD OFFICE**
Lands & Mineral Resources

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached. **CONDITIONS OF APPROVAL ATTACHED**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)



NOTICE OF APPROVAL

RECEIVED
MAR 10 2009

DIV. OF OIL, GAS & MINING

07PP0959A
NOS 11/15/06

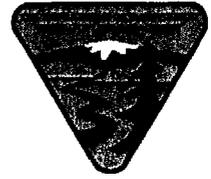


**UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE**

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	Kerr McGee Oil & Gas Onshore LP	Location:	NESE, Sec. 7, T10S, R22E
Well No:	NBU 1022-7I	Lease No:	UTU-0466
API No:	43-047-39157	Agreement:	Natural Buttes Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	(435) 828-3546
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	(435) 828-4029
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	(435) 828-7381
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
NRS/Enviro Scientist:	David Gordon	(435) 781-4424	
NRS/Enviro Scientist:	Christine Cimiluca	(435) 781-4475	
NRS/Enviro Scientist:	Lori Ford	(435) 781-4406	

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM
 CONDITIONS OF APPROVAL (COAs)**

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC COAs:

Company/Operator: Kerr McGee Oil & Gas Onshore, LP (Anadarko)
Surface Ownership: BLM

Well Name & Number: Natural Buttes Unit *Lease Number:*

Well Number	Lease
NBU 1022-24O	UTU-0471
NBU 1022-27O	UTU-0473
NBU 1022-34D	UTU-037166
NBU 1022-7I	UTU-0466
NBU 1022-22N	UTU-01198-B
FEDERAL 1022-27M	UTU-0473
NBU 1022-34E	UTU-037166
NBU 1022-34F	UTU-037166
NBU 1022-35M	UTU-037167
NBU 1022-27A	UTU-0473
FEDERAL 1022-27H	UTU-0473
NBU 1022-9N-2T	UTU-01196-D
NBU 1022-05I-3T	UTU-01191

Onsite Dates: Various
Location: Secs. 5, 7, 9, 22, 24, 27, 28, 34, 35, T10S, R22E
Date APD Received: Various

CONDITIONS OF APPROVAL:

- Adhere to Executive Order 5327 of April 15, 1930, stipulations for lands in oil shale withdrawal.
- All applicable local, state, and/or federal laws, regulations, and/or statutes will be complied with.
- All traffic related to this action will be restricted to approved routes. Cross-country vehicle travel will not be allowed.

- No vehicle travel, construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment.
- The access roads will be crowned and ditched. Flat-bladed roads are not allowed.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches or etc. will be needed to control the erosion.
- All secondary drainages shall be rerouted around the location, as needed.
- Low-water crossings will be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Pipelines will be buried at all major drainage crossings.
- Prevent fill and stock piles from entering drainages.
- The reserve pit will be lined with a 16 ml or greater liner and doubled felted prior to spudding.
- The liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.
- When the reserve pit contains fluids or toxic substances, the operator must ensure animals do not ingest or become entrapped in pit fluids.
- If paleontological or cultural materials are uncovered during construction, the operator shall immediately stop work that might further disturb or move such materials and contact the Authorized Officer (AO) within 48 hours. A determination will be made by the AO as to necessary mitigation for the discovered paleontological/cultural material.
- If Uinta Basin hookless cactus or other special status plants are found, construction will cease and the AO will be notified to determine the appropriate mitigation.
- The interim seed mix for these locations shall be as follows
NBU 1022-05I-3T
NBU 1022-24O

<i>(Oryzopsis hymenodites)</i>	20 lbs/acre
<i>(Stipa comata)</i>	4 lbs/acre

NBU 1022-27A
FEDERAL 1022-27H

<i>(Artemisa nova)</i>	8 lbs/acre
<i>(Atriplex confertifolia)</i>	8 lbs/acre
<i>(Hilaria jamesii)</i>	4 lbs/acre
<i>(Stipa comata)</i>	4 lbs/acre
<i>(Oryzopsis hymenodites)</i>	4 lbs/acre

FEDERAL 1022-27M

NBU 1022-34D

<i>(Oryzopsis hymenodites)</i>	4 lbs/acre
<i>(Artemisia nova)</i>	6 lbs/acre
<i>(Atriplex confertifolia)</i>	4 lbs/acre
<i>(Hilaria jamesii)</i>	4 lbs/acre

NBU 1022-9N-2T

NBU 1022-27O

<i>(Hilaria jamesii)</i>	12 lbs/acre
--------------------------	-------------

NBU 1022-34E

NBU 1022-34F

<i>(Oryzopsis hymenodites)</i>	8 lbs/acre
<i>(Atriplex confertifolia)</i>	8 lbs/acre
<i>(OArtemisa tridentata)</i>	8 lbs/acre

NBU 1022-35M

<i>(Stipa comata)</i>	4 lbs/acre
<i>(Hilaria jamesii)</i>	4 lbs/acre
<i>(Atriplex confertifolia)</i>	8 lbs/acre
<i>(Artemisia nova)</i>	8 lbs/acre

NBU 1022-22N

<i>(Atriplex confertifolia)</i>	8 lbs/acre
<i>(Artemisia nova)</i>	8 lbs/acre
<i>(Artemisia tridentata)</i>	8 lbs/acre

NBU 1022-7I

<i>(Hilaria jamesii)</i>	15 lbs/acre
<i>(Oryzopsis hymenoides)</i>	10 lbs/acre

All pounds are in pure live seed.

- Rates are set for drill seeding; double the rate if broadcasting.
- Reseeding may be required if initial seeding is not successful.

- The operator will be responsible for treatment and control of invasive and noxious weeds.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit. When the reserve pit is closed, it shall be contoured and the topsoil spread, and the area shall be seeded in the same manner as the location topsoil to comply with natural topography.
- Once the location is plugged and abandoned, it shall be contoured to natural topography, topsoil shall be spread, and the entire location shall be seeded with a seed mix recommended by the AO (preferably of native origin). Seed application will follow all guidelines in the interim seed mix bullet statement above. If reclamation seeding should take place using the broadcast method, the seed at a minimum will be walked into the soil with a dozer immediately after the seeding is completed.
- The authorized officer may prohibit surface disturbing activities during severe winter conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.

- The authorized officer may prohibit surface disturbing activities during wet or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- All well facilities not regulated by OSHA will be painted Shadow Gray.
- All boulders with a length or diameter greater than 3 feet, that are found showing at the surface, will be stockpiled for use during final reclamation.
- Notify the Authorized Officer 48 hours prior to surface disturbing activities.
- To meet protection standards a closed loop drilling system with off-site facilities will be required on NBU 1022-22N, NBU 1022-24O, NBU 1022-34E, NBU 1022-34F.
- To offset impacts to these species, the following time restrictions will be applied to the following wells (No construction, drilling, completion activities will be allowed during nesting season to help protect nesting):

FEDERAL 1022-27H	Red-tailed hawk	March 15 through August 15
NBU 1022-22N	Prairie falcon	April 1 through August 31
NBU 1022-34D	Unknown nests	January 1 through August 31

If it is anticipated that construction or drilling will occur during the given timing restrictions for any wildlife, a BLM or qualified biologist shall be notified so surveys can be conducted. Depending upon the results of the survey, permission to proceed may or may not be recommended or granted (depending on the species being surveyed and the condition of the habitat).

- Federal 1022-27M is located in a crucial pronghorn antelope habitat and a timing restriction will be required to protect the pronghorn during the kidding period of May 15 through June 20. Low profile tanks will be required on this well location.
- NBU 1022-22N, NBU 1022-27O, NBU 1022-34E, NBU 1022-34F are located in a crucial deer fawning habitat and a timing restriction will be required to protect the deer fawns during the fawning period of May 15 through June 30.

***DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

SITE SPECIFIC DOWNHOLE COAs:

- A surface casing shoe integrity test shall be performed.
- Production casing cement top shall be at a minimum of 200' above the surface casing shoe.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

Form 3160-5
(August 2007)

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill, or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. LEASE SERIAL NO. UTU 0466
6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
7. IF UNIT OR CA/AGREEMENT, NAME AND/OR NO. 891008900A
8. WELL NAME AND NO. NBU 1022-71
9. API WELL NO. 43-047-39157
10. FIELD AND POOL, OR EXPLORATORY AREA Natural Buttes
11. COUNTY OR PARISH, STATE Uintah, Utah

SUBMIT IN TRIPLICATE

1. TYPE OF WELL Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: _____
2. NAME OF OPERATOR Kerr-McGee Oil & Gas Onshore LP
3. ADDRESS AND TELEPHONE NO. CONTACT: Danielle Piernot 1099 18th Street, Suite 1200 PHONE: 720-929-6156 Denver, CO 80202 danielle.piernot@anadarko.com
4. LOCATION OF WELL (Footage, T, R, M, or Survey Description) 2,000' FSL 948' FEL NESE Sec. 7 T10S R22E

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (start/resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<input type="checkbox"/> APD Extension
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recomplate in a new interval, a form 3160-4 must be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Kerr-McGee respectfully requests authorization for a one year extension for the subject well location so that the drilling operations may be completed. The original APD was approved by UDOGM on March 28, 2007 and given
COPY SENT TO OPERATOR
 API number 43-047-39157.

Please contact the undersigned if you have any questions and/or comments. Date: 4.7.2009
 Initials: KS

Thank you.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Danielle Piernot	Title Regulatory Analyst
Signature <i>Danielle Piernot</i>	Date April 2, 2009

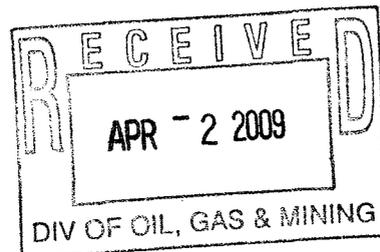
THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 04-06-09
By: [Signature]





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

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

API: 4304739157
Well Name: NBU 1022-7I
Location: 2,000' FSL 948' FEL NESE Sec. 7 T10S R22E
Company Permit Issued to: Kerr-McGee Oil & Gas Onshore LP
Date Original Permit Issued: 3/28/2007

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

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

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

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

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

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

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

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

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

Daniel Pruitt
Signature

4/2/2009
Date

Title: Regulatory Analyst

Representing: Kerr-McGee Oil & Gas Onshore LP

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill, or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE		5. LEASE SERIAL NO. UTU0466
1 TYPE OF WELL Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other: _____		6. IF INDIAN, ALLOTTEE OR TRIBE NAME NA
2. NAME OF OPERATOR Kerr-McGee Oil & Gas Onshore LP		7. IF UNIT OR CA/AGREEMENT, NAME AND/OR NO. 891008900A
3. ADDRESS AND TELEPHONE NO. 1099 18th Street, Suite 1800 Denver, CO 80202		8. WELL NAME AND NO. NBU 1022-7I
CONTACT: Danielle Piernot PHONE: 720-929-6156 danielle.piernot@anadarko.com		9. API WELL NO. 43-047-39157
4. LOCATION OF WELL (Footage, T, R, M, or Survey Description) 2,000' FSL 948' FEL NESE Sec. 7 T10S R22E Lat. 39.961658 Long. -109.476469 NAD 83		10. FIELD AND POOL, OR EXPLORATORY AREA Natural Buttes
		11. COUNTY OR PARISH, STATE Uintah, Utah

12. CHECK APPROPRIATE BOX(S) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (start/resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input checked="" type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with the BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a form 3160-4 must be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

An APD for this location was submitted to the BLM and UDOGM and was assigned API 49-047-39157. UDOGM approved their portion of the APD on March 28, 2007. The BLM approved their portion of the APD on February 25, 2009.

Kerr-McGee respectfully requests to change the surface casing for this well due to revised drilling practices.

The surface casing is changing
FROM: 2,200'
TO: 2,450'

Please see the attached drilling diagram for additional details. All other information on this notice is the same as on the attached drilling diagram.

Thank you.

RECEIVED
APR 16 2009

COPY SENT TO OPERATOR

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) Danielle Piernot	Title Regulatory Analyst	Date: <u>4.28.2009</u>
Signature <i>Danielle Piernot</i>	Date April 15, 2009	Initials: <u>KS</u>

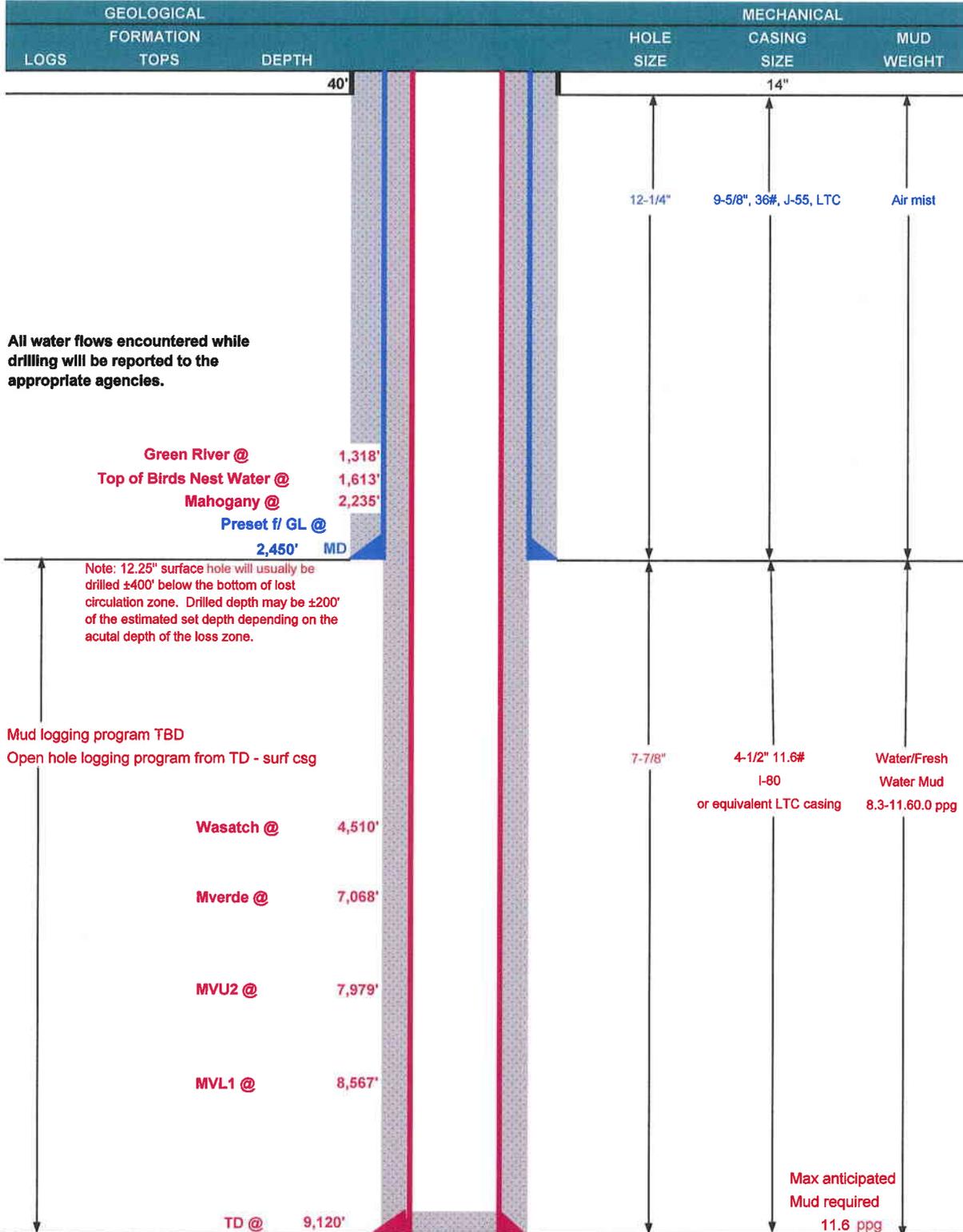
THIS SPACE FOR FEDERAL OR STATE OFFICE USE.

