

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. <b>UTU-0149767</b>
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 <b>TRIBAL SURFACE</b>
2. Name of Operator <b>KERR MCGEE OIL AND GAS ONSHORE LP</b>		7. If Unit or CA Agreement, Name and No. <b>UNIT #891008900A</b>
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7024</b>	8. Lease Name and Well No. <b>NBU 921-8B</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>NW/NE 528'FNL, 2080'FEL 621717x</b> At proposed prod. Zone <b>44347834 -109.572961</b>		9. API Well No. <b>43-047-39237</b>
14. Distance in miles and direction from nearest town or post office* <b>9 +/- MILES FROM OURAY, UTAH</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>528'</b>	16. No. of Acres in lease <b>777.30</b>	11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 8, T9S, R21E</b>
17. Spacing Unit dedicated to this well <b>40.00</b>	18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	12. County or Parish <b>UINTAH</b>
19. Proposed Depth <b>10,610'</b>	20. BLM/BIA Bond No. on file <b>RLB0005239</b>	13. State <b>UTAH</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4679'GL</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>TO BE DETERMINED</b>

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) <b>SHEILA UPCHEGO</b>	Date <b>4/19/2007</b>
Title <b>SENIOR LAND ADMIN SPECIALIST</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>04-26-07</b>
Title <b>ENVIRONMENTAL MANAGER</b>		

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

APR 23 2007

DIV. OF OIL, GAS & MINING

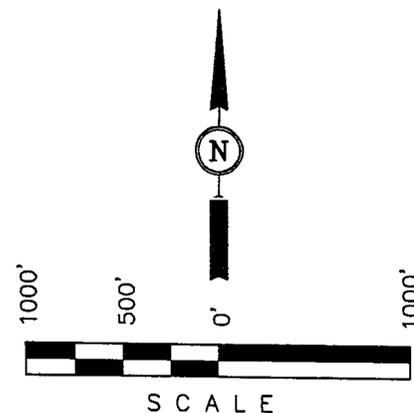
# T9S, R21E, S.L.B.&M.

## Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #921-8B, located as shown in the NW 1/4 NE 1/4 of Section 8, T9S, R21E, S.L.B.&M. Uintah County, Utah.

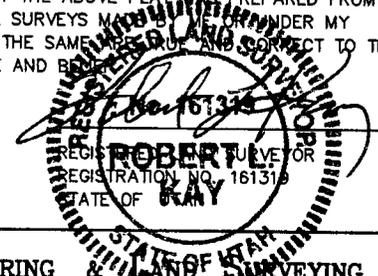
### BASIS OF ELEVATION

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

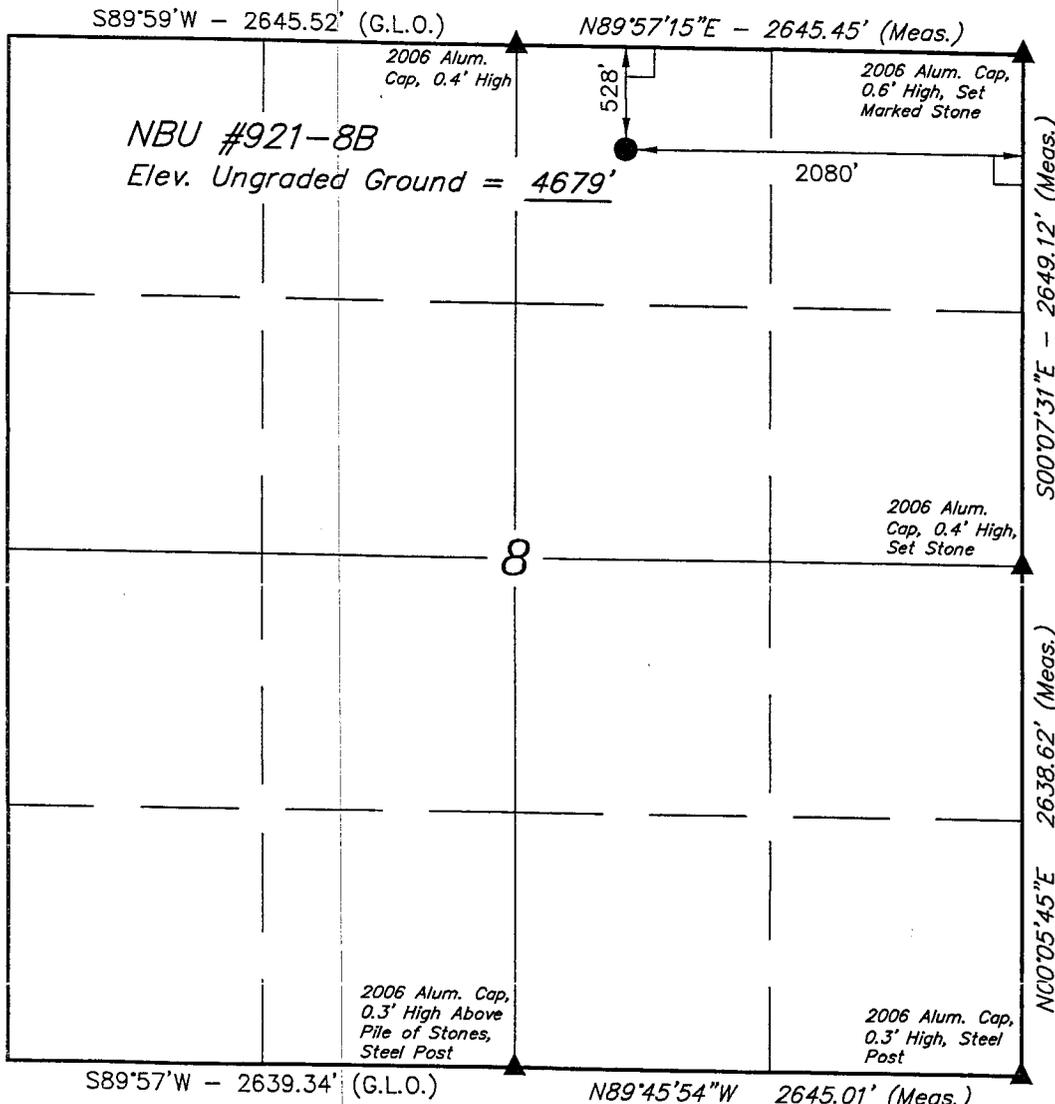


### CERTIFICATE

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



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



### BASIS OF BEARINGS

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

### LEGEND:

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

(NAD 83)  
 LATITUDE = 40°03'23.10" (40.056417)  
 LONGITUDE = 109°34'25.04" (109.573622)  
 (NAD 27)  
 LATITUDE = 40°03'23.23" (40.056453)  
 LONGITUDE = 109°34'22.56" (109.572933)

SCALE 1" = 1000'	DATE SURVEYED: 01-17-07	DATE DRAWN: 01-17-07
PARTY L.K.    J.M.    S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU 921-8B  
NW/NE Sec. 8, T9S, R21E  
UINTAH COUNTY, UTAH  
UTU-0149767**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1808'
Top of Birds Nest Water	2145'
Mahogany	2513'
Wasatch	5286'
Mesaverde	8415'
MVU2	9395'
MVL1	9915'
TD	10,610'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1808'
	Top of Birds Nest Water	2145'
	Mahogany	2513'
Gas	Wasatch	5286'
Gas	Mesaverde	8415'
Gas	MVU2	9395'
Gas	MVL1	9915'
Water	N/A	
Other Minerals	N/A	

**3. Pressure Control Equipment (Schematic Attached)**

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

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**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 10,610' TD, approximately equals 6578 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 4244 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.*