Approved by <i>[Signature]</i>	Title Pet Eng	Date 4/23/09
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office DOGM	Federal Approval Of This Action Is Necessary



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE April 14, 2009
 WELL NAME NBU 1022-7I TD 9,120' MD/TVD
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,306' GL KB 5,321'
 SURFACE LOCATION NE/4 SE/4 2,000' FSL 948' FEL Sec 7 T 10S R 22E BHL Straight Hole
 Latitude: 39.961658 Longitude: -109.476469 NAD 83
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: BLM (Minerals), BLM (Surface), Tri-County Health Dept.





KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0 to 2450	36.00	J-55	LTC	3,520	2,020	453,000
						1.01	1.76	6.54
PRODUCTION	4-1/2"	0 to 9120	11.60	I-80	LTC	7,780	6,350	201,000
						2.23	1.15	2.18

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

2) MASP (Prod Casing) = Pore Pressure at TD - (0.22 psi/ft - partial evac gradient x TD)
 (Burst Assumptions: TD = 11.6 ppg) 0.22 psi/ft = gradient for partially evac wellbore
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing * Buoy. Fact. of water)
MASP 3,391 psi

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD
 (Burst Assumptions: TD = 11.6 ppg) 0.59 psi/ft = bottomhole gradient
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing * Buoy. Fact. of water)
MABHP 5,398 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
NOTE: If well will circulate water to surface, option 2 will be utilized							
SURFACE 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	4,010'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	400	60%	11.00	3.38
	TAIL	5,110'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1430	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. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip.

Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____ DATE: _____
 John Huycke / Grant Schluender

DRILLING SUPERINTENDENT: _____ DATE: _____
 John Merkel / Lovel Young

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-0466
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 1022-7I
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047391570000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2000 FSL 0948 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 07 Township: 10.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 6/22/2009	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

MIRU PROPETRO AIR RIG ON 06/19/2009. DRILLED 12 1/4" SURFACE HOLE TO 2140'. RAN 9 5/8" 36# J-55 SURFACE CSG. CMT W/225 SX PREM CLASS G @15.8 PPG 1.15 YIELD. TOP OUT W/425 SX PREM CLASS G @15.8 PPG 1.15 YIELD. CMT TO SURFACE HOLE STAYED FULL. WORT.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 June 24, 2009

NAME (PLEASE PRINT) Sheila Wopsock	PHONE NUMBER 435 781-7024	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 6/24/2009

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-0466
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 1022-7I
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047391570000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2000 FSL 0948 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 07 Township: 10.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 8/12/2009	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

FINISHED DRILLING FROM 2140' TO 9076' ON 08/11/2009. RAN 4-1/2" 11.6# I-80 PRODUCTION CSG. LEAD W/456 SX PREM LITE @ 11.3 PPG, 2.8 YIELD. 237 BBL SLURRY. TAIL W/1360 SX 50/50 POZ @ 14.3 PPG, 1.31 YIELD. 317.2 BBL SLURRY, DROP PLUG & DISPLACE W/140.3 BBL CLAYTREAT WATER, LOST RETURNS 130 BBL INTO DISPLACEMENT BUMPED PLUG @ 3196 PSI, FINAL LIFT PSI OF 2600#. 30 BBL SPACER TO PIT, FLOATS HELD W/1.75 BBL BACK TO INVENTORY. N/D BOPE, CLEAN PITS. RELEASE PIONEER RIG 69 ON 08/12/2009 AT 10:00 HRS.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 August 13, 2009

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 8/13/2009

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-0466
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 1022-7I
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047391570000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2000 FSL 0948 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 07 Township: 10.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 10/18/2009	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input checked="" type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

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

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 10/18/2009 AT 11:00 A.M. PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 October 20, 2009

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 10/19/2009

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-7I	Spud Conductor: 6/18/2009	Spud Date: 6/20/2009
Project: UTAH-UINTAH	Site: NBU 244 PAD	Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING	Start Date: 6/10/2009	End Date: 8/12/2009
Active Datum: RKB @5,324.00ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NESE/26/PM/S/2,000.00/E/0/948.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
6/19/2009	-							
6/20/2009	0:00 - 16:00	16.00	DRLSUR	02	A	P		DRILL F/65 TO 1320,SURVEY=500' .4 AZ339
	16:00 - 21:00	5.00	DRLSUR	05	A	P		POOH ,P/U TRI CONE
	21:00 - 0:00	3.00	DRLSUR	02	A	P		DRILL F/1320 TO 1410'
6/21/2009	0:00 - 0:00	24.00	DRLSUR	02	A	P		DRILL 1410 TO 1840',SURVEY
6/22/2009	0:00 - 15:30	15.50	DRLSUR	02	A	P		DRILL F/1840 TO 2140'
	15:30 - 18:00	2.50	DRLSUR	05	A	P		LDDP & BHA
	18:00 - 21:00	3.00	CSG	11	B	P		RUN 2095' #36 J55 9.625 CSG
8/4/2009	21:00 - 0:00	3.00	CSG	15	A	P		PUMP CEMENT ,TOP OUT
	3:30 - 7:00	3.50	DRLPRO	01	E	P		RDRT
	7:00 - 17:00	10.00	DRLPRO	01	A	P		MOVE TO NBU 1022-7I. RAISE DERRICK OFF CARRIER,SCOPE SUB & DERRICK. WESTROCK 5 BED TRUCKS,4 HAUL TRUCKS, 2 FORKLIFTS,2 PUSHERS, 4 SWAMPERS RELEASED @ 17:00. J&C CRANE 1 OPERATOR,2 SWAMPERS RELEASED @ 1500
8/5/2009	17:00 - 0:00	7.00	DRLPRO	01	B	P		RURT
	0:00 - 6:00	6.00	DRLPRO	01	B	P		RURT
	6:00 - 0:00	18.00	DRLPRO	08	A	P		SCHEDULED RIG INSPECTION, YEARLY OVERHEAD INSPECTION,TONGS,SLIPS,BAILS,SWIVEL,PUMP GEAR ENDS, REPAIR SKID ON FUEL-WATER TANK
8/6/2009	0:00 - 4:00	4.00	DRLPRO	14	A	P		N/U BOPE
	4:00 - 9:00	5.00	DRLPRO	15	A	P		HPJSM W/ RIG & TESTER, TEST RAMS & ALL VALVES 250 LOW-5000 HIGH, ANN 250-2500, CASING 1500 F/ 30 MINS, ALL TESTS GOOD
	9:00 - 12:00	3.00	DRLPRO	06	A	P		LAYOUT & STRAP BHA,DIR TOOLS, 52 JTS D/P, INSTALL WEAR BUSHING,PRESUPD INSPECTION, P/U BIT & MM
	12:00 - 17:00	5.00	DRLPRO	06	A	P		HPJSM W/ RIG & P/U CREWS. R/U & P/U DIR TOOLS, BHA, & 44 JTS D/P, R/D P/U CREW CUT & SLIP 110' DRLG LINE
	17:00 - 18:00	1.00	DRLPRO	09	A	P		CUT & SLIP 110' DRLG LINE
	18:00 - 20:00	2.00	DRLPRO	02	F	P		INSTALL ROT RUBBER, KELLY DRIVE BUSHINGS, DRLG CEMENT & F/E
	20:00 - 0:00	4.00	DRLPRO	02	B	P		DRLG & SLIDE F/ 2158 TO 2530', 372' @ 93' PH, WOB 18-22, RPM 45, SPM 125, GPM 473, UP/DN/ROT 85-80-82, ON/OFF 1350/1050, DIFF 150-300, BIT DRILLING 150-300' PH ON BOTTOM W/ 18/20 ON BIT, SLIDES 2372 TO 2382, 2404 TO 2414, @ 50' N & 50' WEST
	0:00 - 4:00	4.00	DRLPRO	14	A	P		N/U BOPE
	4:00 - 9:00	5.00	DRLPRO	15	A	P		TEST BOPE, TEST RAMS & ALL VALVES 250 LOW-5000 HIGH, ANN 250-5000, CASING 1500 F/30 MINS, ALL TESTS GOOD
	9:00 - 12:00	3.00	DRLPRO	06	A	P		LAYOUT & STRAP BHA,DIR TOOLS 52 JTS D/P,INSTALL WEAR BUSHING, PRE-SPUD INSPECTION,P/U BIT & MM
	12:00 - 17:00	5.00	DRLPRO	06	A	P		HPJSM W/ RIG & P/U CREWS, R/U & P/U DIR TOOLS, BHA & 44 JTS D/P, R/D P/U CREW CUT & SLIP 110' DRLG LINE
	17:00 - 18:00	1.00	DRLPRO	09	A	P		CUT & SLIP 110' DRLG LINE
	18:00 - 20:00	2.00	DRLPRO	02	F	P		INSTALL ROT RUBBER, KELLY DRIVE BUSHINGS, DRLG CEMENT & F/E

RECEIVED October 19, 2009

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-71 Spud Conductor: 6/18/2009 Spud Date: 6/20/2009
 Project: UTAH-UINTAH Site: NBU 244 PAD Rig Name No: PIONEER 69/69, PROPETRO/
 Event: DRILLING Start Date: 6/10/2009 End Date: 8/12/2009
 Active Datum: RKB @5,324.00ft (above Mean Sea Level) UWI: 0/10/S/22/E/7/0/NESE/26/PM/S/2,000.00/E/0/948.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	20:00 - 0:00	4.00	DRLPRO	02	B	P		DRLG & SLIDE F/ 2158 TO 2530', 372' @ 93'PH, WOB 18-22, RPM 45, MM 98, SPM 125, GPM 473, UP/DN/ROT 85-80-82, ON/OFF 1350-1050, DIFF 150-350, BIT DRILLING 150 TO 300' PER HR ON BOTTOM W/ 18/20 ON BIT, SLIDES 2372 TO 2382, 2404 TO 2414, @ 50' N & 50' WEST OF EX WELL
8/7/2009	0:00 - 16:00	16.00	DRLPRO	02	B	P		DRLG-SLIDE F/ 2530 TO 4143' 1613' @ 100.8' PH, CIRC RESERVE PIT, WOB 20, RPM 45, MM 98, SPM 125, GPM 473, UP/DN/ROT 108-98-103, ON/OFF 1500-1250, DIFF 200-400, SLIDES 3527-3542, 3668-3683, 3858-3873
	16:00 - 16:30	0.50	DRLPRO	07	A	P		SERVICE RIG
	16:30 - 0:00	7.50	DRLPRO	02	B	P		DRLG F/ 4143 TO 5187', 1044' @ 139.2' PH, CIRC RESERVE PIT, WOB 20, RPM 50, MM 98, SPM 125, GPM 473, UP/DN/ROT 135-115-130, DIFF 150-300, NO SLIDES
8/8/2009	0:00 - 16:00	16.00	DRLPRO	02	B	P		DRLG & SLIDE F/ 2530 TO DRLG F/ 5187 TO 6704', 1517' @ 94.8' PHMW 8.5, VIS 27, WOB 20-22, RPM 50, MM 98, SPM 125, GPM 473, UP/DN/ROT 152-135-147, ON/OFF 1950-1700, DIFF 150-300
	16:00 - 16:30	0.50	DRLPRO	07	A	P		SERVICE RIG
	16:30 - 0:00	7.50	DRLPRO	02	B	P		DRLG F/ 6704 TO 7241', 537' @ 71.6' PH, START LIGHT MUD UP @ 6800', MW 8.9, VIS 33, WOB 20-22, RPM 50, MM 98, SPM 125, GPM 473, UP/DN/ROT 165-140-155, ON/OFF 2150-1900, DIFF 150-300
8/9/2009	0:00 - 12:30	12.50	DRLPRO	02	B	P		DRLG F/ 7241 TO 8032, 791' @ 63.3' PH, MW 10.2, VIS 34, WOB 22, RPM 50, MM 98, SPM 125, GPM 473, UP/DN/ROT 170-150-165, ON/OFF 2250-2000, DIFF 150-300,
	12:30 - 13:00	0.50	DRLPRO	07	A	P		SERVICE RIG
	13:00 - 0:00	11.00	DRLPRO	02	B	P		DRLG & SLIDE F/ 8032 TO 8440', 408' @ 37.1' PH, SLIDES TOOK @ 3 HRS, MW 10.8+, VIS 40, LCM 10%, BYPASS SHAKERS @ 7860 START UP LCM, LOST @ 500 BBLs TO FORMATION, INC STARTED TO INCREASE F/ 2.45 DEG TO 3.99 DEG, PUT IN 3 SLIDES TO STOP DRIFT @ 8032-8064, 8074-8096, 8191-8201, BROUGHT ANGLE BACK TO 1.99 DEG & HOLDING, WOB 20, RPM 50, MM 98, SPM 125, GPM 473, UP/DN/ROT 175-155-163, ON/OFF 2500-2250, DIFF 150-300
8/10/2009	0:00 - 1:00	1.00	DRLPRO	02	B	P		DRLG F/ 8440 TO 8459', 19' @ 19' PH, MW 11. VIS 42, LCM 10%, WOB 22, RPM 50, MM 98, SPM 125, GPM 473, UP/DN/ROT 175-155-163, ON/OFF 2500-2250, DIFF 150-300
	1:00 - 2:00	1.00	DRLPRO	05	C	P		CIRC & COND HOLE BUILD PILL PREPARE TO TFNB
	2:00 - 10:30	8.50	DRLPRO	06	A	P		TRNB, L/D DIR TOOLS, P/U BIT #2, NEW STRAIGHT MM, TIH FILL @ SHOE & 5000', PULLED 20 UVER OFF BOTTOM FIRST 3 STANDS, NO PROBLEM AFTER THAT, NO TIGHT SPOTS OUT OR IN HOLE, LOST @ 50 BBLs ON TRIP
	10:30 - 11:30	1.00	DRLPRO	03	A	P		WASH & REAM 65' TO BOTTOM, TIGHT HOLE TO TRIP POINT 8459'
	11:30 - 17:30	6.00	DRLPRO	02	B	P		DRLG F/ 8459 TO 8728' 267' @ 44.5' PH, MW 11.2, VIS 45, LCM 10% WOB 20, RPM 50, SPM 125, GPM 473, UP/DN/ROT 175-155-163, DIFF 150-400
	17:30 - 18:00	0.50	DRLPRO	07	A	P		SERVICE RIG