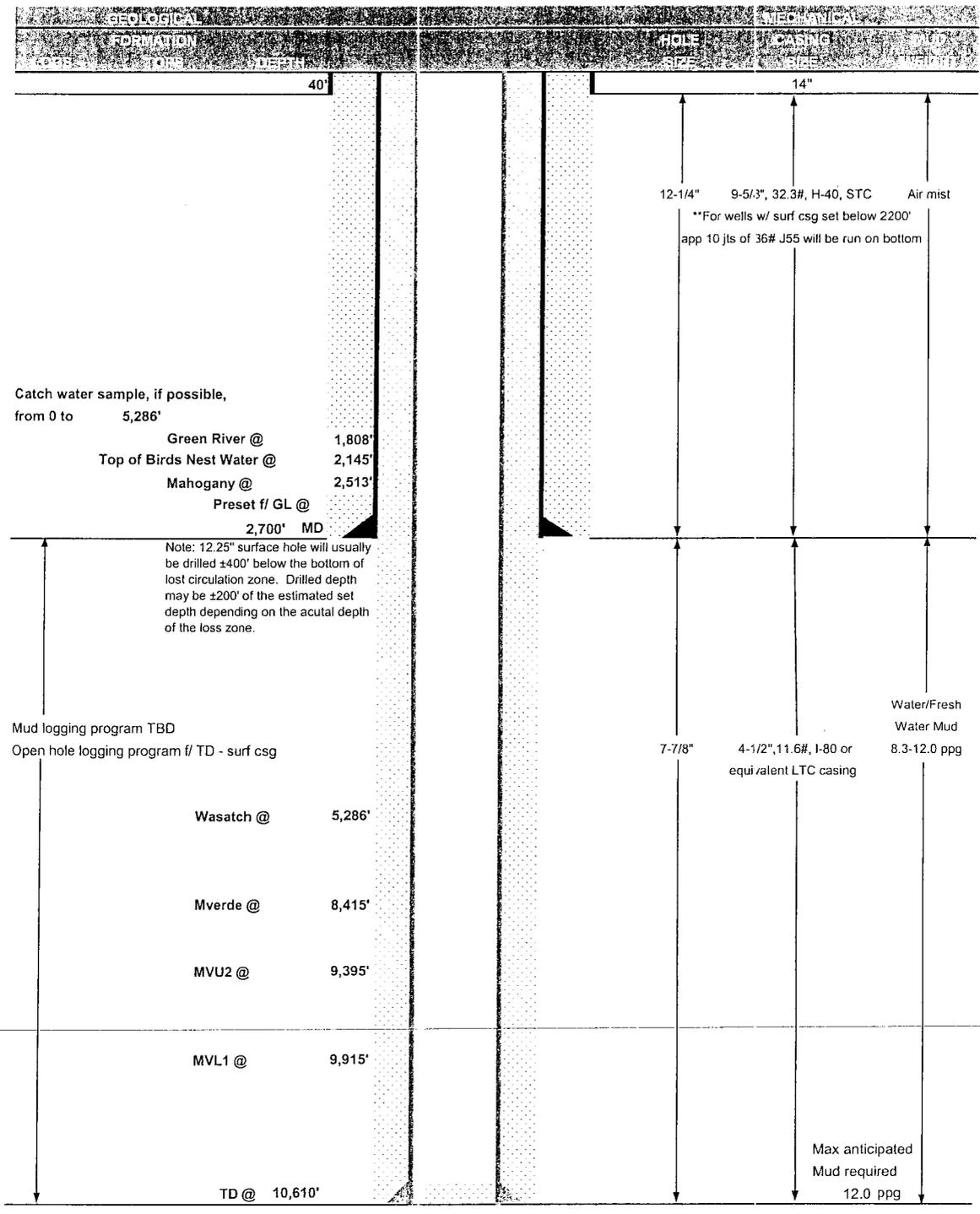
10. **Other Information:**

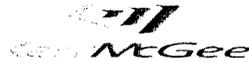
*Please see Natural Buttes Unit SOP.*



## KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE April 19, 2007  
 WELL NAME NBU 921-8B TD 10,610' MD/TVD \_\_\_\_\_  
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 4,679' GL KB 4,694'  
 SURFACE LOCATION NW/NE SEC. 8, T9S, R21E 528'FN., 2080'FEL BHL Straight Hole  
 OBJECTIVE ZONE(S) Wasatch/Mesaverde  
 ADDITIONAL INFO Regulatory Agencies: TRIBAL (SURF & MINERALS), BLM, UDOGM, Tri-County Health Dept.





**KERR-McGEE OIL & GAS ONSHORE LP  
DRILLING PROGRAM**

**CASING PROGRAM**

Casing Type	Casing Size	Depth Range	Weight	Grade	Type	Design Point		
						Burst	Collapse	Tension
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 2300	32.30	H-40	STC	0.53***** 3520	1.27	3.33 2020
		2300 to 2700	36.00	J-55	STC	1.05*****	1.60	7.39
PRODUCTION	4-1/2"	0 to 106' 0	11.60	I-80	LTC	7760 1.82	6350 0.96	201000 1.87

- 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 = 12.0 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing \* Buoy. Fact. of water)
- MASP 4286 psi
- \*\*\*\*\* Burst SF is low but csg is stronger than formation at 2700 feet
- \*\*\*\*\* EMW @ 2700 for 2270# is 16.2 ppg or 0.8 psi/ft

**CEMENT PROGRAM**

Casing Type	Lead	Volume	Grade	Weight	Percentage	Height	Design Point
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl -.25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	250	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	100		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>							
SURFACE Option 2	LEAD	2000	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps flocele + 3% salt BWOC	230	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	4,780'	Premium L te II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	520	60%	11.00	3.38
	TAIL	5,830'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1630	60%	14.30	1.31

\*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained  
\*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

**FLOAT EQUIPMENT & CENTRALIZERS**

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

**ADDITIONAL INFORMATION**

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

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

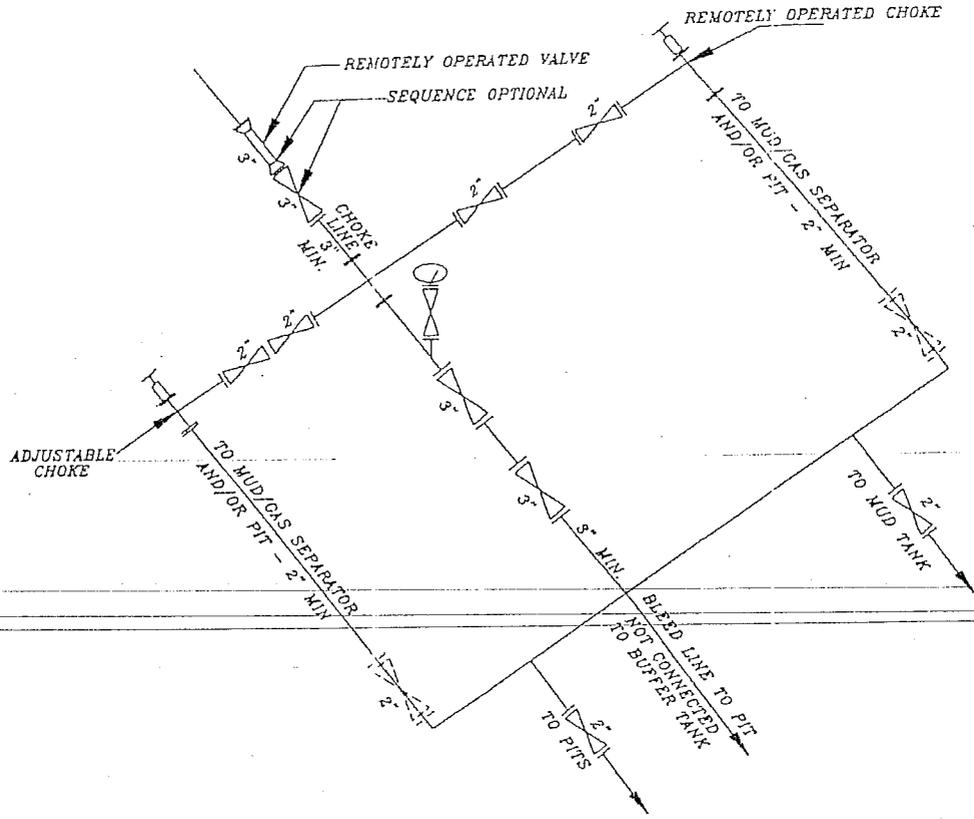
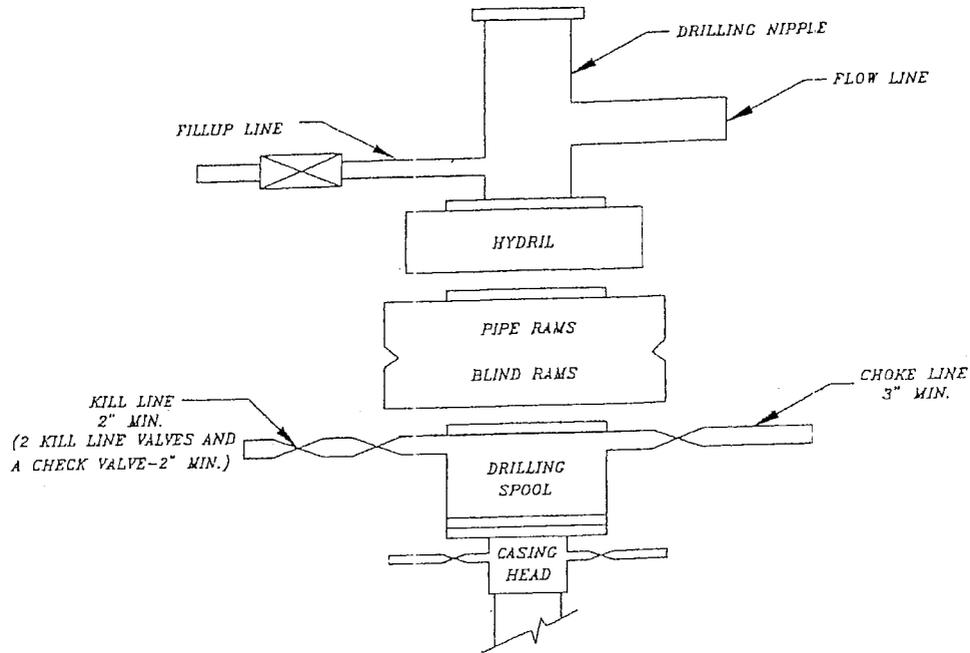
Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

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

DRILLING ENGINEER: \_\_\_\_\_ DATE: \_\_\_\_\_  
Brad Laney

DRILLING SUPERINTENDENT: \_\_\_\_\_ DATE: \_\_\_\_\_  
Randy Bayne

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



NBU 921-8B  
NW/NE SEC. 8, T9S, R21E  
UINTAH COUNTY, UTAH  
UTU-0149767

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).*

Approximately 110' +/- of new access road. 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 80' +/- of 4" pipeline is proposed from the location to an existing pipeline.

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.

Culverts will be installed where needed.

A run off diversion for drainage will be constructed where needed.

The reserve pit will be lined. When the reserve pit is closed the pit liner will be buried below plow depth.

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.*

11. **Surface Ownership:**

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

Ute Indian Tribe  
P.O. Box 70  
Fort Duchesne, Utah 84026  
(435) 722-5141

12. **Other Information:**

A Class III Archaeological Survey Report has been conducted for this location and submitted to the Ute Indian Tribe prior to the on-site inspection.

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 boundaries of the unit.

**13. Lessee's or Operator's Representative & Certification:**

Sheila Uphego  
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 Bureau of Indian Affairs Nationwide Bond #RLB0005239, Bureau of Land Management Nationwide Bond #WYB000291 and State of Utah Bond #RLB0005237.

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

  
Sheila Uphego

4/19/2007

Date

# Kerr-McGee Oil & Gas Onshore LP

NBU #921-8B

SECTION 8, T9S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.6 MILES TO BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY DIRECTION APPROXIMATELY 110' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 40.0 MILES.

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# Kerr-McGee Oil & Gas Onshore LP

NBU #921-8B

LOCATED IN UINTAH COUNTY, UTAH

SECTION 8, T9S, R21E, S.L.B.&M.