RECEIVED October 19, 2009

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-7I Spud Conductor: 6/18/2009 Spud Date: 6/20/2009
 Project: UTAH-UINTAH Site: NBU 244 PAD Rig Name No: PIONEER 69/69, PROPETRO/
 Event: DRILLING Start Date: 6/10/2009 End Date: 8/12/2009
 Active Datum: RKB @5,324.00ft (above Mean Sea Level) UWI: 0/10/S/22/E/7/0/NESE/26/PM/S/2,000.00/E/0/948.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	18:00 - 0:00	6.00	DRLPRO	02	B	P		DRLG F/ 8728 TO 8970', 242' @ 40' PH, MW 11.2, VIS 45, LCM 10 %WOB 20-22, RPM 45-50, SPM 125, GPM 473, UP/DN/ROT 175-155-163, DIFF 200-400
8/11/2009	0:00 - 6:00	6.00	DRLPRO	02	B	P		DRLG F/ 8970 TO 9076' TD 106' @ 17.7' PH, TD EARLY DO TO PR, MW 11.2 VIS 45, LCM 10%, WOB 22-23, RPM 45-50, MM 98, SPM 125, GPM 473, UP/DN/ROT 180-165-155
	6:00 - 7:00	1.00	DRLPRO	05	C	P		CIRC & COND HOLE F/ SHORT TRIP, BUILD PILL
	7:00 - 8:00	1.00	DRLPRO	06	E	P		SHORT TRIP 20 STDS,
	8:00 - 9:30	1.50	DRLPRO	05	C	P		CIRC & COND HOLE TO LDDS
	9:30 - 10:00	0.50	DRLPRO	07	A	P		SERVICE RIG
	10:00 - 16:00	6.00	DRLPRO	06	A	P		HPJSM W/ RIG & L/D CREWS, R/U & LDDP, PULL ROT RUBBER,BREAK KELLY, L/D BHA, R/D, PULL WEAR BUSHING
	16:00 - 21:30	5.50	DRLPRO	11	D	P		HPJSM W/ RIG & LOGGING CREWS, R/U & RUN TRIPLE COMBO F/ 9076' UP, R/D
	21:30 - 0:00	2.50	DRLPRO	06	D	P		HPJSM W/ RIG & CASING CREWS, R/U & START RUNNING 4.5" PROD CASING
8/12/2009	0:00 - 2:00	2.00	DRLPRO	12	C	P		RUN 214 JTS, I-80-LTC, 4.5" PROD CASING TO 9071', P/U LANDING JT& BJ CEMENTING HEAD
	2:00 - 3:00	1.00	DRLPRO	05	D	P		CIRC OUT GAS TO CEMENT
	3:00 - 6:00	3.00	DRLPRO	12	E	P		HPJSM W RIG & CEMENTING CREWS, R/U & PSI TEST LINES TO 5000#, POP OFF TO 4000#, PUMP 40 BBLS FRESH WATER SPACER, LEAD 456 SKS-11.3 PPG 2.89 YLD, 237 BBL SLURRY, TAIL 1360 SKS-14.3 PPG 1.31 YLD 317.2 BBL SLURRY, DROP PLUG & DISPLACE W/ 140.3 BBLS CLAYTREAT WATER,LOST RETURNS 130 BBLS INTO DISPLACEMENT, BUMPED PLUG @ 3196 PSI, FINAL LIFT PSI OF 2600#, 30 BBLS SPACER TO PIT,FLOATS HELD, W/ 1.75 BBLS BACK TO INVENTORY, LAND CASING W, 75K,L/D LANDING JT
	6:00 - 10:00	4.00	DRLPRO	14	A	P		RDRT, N/D BOPE, CLEAN PITS RELEASE RIG @ 10:00 8/12/09 TO NBU 621-271

RECEIVED October 19, 2009

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7I Spud Conductor: 6/18/2009 Spud Date: 6/20/2009
 Project: UTAH-UINTAH Site: NBU 244 PAD Rig Name No: SWABBCO 1/1
 Event: COMPLETION Start Date: 10/12/2009 End Date:
 Active Datum: RKB @5,324.00ft (above Mean Sea Level) UWI: 0/10/S/22/E/7/0/NESE/26/PM/S/2,000.00/E/0/948.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
10/12/2009	7:00 - 16:00	9.00	COMP	30		P		HSM MIRU NDWH NUBOP TIH 204 JNTS TO 6438' TOH STANDING IN DERRICK NDBOP NUFRAC VALVE SWI SDFN
10/13/2009	7:00 -		COMP	37		P		HSM LOAD CSG WITH 2% WITH SCALE INHIBITOR TEST CSG & FRAC VALVES TO 7000# HELD 15 MIN = GOOD TEST MOVE TBG FLOAT SPOT IN WIRELINE EQUIPMENT R/U SCHLUMBERGER WIRELINE RIH PERF STAGE #1 AS FOLLOWS: 3 3/8" GUN, 23 GM, 0.36" HOLE 8874' - 8878' 4 SPF = 16 SHOTS 8849' - 8851' 4 SPF = 8 SHOTS 8786' - 8788' 4 SPF = 8 SHOTS 8720' - 8720' 4 SPF = 8 SHOTS POOH SWI SDFN
10/14/2009	7:00 - 7:15	0.25	COMP	48		P		HSM WITH SUPRIOR & SCHLUMBERGER & SWABBCO
	7:15 - 9:50	2.58	COMP	36	E	P		STG 1) WHP = 415 PSI, BRK DWN PERF FROM 8720' TO 8878', 4 SPF, 40 HOLES. BRK 2.7 BPM @ 4186 PSI, EST INJ RATE & PSI - 7.1 BPM @ 3131 PSI, ISIP 2502 PSI, FG 0.72. PMP 250 GAL 15% HCL, PMP 138 BBLs 10/1000 SCALE INHIB. START PAD. PMPD 100 BBLs 50 BPM @ 5100 PSI, 40/40 PERFS OPEN - 100%. (SCREENED OUT W/27.5 BBLs LEFT IN FLUSH - SD. FLOW BACK & CLEAN UP WELL BORE. (2,310 LBS TLC SND LEFT IN CSG.) PMP 2 BBL SLK WTR & 250 GAL HCL 10 BPM @ 2815 PSI. FLUSH W/128.5 BBL TO TOP PERF. ISIP = 2925 PSI. FG = 0.77. MP 6984 PSI, MR 50.7 BPM, AP 4782 PSI, AR 48.8 BPM, ISIP 2925 PSI, FG 0.77, NPI 2423 PSI, PMPD 1933 BBLs SLK WTR, 64,030 LBS OTTOWA SND, 5,472 LBS TLC SND (3,162 LBS IN PERFS), 67,192 LBS TOTAL SAND IN PERFS.
	9:50 - 10:38	0.80	COMP	37	B	P		STG 2) RIH W 3 1/8" GNS, 23 GRM, 0.36 HOLES, 90 DEG PHSG, SET HALCO 8K CBP @ 8585'. PERF M.V. @ 8559' - 61', 4 SPF, 8535' - 37', 4 SPF, 8438' - 41', 4 SPF, 8368' - 72', 4 SPF, 44 HOLES.
	10:38 - 11:38	1.00	COMP	36	E	P		STG 2) WHP = 680 PSI, BRK 4.7 BPM @ 5507 PSI, EST INJ RATE & PSI - 8.2 BPM @ 4450 PSI, ISIP 2434 PSI, FG 0.72. PMPD 130 BBLs 50 BPM @ 5800 PSI, 42/44 PERFS OPEN - 95%. MP 6045 PSI, MR 49.9 BPM, AP 4956 PSI, AR 49.6 BPM, ISIP 2370 PSI, FG 0.71, NPI (-64) PSI, PMPD 1518 BBLs SLK WTR, 56,658 LBS OTTOWA SND, 4,778 LBS TLC SND, 61,436 LBS TOTAL SAND.
	11:38 - 12:48	1.17	COMP	37	B	P		STG 3) RIH W 3 1/8" GNS, 23 GRM, 0.36 HOLES, 90 DEG PHSG, SET HALCO 8K CBP @ 8332'. PERF M.V. @ 8308' - 10', 4 SPF, 8254' - 57', 4 SPF, 8200' - 03', 4 SPF, 8160' - 63', 4 SPF, 44 HOLES.

RECEIVED October 19, 2009

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-7I Spud Conductor: 6/18/2009 Spud Date: 6/20/2009
 Project: UTAH-UINTAH Site: NBU 244 PAD Rig Name No: SWABBCCO 1/1
 Event: COMPLETION Start Date: 10/12/2009 End Date:
 Active Datum: RKB @5,324.00ft (above Mean Sea Level) UWI: 0/10/S/22/E/7/0/NESE/26/PM/S/2,000.00/E/0/948.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	12:48 - 14:01	1.22	COMP	36	E	P		STG 3) WHP = 1865 PSI, BRK 4.7 BPM @ 2898 PSI, EST INJ RATE & PSI - 8 BPM @ 2265 PSI, ISIP 2012 PSI, FG 0.68. PMPD 110 BBLs 50 BPM @ 5500 PSI, 44/44 PERFS OPEN - 100%. MP 5677 PSI, MR 49.7 BPM, AP 4869 PSI, AR 48.7 BPM, ISIP 2195 PSI, FG 0.70, NPI 183 PSI, PMPD 1461 BBLs SLK WTR, 58,732 LBS OTTOWA SND, 5,435 LBS TLC SND, 58,732 LBS TOTAL SAND.
	14:01 - 15:00	0.98	COMP	37	B	P		STG 4) RIH W 3 1/8" GNS, 23 GRM, 0.36 HOLES, 90 DEG PHSG, SET HALCO 8K CBP @ 8080'. PERF M.V. @ 8053' - 55', 4 SPF, 8029' - 32', 4 SPF, 7989' - 91', 4 SPF, 7959' - 61', 4 SPF, 7938' - 40', 44 HOLES.
	15:00 - 15:32	0.53	COMP	36	E	P		STG 4) WHP = 952 PSI, BRK 4.7 BPM @ 3756 PSI, EST INJ RATE & PSI - 9.8 BPM @ 2745 PSI, ISIP 2358 PSI, FG 0.73. PMPD 110 BBLs 50 BPM @ 5600 PSI, 42/44 PERFS OPEN - 95%. MP 5749 PSI, MR 49.9 BPM, AP 5190 PSI, AR 49.5 BPM, ISIP 2550 PSI, FG 0.75, NPI 192 PSI, PMPD 825 BBLs SLK WTR, 24,302 LBS OTTOWA SND, 5,390 LBS TLC SND, 29,692 LBS TOTAL SAND.
	15:32 - 16:35	1.05	COMP	37		P		STG 5) RIH W 3 1/8" GNS, 23 GRM, 0.36 HOLES, 90 DEG PHSG, SET HALCO 8K CBP @ 7867'. PERF M.V. @ 7835' - 37', 4 SPF, 7729' - 32', 4 SPF, 7687' - 90', 4 SPF, 7658' - 60', 4 SPF, 40 HOLES
	16:35 - 17:06	0.52	COMP	36		P		STG 5) WHP = 1210 PSI, BRK 9.8 BPM @ 3580 PSI, EST INJ RATE & PSI - 9.8 BPM @ 2775 PSI, ISIP 2173 PSI, FG 0.71. PMPD 110 BBLs 49 BPM @ 5300 PSI, 40/40 PERFS OPEN - 100%. MP 6183 PSI, MR 55 BPM, AP 5449 PSI, AR 52.4 BPM, ISIP 2620 PSI, FG 0.77, NPI 447 PSI, PMPD 808 BBLs SLK WTR, 24,003 LBS OTTOWA SND, 5,446 LBS TLC SND, 29,449 LBS TOTAL SAND
	17:06 - 18:00	0.90	COMP	37		P		STG 6) RIH W 3 1/8" GNS, 23 GRM, 0.36 HOLES, 90 DEG PHSG, SET HALCO 8K CBP @ 7531'. PERF M.V. @ 7505' - 07', 4 SPF, 7458' - 60', 4 SPF, 7400' - 01', 4 SPF, 7376' - 78', 4 SPF, 7346' - 48', 4 SPF, 7292' - 94', 4 SPF, 44 HOLES 18:00 - SWI - SDFN
10/15/2009	7:00 - 7:15	0.25	COMP	48		P		DAY 4 - JSA & SM. NO H2S PRESENT.
	7:15 - 7:40	0.42	COMP	36	E	P		STG 6) WHP = 1725 PSI, BRK 1.2 BPM @ 3246 PSI, EST INJ RATE & PSI - 9.7 BPM @ 2330 PSI, ISIP 1681 PSI, FG 0.66. PMPD 90 BBLs 49 BPM @ 5400 PSI, 42/44 PERFS OPEN - 90%. MP 6141 PSI, MR 54.2 BPM, AP 4985 PSI, AR 53.2 BPM, ISIP 1961 PSI, FG 0.70, NPI 280 PSI, PMPD 1458 BBLs SLK WTR, 53,604 LBS OTTOWA SND, 5,943 LBS TLC SND, 59,547 LBS TOTAL SAND.
	7:40 - 8:37	0.95	COMP	37	B	P		STG 7) RIH W 3 1/8" GNS, 23 GRM, 0.36 HOLES, 90 DEG PHSG, SET HALCO 8K CBP @ 7194'. PERF M.V. @ 7168' - 74', 4 SPF, 7132' - 36', 4 SPF, 40 HOLES

RECEIVED October 19, 2009

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-71	Spud Conductor: 6/18/2009	Spud Date: 6/20/2009
Project: UTAH-UINTAH	Site: NBU 244 PAD	Rig Name No: SWABBCO 1/1
Event: COMPLETION	Start Date: 10/12/2009	End Date:
Active Datum: RKB @5,324.00ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NESE/26/PM/S/2,000.00/E/0/948.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	8:37 - 9:52	1.25	COMP	36	E	P		STG 7) WHP = 905 PSI, BRK 3.1 BPM @ 6888 PSI, EST INJ RATE & PSI - 9.8 BPM @ 3796 PSI, ISIP 2362 PSI, FG 0.76. PMPD 85 BBLS 40 BPM @ 6200 PSI, 25/40 PERFS OPEN - 63%. MP 6888 PSI, MR 52 BPM, AP 5478 PSI, AR 42.7 BPM, ISIP 2502 PSI, FG 0.78, NPI 140 PSI, PMPD 991 BBLS SLK WTR, 36,886 LBS OTTOWA SND, 1,859 LBS TLC SND, 38,745 LBS TOTAL SAND
	9:52 - 10:45	0.88	COMP	37	B	P		STG 8) RIH W 3 1/8" GNS, 23 GRM, 0.36 HOLES, 90 DEG PHSG, SET HALCO 8K CBP @ 6729'. PERF WASATCH @ 6697' - 99', 4 SPF, 6503' - 07', 4 SPF, 6490' - 94', 40 HOLES
	10:45 - 11:15	0.50	COMP	36	E	P		STG 8) WHP = 1078 PSI, BRK 4 BPM @ 1974 PSI, EST INJ RATE & PSI - 9.8 BPM @ 1986 PSI, ISIP 1460 PSI, FG 0.65. PMPD 90 BBLS 49 BPM @ 4900 PSI, 40/40 PERFS OPEN - 100%. MP 5759 PSI, MR 53.5 BPM, AP 4434 PSI, AR 51.5 BPM, ISIP 1935 PSI, FG 0.73, NPI 475 PSI, PMPD 628 BBLS SLK WTR, 23,912 LBS OTTOWA SND, 2,573 LBS TLC SND, 26,584 LBS TOTAL SAND
	11:15 - 16:00	4.75	COMP	31	I	P		KILL PLUG) RIH W/HALCO 8K CBP & SET @ 6435'. POOH & LD TOOLS. RDMO SLB WIRELINE & SUPERIOR WELL SERVICE. ND FRAC VALVES, NU BOP, RIG UP FLOOR & TBG EQUIP. PU 3 7/8" HURRICAN MILL, POBS & XN NIPPLE. RIH ON ON 202 JTS 2 3/8" J55 TBG. EOT @ 6373'. RIG UP PWR SWWL & PMP.
10/16/2009	7:00 - 7:15	0.25	COMP	48		P		16:00 - SWI - SDFN. PREP WELL TO DRLG OUT 8 HALCO CBP's IN AM. DAY 5 - JSA & SM. NO H2S PRESENT