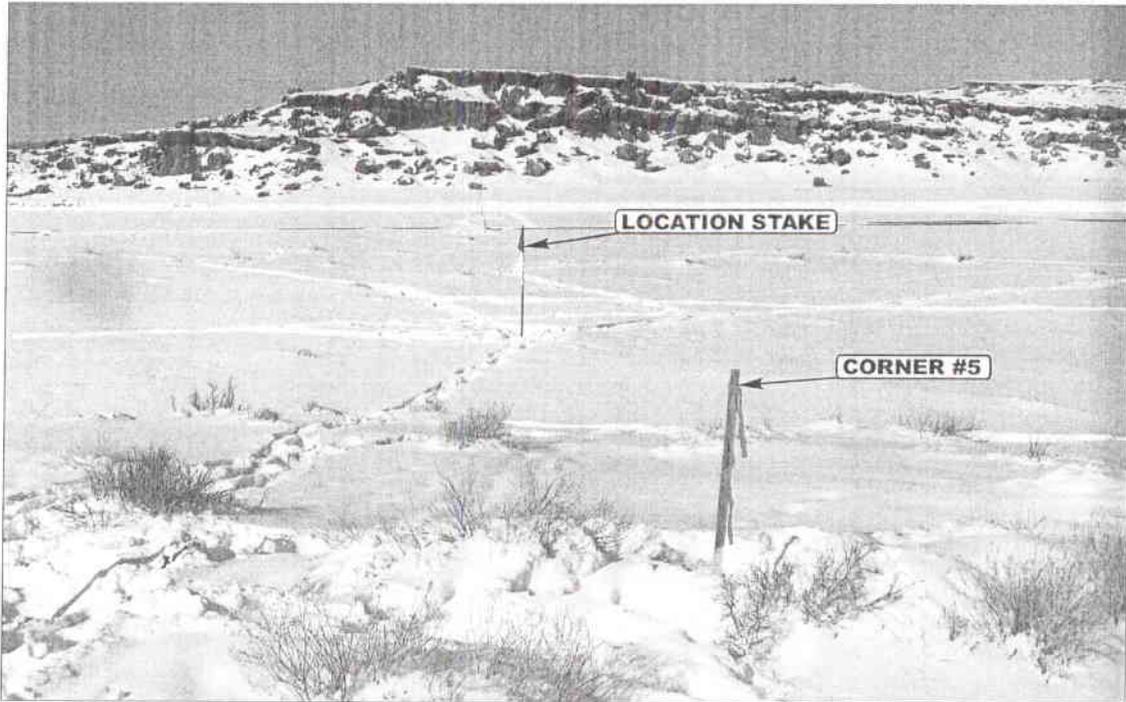


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



- Since 1964 -

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

LOCATION PHOTOS

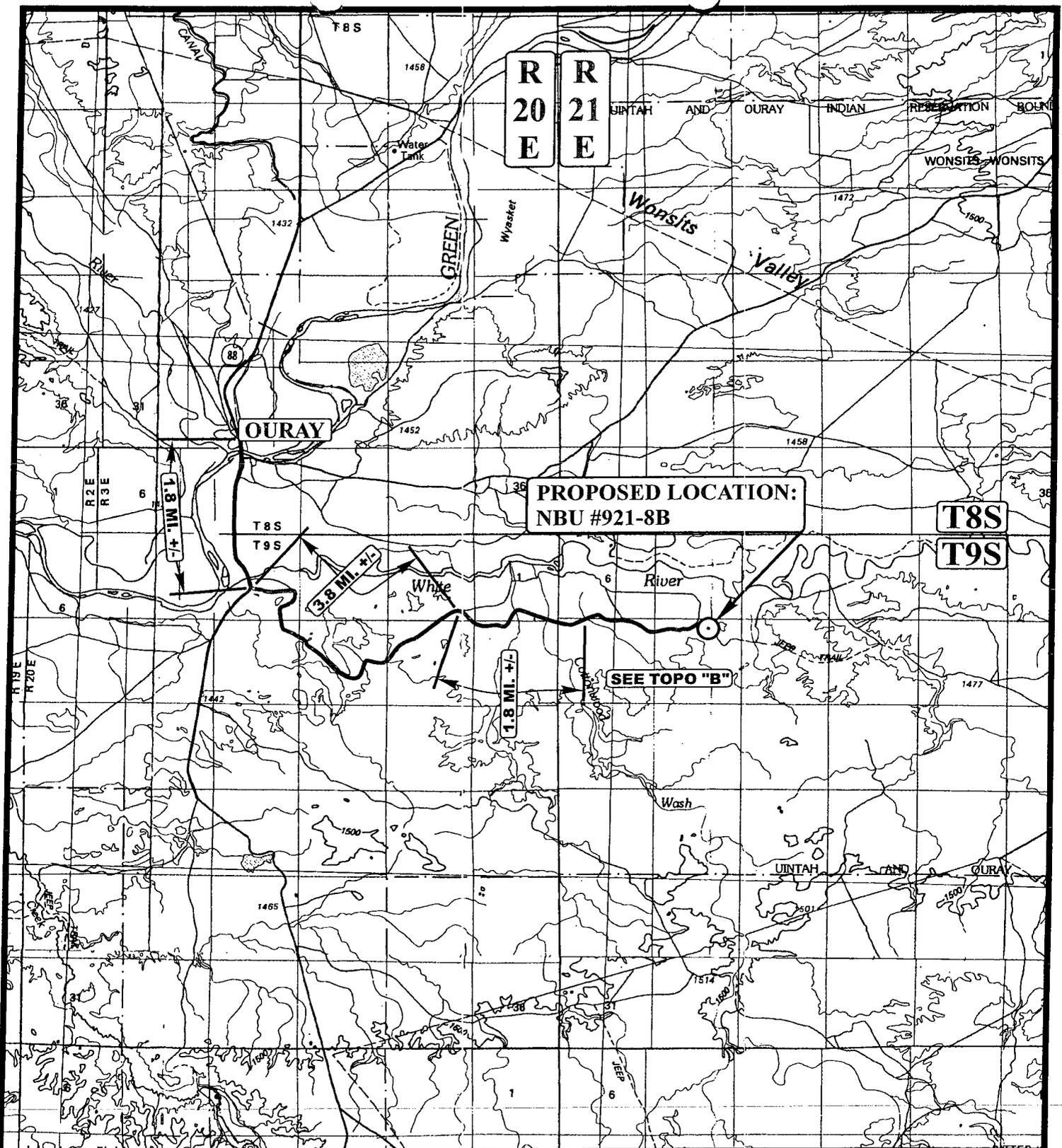
01 17 07  
MONTH DAY YEAR

PHOTO

TAKEN BY: L.K.

DRAWN BY: C.P.

REVISED: 00-00-00



**LEGEND:**

○ PROPOSED LOCATION



**Kerr-McGee Oil & Gas Onshore LP**

NBU #921-8B

SECTION 8, T9S, R21E, S.L.B.&M.

528' FNL 2080' FEL



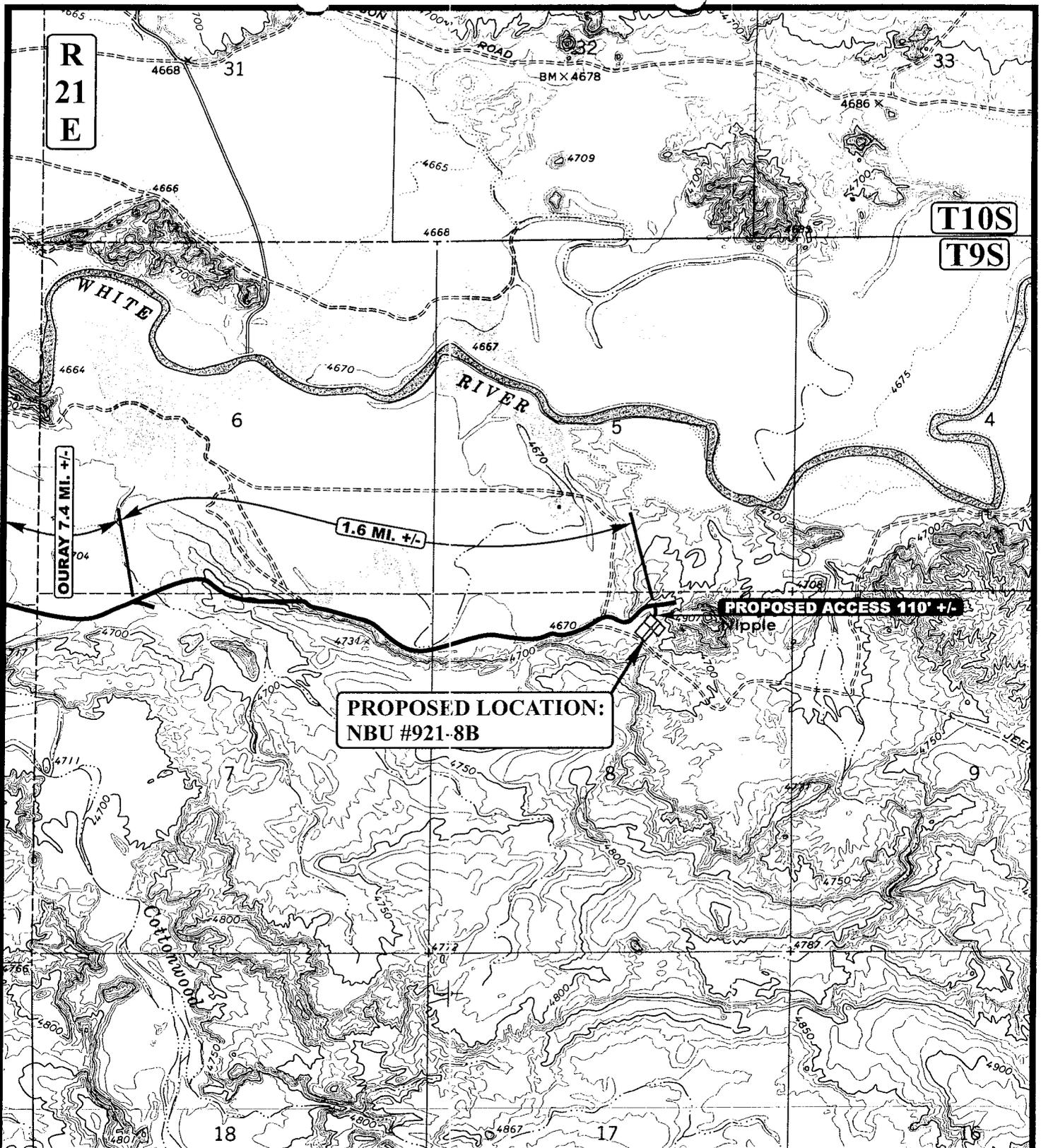
Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