RECEIVED October 19, 2009

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7I Spud Conductor: 6/18/2009 Spud Date: 6/20/2009
 Project: UTAH-UINTAH Site: NBU 244 PAD Rig Name No: SWABBCO 1/1
 Event: COMPLETION Start Date: 10/12/2009 End Date:
 Active Datum: RKB @5,324.00ft (above Mean Sea Level) UWI: 0/10/S/22/E/7/0/NESE/26/PM/S/2,000.00/E/0/948.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:15 - 7:15	0.00	COMP	44	C	P		<p>WHP = 0 PSI, EST. CIRC. WWTR. P/T CSG & BOP TO 3000 PSI, (GOOD TEST). RIH W/2 3/8" TBG & TAG FILL @ 6410'. C/O 25' OF SND. FCP = 25 PSI.</p> <p>CBP #1) DRLG OUT HALCO CBP @ 6435' IN 15 MIN. 600 PSI DIFF. RIH W/TBG & TAG FILL @ 6684'. C/O 45' OF SND. FCP = 50 PSI.</p> <p>CBP #2) DRLG OUT HALCO CBP @ 6729' IN 10 MIN. 600 PSI DIFF. RIH W/TBG & TAG FILL @ 7174'. C/O 20' OF SND. FCP = 50 PSI.</p> <p>CBP #3) DRLG OUT HALCO CBP @ 7194' IN 10 MIN. 700 PSI DIFF. RIH W/TBG & TAG FILL @ 7506'. C/O 25' OF SND. FCP = 100 PSI.</p> <p>CBP #4) DRLG OUT HALCO CBP @ 7531' IN 17 MIN. 800 PSI DIFF. RIH W/TBG & TAG FILL @ 7837'. C/O 30' OF SND. FCP = 100 PSI.</p> <p>CBP #5) DRLG OUT HALCO CBP @ 7867' IN 10 MIN. 1100 PSI DIFF. RIH W/TBG & TAG FILL @ 8030'. C/O 50' OF SND. FCP = 100 PSI.</p> <p>CBP #6) DRLG OUT HALCO CBP @ 8080' IN 10 MIN. 1000 PSI DIFF. RIH W/TBG & TAG FILL @ 8297'. C/O 35' OF SND. FCP = 500 PSI.</p> <p>CBP #7) DRLG OUT HALCO CBP @ 8332' IN 10 MIN. 950 PSI DIFF. RIH W/TBG & TAG FILL @ 8535'. C/O 50' OF SND. FCP = 550 PSI.</p> <p>CBP #8) DRLG OUT HALCO CBP @ 8585' IN 20 MIN. 1800 PSI DIFF. RIH W/TBG & TAG FILL @ 8970'. PBDT @ 9030'. C/O 52' OF SND. EOT @ 9022'. CIRC WELL CLEAN. FCP = 500 PSI.</p> <p>RD PWR SWVL. RU TBG EQUIP. POOH W/TBG & LD 23 JTS ON FLOAT. (30 JTS TOTAL ON FLOAT - 1 ON GRD) LAND TBG ON HANGER W/264 JTS NEW 2 3/8" 4.7# J55 TBG. EOT @ 8339.22'. XN NIPPLE @ 8337.02'. 13 IN AVG/PLG. C/O 340' OF SND TOTAL.</p> <p>RD FLOOR & TBG EQUIP. ND BOP, DROP BALL, NUWH. PMP OFF BIT @ 0000 PSI. WAIT 30 MIN FOR BIT TO FALL TO BTM. OPEN WELL TO F.B.T. ON 20 CHOKE. FTP = 100 PSI. SICP = 1800 PSI. TURN WELL OVER TO FLOWBACK CREW</p> <p>FLUID SUMMARY FRAC 9622 BBLS C/O 200 BBLS TOTAL USED 9822 BBLS RECOVERED 2280 BBLS LTR 7542 BBLS</p> <p>RD SERVICE UNIT. 16:00 - SDFWE. WELL TURNED TO SALE @ 1100 HR ON 10/18/09 - FTP 2000#, CP 2300#, 2700 MCFD, 35 BWPD, 20/64 CK</p>
10/18/2009	11:00 -		PROD	50				

RECEIVED October 19, 2009

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU-0466
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 1022-71
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047391570000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6100
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2000 FSL 0948 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 07 Township: 10.0S Range: 22.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 9/3/2014 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input checked="" type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

The operator requests to conduct a casing repair in the referenced Federal Well. This sundry stands as a courtesy copy. Please see the attached procedure. Thank you.

Accepted by the Utah Division of Oil, Gas and Mining

Date: September 17, 2014

By: *Derek Quist*

NAME (PLEASE PRINT) Matthew P Wold	PHONE NUMBER 720 929-6993	TITLE Regulatory Analyst I
SIGNATURE N/A	DATE 9/3/2014	



REPAIR CASING LEAK

NBU 1022-71
 NW/NE - Section 7 – T10S – R22E
 Uintah County, UT
 API# 4304739157

DEPTHS & TUBULARS

ELEVATIONS: 5306' GL 5324' KB

TOTAL DEPTH: 9077' **PBTD:** 9030'

SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 2113'

PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 9076'
 Marker Joint **4505-4520'**

TUBULAR PROPERTIES:

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

TOPS:

1301' Green River
 1668' Birds Nest
 2137' Mahogany
 4536' Wasatch
 7182' Mesaverde

Estimated T.O.C. from CBL@ 500'



PERFORATIONS

Legal Well Name	Formation	MD Top (ft)	MD Base (ft)
NBU 1022-7I	WASATCH	6,490.00	6,494.00
NBU 1022-7I	WASATCH	6,503.00	6,507.00
NBU 1022-7I	WASATCH	6,697.00	6,699.00
NBU 1022-7I	MESA VERDE	7,132.00	7,136.00
NBU 1022-7I	MESA VERDE	7,168.00	7,174.00
NBU 1022-7I	MESA VERDE	7,292.00	7,294.00
NBU 1022-7I	MESA VERDE	7,346.00	7,348.00
NBU 1022-7I	MESA VERDE	7,376.00	7,378.00
NBU 1022-7I	MESA VERDE	7,400.00	7,401.00
NBU 1022-7I	MESA VERDE	7,458.00	7,460.00
NBU 1022-7I	MESA VERDE	7,505.00	7,507.00
NBU 1022-7I	MESA VERDE	7,658.00	7,660.00
NBU 1022-7I	MESA VERDE	7,687.00	7,690.00
NBU 1022-7I	MESA VERDE	7,729.00	7,732.00
NBU 1022-7I	MESA VERDE	7,835.00	7,837.00
NBU 1022-7I	MESA VERDE	7,938.00	7,940.00
NBU 1022-7I	MESA VERDE	7,959.00	7,961.00
NBU 1022-7I	MESA VERDE	7,989.00	7,991.00
NBU 1022-7I	MESA VERDE	8,029.00	8,032.00
NBU 1022-7I	MESA VERDE	8,053.00	8,055.00
NBU 1022-7I	MESA VERDE	8,160.00	8,163.00
NBU 1022-7I	MESA VERDE	8,200.00	8,203.00
NBU 1022-7I	MESA VERDE	8,254.00	8,257.00
NBU 1022-7I	MESA VERDE	8,308.00	8,310.00
EOT @ 8339'			
NBU 1022-7I	MESA VERDE	8,368.00	8,372.00
NBU 1022-7I	MESA VERDE	8,438.00	8,441.00
NBU 1022-7I	MESA VERDE	8,535.00	8,537.00
NBU 1022-7I	MESA VERDE	8,559.00	8,561.00
NBU 1022-7I	MESA VERDE	8,720.00	8,722.00
NBU 1022-7I	MESA VERDE	8,786.00	8,788.00
NBU 1022-7I	MESA VERDE	8,849.00	8,851.00
NBU 1022-7I	MESA VERDE	8,874.00	8,878.00
PBTD @ 9076'			



HISTORY

10/18/2009: Completed well on MV.

12/8/2009: Slickline- could not pass 3665' because of scale

12/23/2009: Slickline- coalfish pace maker plunger sleeve, could not get ball from 8295'

1/7/2010: Slickline- pull ball 8317'. Broach to 8330'

6/17/2010: Slickline- could not latch to spring

7/12/2010: Slickline- was able to pull spring

12/7/2010: Slickline – got to TD

3/9/2012: Slickline – got to TD

6/8/2013: Slickline – got to TD

10/23/2013: Slickline – got to TD

1/10/2014: Slickline – got to TD

PROCEDURE

- 1) MIRU, NDWH, & NUBOP.
- 2) Un-land tubing. Current EOT +/- **7493'**. Trip back in and tag for fill (**contact engineer to let him know where we Tag**).
- 3) POOH and **scan** the tubing. If scaled or damaged joints are found, scan and break each connection to visually inspect each pin and upset. Once good pipe integrity is reestablished, the visual inspection of each connection may be discontinued based on personal judgment. LD all scaled or damaged joints.
- 4) Take solid samples (inside & outside of tubing), if available, and submit to engineer.
- 5) PICK UP 4 ½" 11.6# (RETRIVABLE PLUG OR CBP, DEPENDING IF CLEANUP IS GOING TO BE DONE) PACKER,
- 6) TIH AND SET PLUG AT 6400' (ABOVE TOP PERF) AND GO UP 10' TO PRESSURE TEST, TO CONFIRM PLUG IS HOLDING
- 7) SET PACKER AT 500' AND PRESSURE TEST ABOVE AND BELOW PACKER FOR 1500 PSI FOR 10 MIN.
- 8) CONTINUE TO ISOLATE LEAK +/- HALF LENGTH, UNTIL WE GET WITHIN 15' (LEAK IS SUSPECTED TO BE WHITIN THE FIRST COUPLE OF JOINTS, BASED ON HOW THE WELL EQUALIZES FAST)
- 9) POOH



- 10) RIH WITH WASH SHOE AND WASH PIPE TO CLEAN BACKSIDE OF PRODUCTION CSG. IF LEAK IS LOWER THAN FIRST 2 JOINTS, CONTACT ENGINEER
- 11) BACK OF CSG. IF WE ARE NOT ABLE TO BACKOFF AT THE DESERIED LENGTH. RUN INTO HOLE WITH A CHEM CUT TO CUT BELOW A COLLAR. IN THIS CASE WILL ALSO NEED A CSG PATCH TO SCREW NEW CSG.
- 12) POOH
- 13) RUN AND SCREW NEW CSG (SAME TYPE, 4 ½" 11.6# I-80)
- 14) TRIP IN TBG AND LAND AT ~ 8339' (SAME DEPTH AS BEFORE)
- 15) N/D BOP AND SET WELLHEAD.



CONTACT INFORMATION

FOREMAN	Mike Merrill	435-828-4606
LEAD	Tadd Hiner	435-828-6529
PROD. ENG.	Ronald Trigo	352-213-6630
OPERATOR	Devin Bunker	435-790-8909
OPERATOR	Russell Shaw	435-828-3367

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: UTU-0466
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL Gas Well		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		8. WELL NAME and NUMBER: NBU 1022-71
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		9. API NUMBER: 43047391570000
PHONE NUMBER: 720 929-6100		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2000 FSL 0948 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NESE Section: 07 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		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input checked="" type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/25/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input type="text"/>

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

The casing repair on the NBU 1022-71 has been completed, please see the attached operations summary report.

NAME (PLEASE PRINT) Doreen Green	PHONE NUMBER 435 781-9758	TITLE Regulatory Analyst II
SIGNATURE N/A	DATE 10/15/2014	

US ROCKIES REGION
Operation Summary Report

US ROCKIES REGION								
Operation Summary Report								
Well: NBU 1022-71			Spud Conductor: 6/18/2009			Spud Date: 6/20/2009		
Project: UTAH-UINTAH			Site: NBU 244 PAD			Rig Name No:		
Event: WELL WORK EXPENSE			Start Date: 9/2/2014			End Date: 9/25/2014		
Active Datum: RKB @5,324.00usft (above Mean Sea Level)			UWI: 0/10/S/22/E/7/0/NESE/26/PM/S/2,000.00/E/0/948.00/0/0					
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
9/22/2014	7:00 - 7:15	0.25	WO/REP	48		P		JSA-SAFETY MEETING
	7:15 - 11:00	3.75	WO/REP	30	A	P		ROAD RIG FROM NBU 1022-1303S TO LOC, MIRU UNIT
	11:00 - 12:30	1.50	WO/REP	30	F	P		BLOW WELL DN, N/D WH, N/U BOPS, P/O HANGER,
	12:30 - 13:15	0.75	WO/REP	31	I	P		RIH W/ 2 3/8" TBG, TAG AT 8890', BOTTOM PERF AT 8878',
	13:15 - 18:00	4.75	WO/REP	31	I	P		3R/U SCAN TECH, TOO H W/ TBG, HAD 53 RED JTS AND 211 YELLOW JTS 2 3/8" J-55 TBG, SHUT WELL IN R/D SCAN TECH, LOOK DN WELL 4 1/2" CSG PARTED AT SURFACE, SDFN,
9/23/2014	7:00 - 7:15	0.25	WO/REP	48		P		JSA-SAFETY MEETING
	7:15 - 8:30	1.25	WO/REP	34	I	P		R/U CASED HOLE WIRELINE, RIH SET 8K CBP AT 6052', R/D WIRELINE
	8:30 - 10:00	1.50	WO/REP	31	I	P		P/U 4 1/2" PACKER RIH @ 120 FT, FILL CSG W/ WTR, SET PACKER, PRESSURE TEST CSG TO 1500#, HOLD FOR 15 MIN, RELEASE PACKER, TOO H LAY DN PACKER,
	10:00 - 13:00	3.00	WO/REP	30		P		N/D BOPS, N/D CSG SPOOL 4 1/2" CSG PARTED INSIDE OF CSG MANDREL, PULLED HANGER OUT,
	13:00 - 15:00	2.00	WO/REP	31	B	P		R/U POWER SWIVEL, P-/U 2 PUP JTS AND INSIDE CSG CUTTER, RIH @ 14', CUT CSG OFF, P/O CUTTER, P/O 14' CSG, P/U CSG PATCH AND 21' 4 1/2" CSG SUB RIH LATCH OVER CSG, PULLED 70,000# ON PATCH, OK, SHUT CSG IN, SDFN,
9/24/2014	7:00 - 7:15	0.25	WO/REP	48		P		JSA-SAFETY MEETING
	7:15 - 10:30	3.25	WO/REP	30		P		R/U B&C QUICK TEST, PRESSURE TEST 4 1/2" CSG TO 3000# FOR 10 MIN AND 5000# FOR 30 MIN, TEST OK,
	10:30 - 11:00	0.50	WO/REP	30	F	P		SET CSG SLIPS W/ 60,000# SET DN, CUT CSG OFF, N/U CAMERON CSG SPOOL,
	11:00 - 13:00	2.00	WO/REP	31	I	P		N/U BOPS, FUNCTION TEST BOP
	13:00 - 16:00	3.00	WO/REP	44	C	P		P/U 3 7/8" MILL, RIH W/ 2 3/8" TBG TALLY TBG IN HOLE, TAG CBP 6052', R/U SWIVEL AND FOAM UNIT,
	16:00 - 18:00	2.00	WO/REP	31	I	P		ESTB CIRC, MILL OUT 8K CBP IN 5 MIN NO INCREASE, RIH TAG FILL 8559', TRY ESTB CIRC, TBG PLUG,
9/25/2014	7:00 - 7:15	0.25	WO/REP	48		P		TOOH W/ 66 JTS TBG, UNPLUG TBG, SHUT WELL IN SDFN,
	7:15 - 8:30	1.25	WO/REP	31	I	P		JSA-SAFETY MEETING
	8:30 - 12:00	3.50	WO/REP	44	D	P		450# ON WELL, RIH W/ TBG TAG FILL @ 8559', R/U SWIVEL,
	12:00 - 14:45	2.75	WO/REP	31	I	P		ESTB CIRC W/ FOAM UNIT, C/O FILL FROM 8559' TO 8978' PBD, 100' RATHOLE, CIRC WELL CLEAN, R/D SWIVEL,
								TOOH W/ LAY DN 20 JTS ON TRAILER STAND BACK 132 STANDS, LAY DN MILL

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7I		Spud Conductor: 6/18/2009		Spud Date: 6/20/2009	
Project: UTAH-UINTAH			Site: NBU 244 PAD		Rig Name No:
Event: WELL WORK EXPENSE			Start Date: 9/2/2014		End Date: 9/25/2014
Active Datum: RKB @5,324.00usft (above Mean Sea Level)			UWI: 0/10/S/22/E/7/0/NESE/26/PM/S/2,000.00/E/0/948.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	14:45 - 18:00	3.25	WO/REP	31	I	P		P/U NOTCH XN-NIPPLE RIN W/ 2 3/8" J-55 TBG, BROACH TBG IN HOLE, LAND TBG @ 8336' W/ 264 JTS 2 3/8" J-55 TBG, N/D BOPS, N/U WH, SHUT WELL IN, KB = 18.00' CAMERON TBG HANGER = .83' 264 JTS 2 3/8" J-55 YELLOW = 8316.21' XN-NOTCH NIPPLE 1.875" = 1.05' EOT = 8336.09'
10/2/2014	7:00 - 13:00	6.00	PROD	42	B	P		SWABBING