TOPOGRAPHIC  
MAP

01	17	07
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**

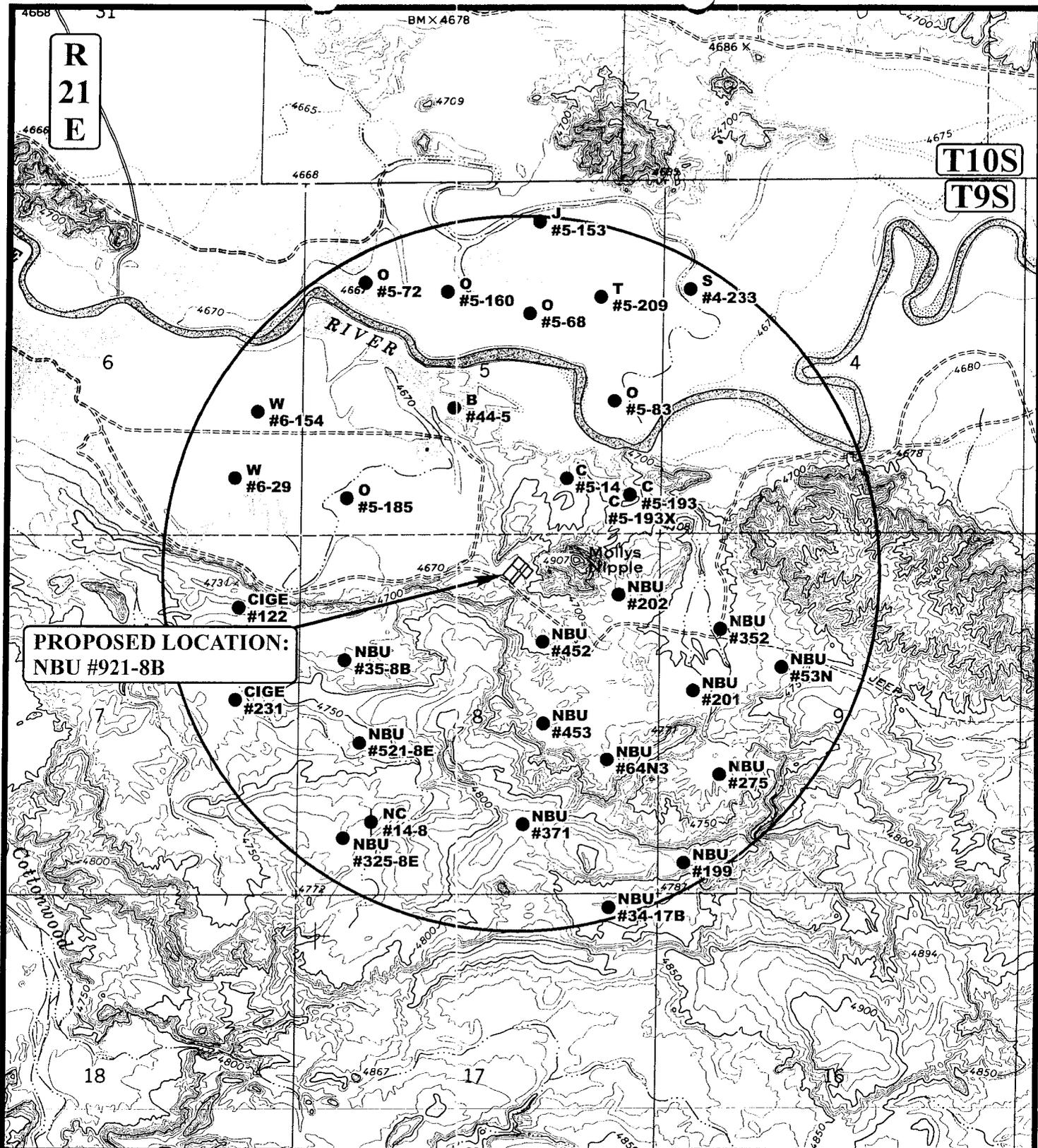
**NBU #921-8B**  
**SECTION 8, T9S, R21E, S.L.B.&M.**  
**528' FNL 2080' FEL**



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

**TOPOGRAPHIC** 01 17 07  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





**LEGEND:**

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



**Kerr-McGee Oil & Gas Onshore LP**

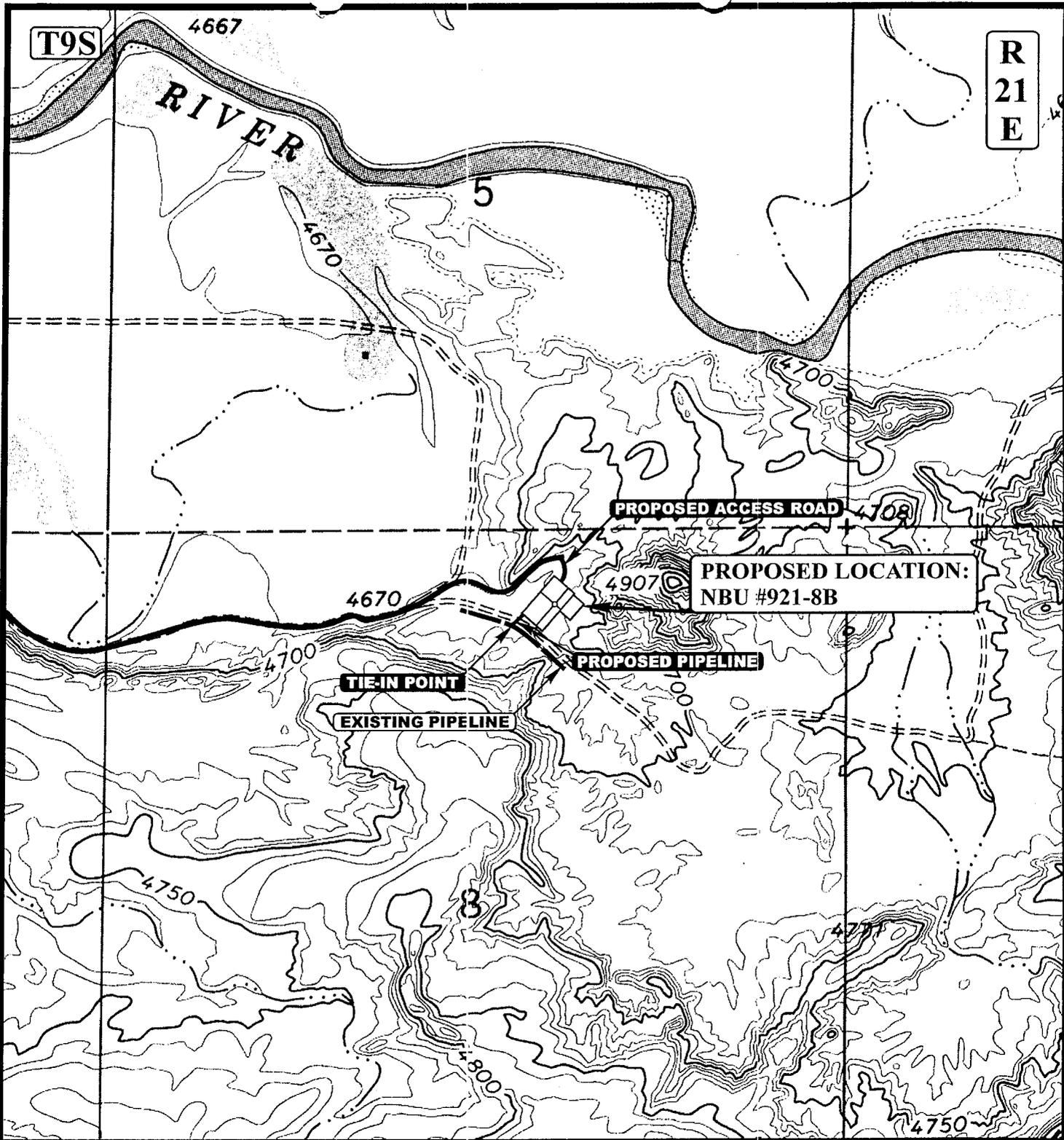
**NBU #921-8B**  
**SECTION 8, T9S, R21E, S.L.B.&M.**  
**528' FNL 2080' FEL**



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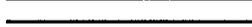
**TOPOGRAPHIC** 01 17 07  
**MAP** MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 80' +/-

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



**Kerr-McGee Oil & Gas Onshore LP**

**NBU #921-8B**

**SECTION 8, T9S, R21E, S.L.B.&M.**

**528' FNL 2080' FEL**



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

TOPOGRAPHIC 01 17 07  
MAP MONTH DAY YEAR

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



# Kerr-McGee Oil & Gas Onshore LP

NBU #921-8B

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 8, T9S, R21E, S.L.B.&M.

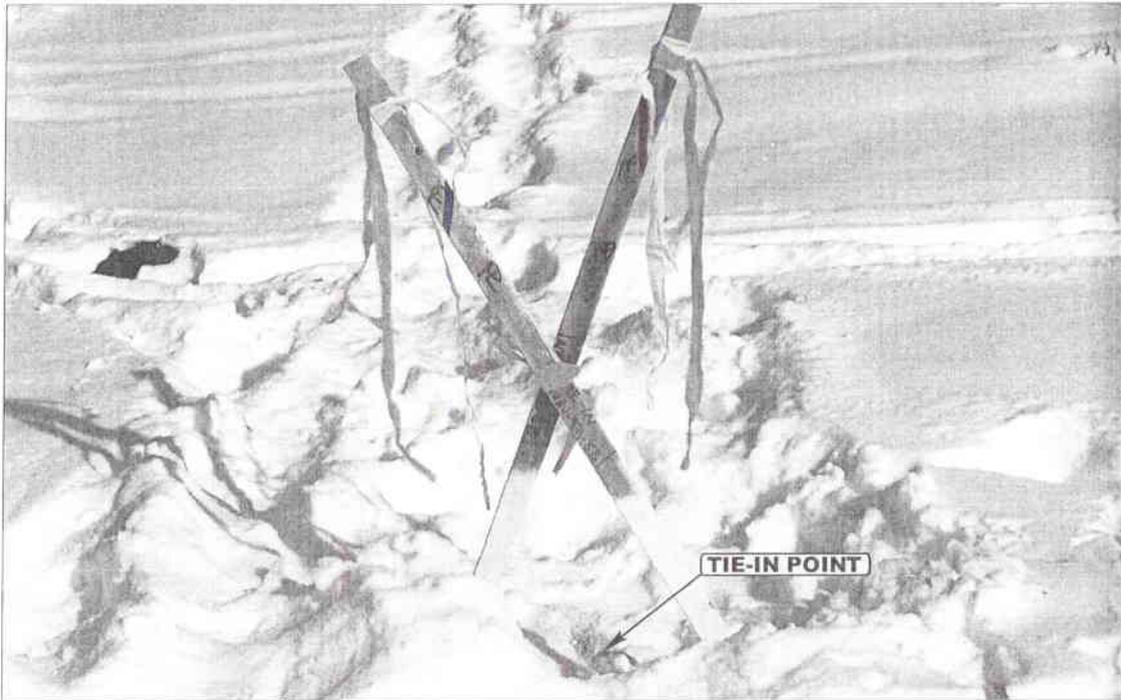


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

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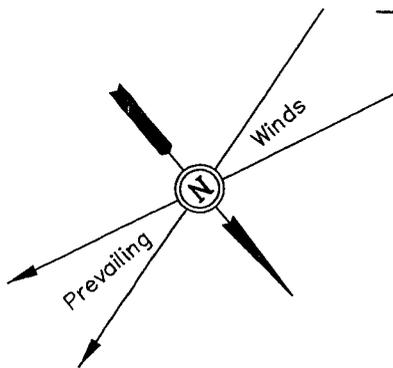
PIPELINE PHOTOS	01	17	07	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: C.P.		REVISED: 00-00-00	

Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

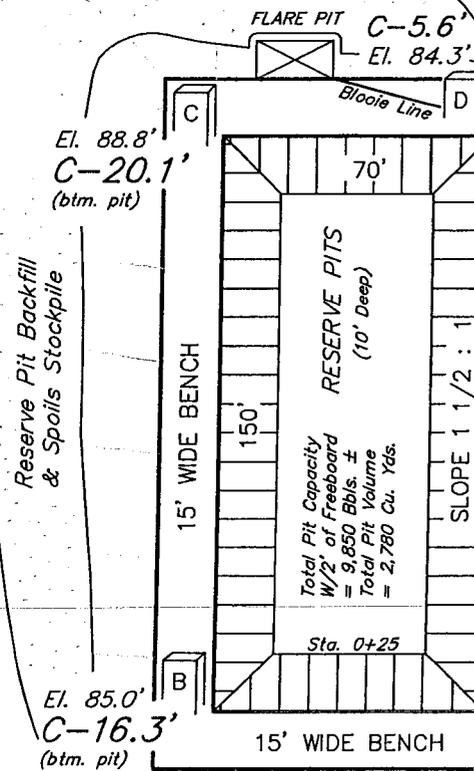
NBU #921-8B  
SECTION 8, T9S, R21E, S.L.B.&M.  
528' FNL 2080' FEL



SCALE: 1" = 50'  
DATE: 01-17-07  
Drawn By: S.L.

NOTE:

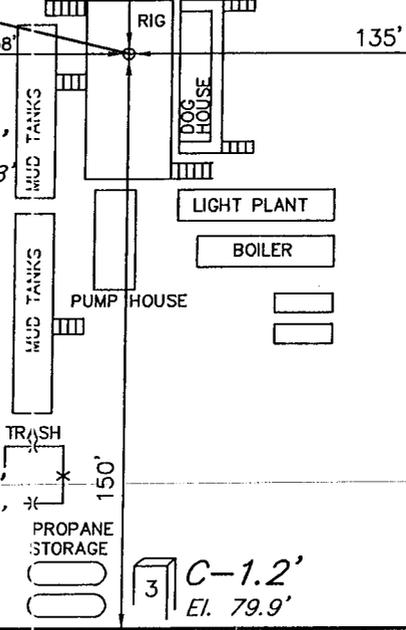
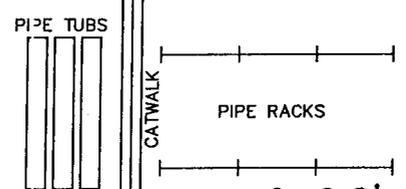
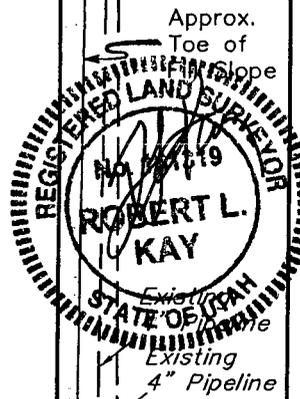
Flare Pit is to be located a min. of 100' from the Well Head.



Topsoil Stockpile

Topsoil Stockpile

Sta. 3+50



Sta. 1+50

F-2.8' El. 75.9'

Sta. 0+00

F-0.4' El. 78.3'

NOTES:

Approx. Top of Cut Slope

Proposed Access Road

Elev. Ungraded Ground At Loc. Stake = 4679.5'  
FINISHED GRADE ELEV. AT LOC. STAKE = 4678.7'

Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR

NBU #921-8B

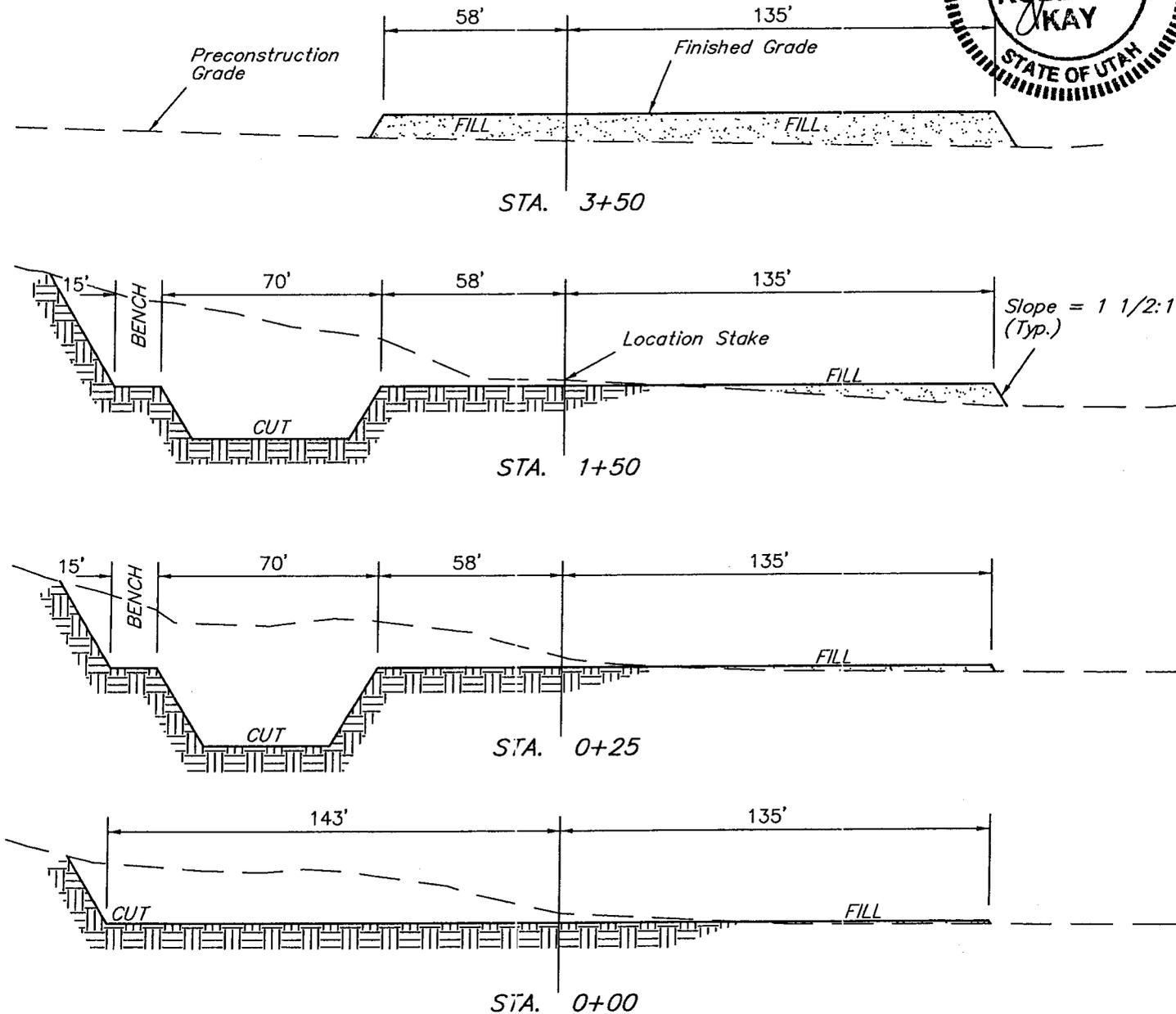
SECTION 8, T9S, R21E, S.L.B.&M.

528' FNL 2080' FEL



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

DATE: 01-17-07  
Drawn By: S.L.



NOTE:

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

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(12") Topsoil Stripping	= 3,530 Cu. Yds.
Remaining Location	= 8,090 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 11,620 CU.YDS.</b>
<b>FILL</b>	<b>= 6,700 CU.YDS.</b>

EXCESS MATERIAL	= 4,920 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,920 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: 04/23/2007

API NO. ASSIGNED: 43-047-39237

WELL NAME: NBU 921-8B  
 OPERATOR: KERR-MCGEE OIL & GAS ( N2995 )  
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

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

NWNE 08 090S 210E  
 SURFACE: 0528 FNL 2080 FEL  
 BOTTOM: 0528 FNL 2080 FEL  
 COUNTY: UINTAH  
 LATITUDE: 40.05641 LONGITUDE: -109.5730  
 UTM SURF EASTINGS: 621717 NORTHINGS: 4434783  
 FIELD NAME: NATURAL BUTTES ( 630 )

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-0149767  
 SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

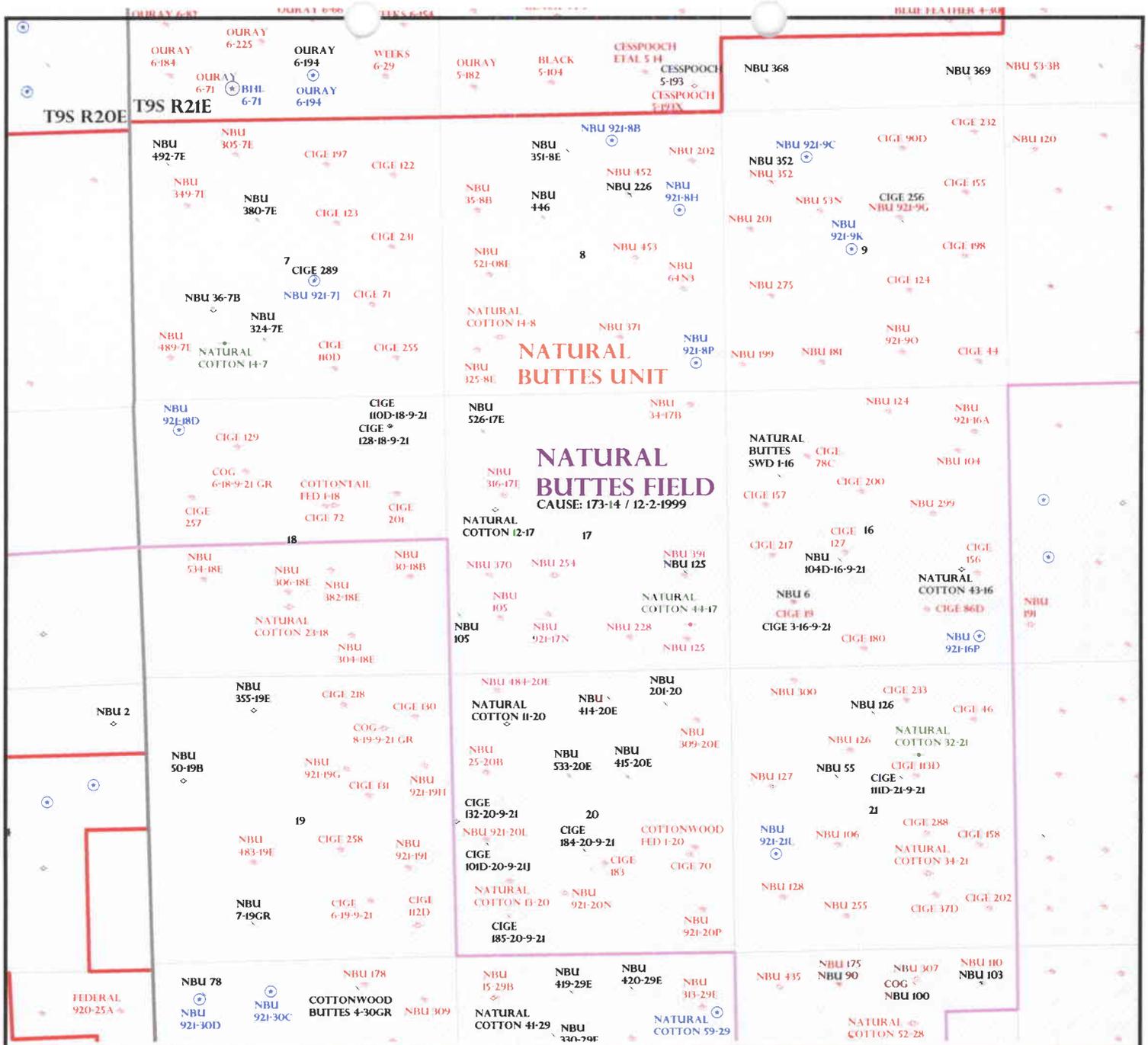
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. RLB0005239 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: 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' Frubdry & uncomm. tract
- R649-3-11. Directional Drill

COMMENTS: See Separate file

STIPULATIONS: 1 - Federal Approval  
2 - Oil Shale



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 8,9,16,18,21 T.9S R. 21E

FIELD: NATURAL BUTTES (630)

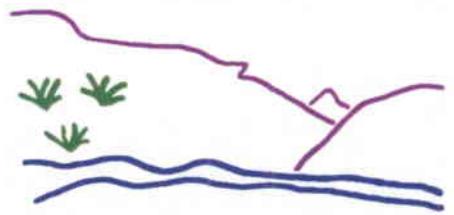
COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

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

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

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



Utah Oil Gas and Mining



PREPARED BY: DIANA MASON  
DATE: 25-APRIL-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)

April 25, 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)		
43-047-39237	NBU 921-8B	Sec 08 T09S R21E 0528 FNL 2080 FEL
43-047-39238	NBU 921-8H	Sec 08 T09S R21E 1870 FNL 0837 FEL
43-047-39239	NBU 921-8P	Sec 08 T09S R21E 0533 FSL 0578 FEL
43-047-39240	NBU 921-9K	Sec 09 T09S R21E 2633 FSL 2383 FWL
43-047-39241	NBU 921-9C	Sec 09 T09S R21E 0896 FNL 1569 FWL
43-047-39254	NBU 921-16P	Sec 16 T09S R21E 0537 FSL 0610 FEL
43-047-39255	NBU 921-18D	Sec 18 T09S R21E 0550 FNL 0827 FWL
43-047-39256	NBU 921-21L	Sec 21 T09S R21E 1785 FSL 0797 FWL
43-047-39242	NBU 921-10H	Sec 10 T09S R21E 1472 FNL 1104 FEL
43-047-39243	NBU 921-13H	Sec 13 T09S R21E 2323 FNL 0531 FEL
43-047-39244	NBU 921-13E	Sec 13 T09S R21E 1818 FNL 0851 FWL
43-047-39245	NBU 921-13LT	Sec 13 T09S R21E 1465 FSL 0792 FWL
43-047-39246	NBU 921-14B	Sec 14 T09S R21E 0822 FNL 1764 FEL
43-047-39247	NBU 921-14D	Sec 14 T09S R21E 0465 FNL 0542 FWL
43-047-39248	NBU 921-14P	Sec 14 T09S R21E 0878 FSL 1163 FEL
43-047-39249	NBU 921-14A	Sec 14 T09S R21E 1239 FNL 0883 FEL
43-047-39250	NBU 921-14G	Sec 14 T09S R21E 2319 FNL 1996 FEL
43-047-39251	NBU 921-14H	Sec 14 T09S R21E 2088 FNL 0422 FEL
43-047-39252	NBU 921-15E	Sec 15 T09S R21E 2184 FNL 0636 FWL
43-047-39253	NBU 921-15L	Sec 15 T09S R21E 2015 FSL 0713 FWL

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:4-25-07



**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*

April 26, 2007

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

Re: Natural Buttes Unit 921-8B Well, 528' FNL, 2080' FEL, NW NE, Sec. 8,  
T. 9 South, R. 21 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39237.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt  
Associate Director

pab  
Enclosures

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

Operator: Kerr McGee Oil and Gas Onshore LP  
Well Name & Number Natural Buttes Unit 921-8B  
API Number: 43-047-39237  
Lease: UTU-0149767

Location: NW NE Sec. 8 T. 9 South R. 21 East

#### Conditions of Approval

##### 1. General

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

##### 2. Notification Requirements

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.

RECEIVED  
VERNAL FIELD OFFICE

2007 APR 20 AM 11:14

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

5. Lease Serial No.  
**UTU-0149767**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

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

8. Lease Name and Well No.  
**NBU 921-8B**

9. API Well No.  
**43 047 39237**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**

11. Sec., T., R., M., or Blk, and Survey or Area  
**SEC. 8, T9S, R21E**

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 AND 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 **NW/NE 528'FNL, 2080'FEL**  
At proposed prod. Zone

14. Distance in miles and direction from nearest town or post office\*  
**9 +/- MILES FROM OURAY, UTAH**

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **528'**

16. No. of Acres in lease  
**777.30**

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  
**10,610'**

20. BLM/BIA Bond No. on file  
**RLB0005239**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4679'GL**

22. Approximate date work will start\*  
**UPON APPROVAL**

23. Estimated duration  
**TO BE DETERMINED**

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Date <b>4/19/2007</b>
Title <b>SENIOR LAND ADMIN SPECIALIST</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>JENNY KUVAKA</b>	Date <b>3-13-2008</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>	Office <b>VERNAL FIELD OFFICE</b>	

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)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

MAR 18 2008

DIV. OF OIL, GAS & MINING

NO NOS

076XJ4040A



**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:** NWNE, Sec. 8, T9S, R21E  
**Well No:** NBU 921-8B      **Lease No:** UTU-0149767  
**API No:** 43-047-39237      **Agreement:** Natural Buttes Unit

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
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:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

**Fax: (435) 781-3425**

**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**

Construction Activity	The Ute Tribe Energy & Minerals Dept. shall be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion	Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion.
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)**

### **General Surface 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 report will be prepared by a BLM permitted paleontologist and submitted to the AO at the completion of surface disturbing activities.

### **Specific Surface COAs**

- A 30' foot corridor right-of-way shall be approved. Upon completion of each pipeline in corridor, they shall be identified and filed with the Ute Tribe.
- A qualified Archaeologist accompanied by a Tribal Technician will monitor trenching construction of pipeline.
- The Ute Tribe Energy & Minerals Department is to be notified, in writing 48 hours prior to construction of pipeline.
- Construction Notice shall be given to the department on the Ute Tribe workdays, which are Monday through Thursday. The Company understands that they may be responsible for costs incurred by the Ute Tribe after hours.
- The Company shall inform contractors to maintain construction of pipelines within the approved ROW's.
- The Company shall assure the Ute Tribe that "ALL CONTRACTORS, INCLUDING SUB-CONTRACTORS, LEASING CONTRACTORS, AND ETC." have acquired a current and valid Ute Tribal Business License and have "Access Permits" prior to construction, and will have these permits in all vehicles at all times.
- You are hereby notified that working under the "umbrella" of a company does not allow you to be in the field, and can be subject to those fines of the Ute Tribe Severance Tax Ordinance.
- Any deviation of submitted APD's and ROW applications the Companies will notify the Ute Tribe and BIA in writing and will receive written authorization of any such change with appropriate authorization.
- The Company will implement "Safety and Emergency Plan." The Company's safety director will ensure its compliance.
- All Company employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.
- All vehicular traffic, personnel movement, construction/restoration operations should be confined to the area examined and approved, and to the existing roadways and/or evaluated access routes.
- All personnel should refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.
- The personnel from the Ute Tribe Energy & Minerals Department should be notified should cultural remains from subsurface deposits be exposed or identified during construction. All construction will cease.
- All mitigative stipulations contained in the Bureau of Indian Affairs Site Specific Environmental Assessment (EA) will be strictly adhered.
- Upon completion of Application for Corridor Right-Way, the company will notify the Ute Tribe Energy & Minerals Department, so that a Tribal Technician can verify Affidavit of Completion.

## **DOWNHOLE CONDITIONS OF APPROVAL**

### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

- 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 (¼, 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**  
*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

5. Lease Serial No.  
**UTU-0149767**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

7. If Unit or CA/Agreement, Name and/or No.  
**UNIT #891008900A  
NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 921-8B**

9. API Well No.  
**4304739237**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

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 (Footage, Sec., T., R., M., or Survey Description)  
**NW/NE SEC. 8, T9S, R21E 528'FNL, 2080'FEL**

12. CHECK APPROPRIATE BOX(ES) 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 DOGM APD EXTENSION
	<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 Operations (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 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 shall 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.

THE OPERATOR REQUESTS AUTHORIZATION FOR AN ONE YEAR EXTENSION FOR THE SUBJECT WELL LOCATION, SO THE DRILLING OPERATIONS MAY BE COMPLETED. THE ORIGINAL APD WAS APPROVED BY THE DIVISION OF OIL, GAS AND MINING DEPARTMENT ON APRIL 26, 2007.

**COPY SENT TO OPERATOR**

Date: 5.6.2008  
Initials: KS

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

Date: 05-05-08  
By: [Signature]

**RECEIVED**  
**MAY 02 2008**  
DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed)  
**SHEILA UPCHEGO**

Title  
**SENIOR LAND ADMIN SPECIALIST**

Signature  
[Signature]

Date  
**April 22, 2008**

**THIS SPACE FOR FEDERAL OR STATE 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, 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.



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

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

**API:** 4304739237  
**Well Name:** NBU 921-8B  
**Location:** NW/NE SEC. 8, T9S, R21E  
**Company Permit Issued to:** KERR McGEE OIL & GAS ONSHORE LP  
**Date Original Permit Issued:** 4/26/2007

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

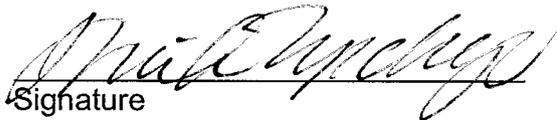
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

4/22/2008  
Date

Title: SENOIR LAND ADMIN SPECIALIST

Representing: KERR-McGEE OIL & GAS ONSHORE LP

RECEIVED  
MAY 02 2008  
DIV. OF OIL, GAS & MINERAL

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company:           **KERR-McGEE OIL & GAS ONSHOE, L.P.**          

Well Name:                                   **NBU 921-8B**                                  

Api No:           **43-047-39237**                                   Lease Type:           **FEDERAL**                                  

Section   **08**   Township   **09S**   Range   **21E**   County   **UINTAH**                                  

Drilling Contractor           **PETE MARTIN DRLG**                                   RIG #   **BUCKET**                                  

### **SPUDDED:**

Date           **08/25/08**                                  

Time           **1:00 PM**                                  

How           **DRY**                                  

**Drilling will Commence:**                                   

Reported by                                   **LEW WELDON**                                  

Telephone #                                   **(435) 828-7035**                                  

Date           **08/25/08**                                   Signed           **CHD**

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

FORM 6

**ENTITY ACTION FORM**

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
 Address: 1368 SOUTH 1200 EAST  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739754	BITTER CREEK 1122-4P		SESE	4	11S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
A	99999	17058	8/23/2008			9/22/08	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 08/23/2008 AT 0700 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739237	NBU 921-8B		NWNE	8	9S,	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	3900	8/25/2008			9/22/08	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 08/25/2008 AT 1300 HRS.							

Well 3

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

**ACTION CODES:**

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

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

Title

8/26/2008

Date

**RECEIVED**

**AUG 26 2008**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

**SUBMIT IN TRIPLICATE – Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

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 (Footage, Sec., T., R., M., or Survey Description)  
**NW/NE SEC. 8, T9S, R21E 528'FNL, 2080'FEL**

5. Lease Serial No.  
**UTU-0149767**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

7. If Unit or CA/Agreement, Name and/or No.  
**UNIT #891008900A  
NATURAL BUTTES UNIT**

8. Well Name and No.  
**NBU 921-8B**

9. API Well No.  
**4304739237**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input 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"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity <input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other <u>WELL SPUD</u> <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
<input checked="" type="checkbox"/> Subsequent Report	
<input type="checkbox"/> Final Abandonment Notice	

13. Describe Proposed or Completed Operations (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 recomplete 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 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 recompletion in a new interval, a Form 3160-4 shall 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.

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

**SPUD WELL LOCATION ON 08/25/2008 AT 1300 HRS.**

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

Name (Printed/Typed)

**SHEILA UPCHEGO**

Title

**REGULATORY ANALYST**

Signature



Date

**August 26, 2008**

**THIS SPACE FOR FEDERAL OR STATE 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, 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)

**RECEIVED**

**SEP 09 2008**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.

UTU-0149767

6. If Indian, Allottee or Tribe Name

TRIBAL SURFACE

7. If Unit or CA/Agreement, Name and/or No.

UNIT #891008900A  
NATURAL BUTTES UNIT

8. Well Name and No.

NBU 921-8B

9. API Well No.

4304739237

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well

Oil Well  Gas Well  Other

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 (Footage, Sec., T., R., M., or Survey Description)

NW/NE SEC. 8, T9S, R21E 528'FNL, 2080'FEL

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 SET SURFACE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (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 recomplete 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 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 recompletion in a new interval, a Form 3160-4 shall 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.

MIRU PROPETRO AIR RIG ON 08/27/2008. DRILLED 12 1/4" SURFACE HOLE TO 2750'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/250 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/ 200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 18 +/- LEAD CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/75 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL. WORT.

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

Name (Printed/Typed)

SHEILA UPCHEGO

Title

REGULATORY ANALYST

Signature

Date

September 3, 2008

THIS SPACE FOR FEDERAL OR STATE 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, 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)

RECEIVED

SEP 09 2008

DIV. OF OIL, GAS & MINING

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 reenter an  
abandoned well. Use Form 3160-3 (APD) for such proposals.*

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.  
**UTU-0149767**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

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

8. Well Name and No.  
**NBU 921-8B**

9. API Well No.  
**4304739237**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well  Gas Well  Other

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 (Footage, Sec., T., R., M., or Survey Description)  
**528' FNL, 2080' FEL  
NWNE, SEC.8 T9S-R21E**

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

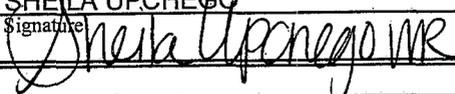
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 <b>FINAL DRILLING OPERATIONS</b>
	<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	

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FINISHED DRILLING FROM 7953' TO 10610' ON 10/10/08. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/250 SX PREM LITE II @11.3 PPG 3.02 YIELD. TAILED CMT W/200 SX 50/50 POZ @ 14.3 PPG 1.31 YIELD. BUMP PLUG 3064 PSI OVER FLOATS HELD. 12 BBLs BACK TO PIT. LAND CSG TEST NIPPLE DOWN BOPE CLEAN TANKS.

RELEASED PIONEER RIG 38 ON 10/10/08 AT 2100 HRS

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>REGULATORY ANALYST</b>
Signature 	Date <b>October 13, 2008</b>

**THIS SPACE FOR FEDERAL OR STATE 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, 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)

**RECEIVED**

**OCT 14 2008**

DIV. OF OIL, GAS & MINING

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 reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.*

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.  
**UTU-0149767**

6. If Indian, Allottee or Tribe Name  
**TRIBAL SURFACE**

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

8. Well Name and No.  
**NBU 921-8B**

9. API Well No.  
**4304739237**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**SUBMIT IN TRIPLICATE - Other instructions on reverse side**

1. Type of Well  
 Oil Well     Gas Well     Other

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 (Footage, Sec., T., R., M., or Survey Description)  
**528' FNL, 2080' FEL  
NW/NE, SEC.8, T9S-R21E**

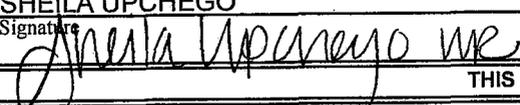
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 <b>PRODUCTION START-UP</b>
	<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 Operations (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 recomplete 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 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 recompletion in a new interval, a Form 3160-4 shall 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.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 11/1/2008 AT 1000 HRS.  
PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>SENIOR LAND ADMIN SPECIALIST</b>
Signature 	Date <b>November 11, 2008</b>

**THIS SPACE FOR FEDERAL OR STATE 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, 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)

**RECEIVED**  
**NOV 12 2008**  
DIV. OF OIL, GAS & MINING

Wins No.: 94939

NBU 921-8B

## Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 08/27/2008	GL 4,679	KB 4695	ROUTE V54
API 4304739237	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 40.05642 / -109.57362	Q-Q/Sect/Town/Range: NWNE / 8 / 9S / 21E		Footages: 526.00' FNL 2,080.00' FEL		

## Wellbore: NBU 921-8B

MTD 10,610	TVD 10,606	PBMD 10,552	PBTVD 10,552
EVENT INFORMATION:		EVENT ACTIVITY: DRILLING	START DATE: 8/25/2008
		OBJECTIVE: DEVELOPMENT	END DATE: 10/10/2008
		OBJECTIVE 2: VERTICAL WELL	DATE WELL STARTED PROD.: 8/27/2008
		REASON: DRILL PROD HOLE	Event End Status: COMPLETE
		AFE NO.: 2011275	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
ENSIGN 83 / 83	09/24/2008	09/24/2008	09/24/2008	09/27/2008	10/09/2008	10/10/2008	10/11/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
8/25/2008	SUPERVISOR: LEW WELDON						
	13:00 - 18:00	5.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1300 HR 8/25/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 83 BLM AND STATE NOTIFIED OF SPUD
8/27/2008	SUPERVISOR: LEW WELDON						
	19:30 - 0:00	4.50	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 1930 HR 8/27/08 DA AT REPORT TIME 480'
8/28/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1170'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NOP WATER 1490'
8/29/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1850'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 2310'
8/30/2008	SUPERVISOR: LEW WELDON						
	0:00 - 5:00	5.00	DRLSUR	02		P	RIG T/D @ 2750' CONDITION HOLE 1 HR
	5:00 - 8:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE
	8:00 - 11:00	3.00	DRLSUR	11		P	RUN 2702' OF 9 5/8 CSG AND 200' OF 1" PIPE RIG DOWN AIR RIG

	11:00 - 12:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 250 SKS LEAD @ 11# 3.82 23 GAL SK AND 200 SKS TAIL @ 15.18# 1.15 5.0 GAL/SK GOOD RETURNS THRU OUT JOB + - 18 BBL LEAD CMT TO PIT
	12:00 - 12:30	0.50	DRLSUR	15		P	1ST TOP JOB 100 SKS DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK WOC
	12:30 - 14:00	1.50	DRLSUR	15		P	2ND TOP JOB 75 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	14:00 - 14:00	0.00	DRLSUR				NO VISIBLE LEAKS PIT 1/4 FULL WORT
9/24/2008	<u>SUPERVISOR:</u> STUART NEILSON						
	8:30 - 0:00	15.50	DRLPRO	01	E	P	MOVE RIG TO NBU 921-8B
9/25/2008	<u>SUPERVISOR:</u> STUART NEILSON						
	0:00 - 7:00	7.00	DRLPRO	01	E	P	RDRT
	7:00 - 19:00	12.00	DRLPRO	01	A	P	MOVE RIG TO NBU 921-8B, 11 MILES
	19:00 - 0:00	5.00	DRLPRO	01	B	P	RURT
9/26/2008	<u>SUPERVISOR:</u> STUART NEILSON						
	0:00 - 18:00	18.00	DRLPRO	01	B	P	RURT
	18:00 - 22:00	4.00	DRLPRO	13	A	P	N/U BOP
	22:00 - 0:00	2.00	DRLPRO	13	C	P	TEST BOP, TEST ALL VALVES TO 250 LOW - 5000 HIGH, ANN 250 LOW - 2500 HIGH, CASING TO 1500 FOR 30 MIN
9/27/2008	<u>SUPERVISOR:</u> STUART NEILSON						
	0:00 - 4:00	4.00	DRLPRO	13	C	P	FINISH TEST ON BOP, INSTALL WEAR BUSHING, L/O & STRAP BHA
	4:00 - 9:00	5.00	DRLPRO	05	A	P	HPJSM, R/U & P/U BHA & DP,R/D P/U TRUCK TOURQE KELLY,INSRALL ROT HEAD DRIVE BUSHINGS
	9:00 - 12:00	3.00	DRLPRO	01	B	P	FINISH R/U, RIG INSPECTION
	12:00 - 14:00	2.00	DRLPRO	02	F	P	DRLG CEMENT & F/E
	14:00 - 14:30	0.50	DRLPRO	09	A	P	SURVEY @ 2767 0.81 DEG
	14:30 - 17:00	2.50	DRLPRO	02	B	P	DRLG F/ 2767 TO 2949 182' @ 72.8' PH W/ WATER

14:30 - 17:00	2.50	DRLPRO	02	B	P	DRLG F/ 2767 TO 2949 182' @ 72.8' PH W/ WATER
17:00 - 18:00	1.00	DRLPRO	04	A	Z	CIRC OUT 4 BUCKETS EZ- MUD
18:00 - 22:00	4.00	DRLPRO	02	B	P	DRLG F/ 2949 TO 3404 455' @ 113.7' PH W/ 8.7 PPG - 35 VIS
22:00 - 22:30	0.50	DRLPRO	09	A	P	SURVEY @ 3324 2.19 DEG
22:30 - 23:00	0.50	DRLPRO	13	B	P	PULL ROT HEAD DRIVE BUSHINGS
23:00 - 0:00	1.00	DRLPRO	02	B	P	DRLG F/ 3404 TO 3472 68' @ 68' PH W/ 8.8 PPG - 35 VIS

9/28/2008

SUPERVISOR: STUART NEILSON

0:00 - 1:00	1.00	DRLPRO	02	B	P	DRLG F/ 3472 TO 3575 103' @ 103' PH W/ 8.7 PPG - 35 VIS
1:00 - 3:00	2.00	DRLPRO	04	B	X	HIT GAS @ 3575 P/U & BRING MUD WT UP TO 9.5 TO CONTROL GAS
3:00 - 8:00	5.00	DRLPRO	02	B	P	DRLG F/ 3575 TO 3914 339' @ 67.8' PH W/ 9.5 PPG - 35 VIS
8:00 - 8:30	0.50	DRLPRO	09	A	P	SURVEY @ 3885 1.43 DEG
8:30 - 14:00	5.50	DRLPRO	02	B	P	DRLG F/ 3914 TO 4455 541' @ 98.7, PH W/ 9.7 PPG - 35 VIS
14:00 - 14:30	0.50	DRLPRO	09	A	P	SURVEY @ 4375 2.41 DEG
14:30 - 15:00	0.50	DRLPRO	06	A	P	SERVICE RIG
15:00 - 16:30	1.50	DRLPRO	02	B	P	DRLG F/ 4375 TO 4500 125' @ 83.3' PH W/ 9.8 PPG - 35 VIS
16:30 - 17:00	0.50	DRLPRO	07	A	Z	SLIPS STUCK IN TABLE, ( LACK OF DOPE )
17:00 - 22:00	5.00	DRLPRO	02	B	P	DRLG F/ 4500 TO 4948 448' @ 89.6' PH W/ 9.9 PPG - 38 VIS
22:00 - 23:00	1.00	DRLPRO	09	A	P	CIRC & SURVEY @ 4864 2.17 DEG
23:00 - 0:00	1.00	DRLPRO	02	B	P	DRLG F/ 4948 TO 4993 45' @ 45' PH W/ 10.0 PPG - 38 VIS

9/29/2008

SUPERVISOR: STUART NEILSON

0:00 - 8:00	8.00	DRLPRO	02	B	P	DRLG F/ 4993 TO 5443 450' @ 56.25' PH W/ 10.3 PPG - 38 VIS
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0:00 - 8:00	8.00	DRLPRO	02	B	P	DRLG F/ 4993 TO 5443 450' @ 56.25' PH W/ 10.3 PPG - 38 VIS
8:00 - 9:00	1.00	DRLPRO	09	A	P	CIRC & SURVEY @ 5216 1.61 DEG
9:00 - 10:30	1.50	DRLPRO	02	B	P	DRLG F/ 5443 TO 5568 125' @ 83.3' PH W/ 10.3 PPG - 40 VIS
10:30 - 11:00	0.50	DRLPRO	06	A	P	SERVICE RIG
11:00 - 17:00	6.00	DRLPRO	02	B	P	DRLG F/ 5568 TO 5935 367' @ 61.2' PH W/ 10.5 PPG - 44 VIS
17:00 - 17:30	0.50	DRLPRO	04	D	S	LOST CIRC @ 250 BBLS TOTAL @ 5935 START LCM
17:30 - 0:00	6.50	DRLPRO	02	B		DRLG F/ 5935 TO 6185 250' @ 38.5' PH W/ 10.5 PPG - 41 VIS

9/30/2008 SUPERVISOR: STUART NEILSON

0:00 - 13:00	13.00	DRLPRO	02	B	P	DRLG F/ 6185 TO 6740 555' @ 42.6' PH W/ 11.0 PPG - 41 VIS
13:00 - 13:30	0.50	DRLPRO	06	A	P	SERVICE RIG
13:30 - 0:00	10.50	DRLPRO	02	B	P	DRLG F/ 6740 TO 7103 363' @ 34.6' PH W/ 11.0 PPG - 40 VIS

10/1/2008 SUPERVISOR: STUART NEILSON

0:00 - 8:00	8.00	DRLPRO	02	B	P	DRLG F/ 7103 TO 7279 176' @ 22' PH W/ 11.0 PPG - 40 VIS - 5% LCM
8:00 - 8:30	0.50	DRLPRO	04	C	P	CIRC & COND HOLE F/ TRIP
8:30 - 18:00	9.50	DRLPRO	05	A	P	TFNB & MM, TIGHT @ 5230' OUT, WASH TIGHT SPOT @ 5230, WASH & REAM 45' TO BOTTOM W 5' FILL
18:00 - 19:30	1.50	DRLPRO	02	B	P	DRLG F/ 7279 TO 7392 11375.3' PH W/ 11.0 PPG - 41 VIS - 5% LCM
19:30 - 20:00	0.50	DRLPRO	07	B	P	WORK ON PUMPS
20:00 - 0:00	4.00	DRLPRO	02	B	P	DRLG F/ 7392 TO 7562 170' @ 42.5' PH W/ 11.0 PPG - 41 VIS - 5% LCM

10/2/2008 SUPERVISOR: STUART NEILSON

0:00 - 12:30	12.50	DRLPRO	02	B	P	DRLG F/ 7562 TO 7924 362' @ 29' PH W/ 11.0 PPG - 42 VIS - 3& LCM
12:30 - 13:00	0.50	DRLPRO	06	A	P	SERVICE RIG

12:30 - 13:00	0.50	DRLPRO	06	A	P	SERVICE RIG
13:00 - 0:00	11.00	DRLPRO	02	B	P	DRLG F/ 7924 TO 8194 270' @ 24.5' PH W/ 11.0 PPG - 41 VIS - 3% LCM

10/3/2008

SUPERVISOR: STUART NEILSON

0:00 - 13:30	13.50	DRLPRO	02	B	P	DRLG F/ 8194 TO 8474 280' @ 20.7' PH W/ 11.0 PPG - 42 VIS
13:30 - 14:00	0.50	DRLPRO	06	A	P	SERVICE RIG
14:00 - 16:00	2.00	DRLPRO	02	B	P	DRLG F/ 8474 TO 8505 31' @ 15.5' PH W/ 11.0 PPG - 42 VIS
16:00 - 16:30	0.50	DRLPRO	04	C	P	CIRC & COND HOLE, MIX & PUMP PILL
16:30 - 0:00	7.50	DRLPRO	05	A	P	TFNB

10/4/2008

SUPERVISOR: STUART NEILSON

0:00 - 3:00	3.00	DRLPRO	05	A	P	TFNB, WASH TIGHT SPOT @ 5320, WASH 45, TO BOTTOM W/ 10, FILL
3:00 - 16:00	13.00	DRLPRO	02	B	P	DRLG F/ 8505 TO 8907 402' @ 30.9' PH W/ 11.1 PPG - 42 VIS - 5% LCM
16:00 - 16:30	0.50	DRLPRO	06	A	P	SERVICE RIG
16:30 - 0:00	7.50	DRLPRO	02	B	P	DRLG F/ 8907 TO 9143 236' @ 31.5' PH W/ 11.4 PPG - 41 VIS - 4% LCM

10/5/2008

SUPERVISOR: STUART NEILSON

0:00 - 15:00	15.00	DRLPRO	02	B	P	DRLG F/ 9143 TO 9705 562' @ 37.5' P/H W/ 11.5 PPG - 42 VIS - 10% LCM
15:00 - 15:30	0.50	DRLPRO	06	A	P	SERVICE RIG
15:30 - 22:00	6.50	DRLPRO	02	B	P	DRLG F/ 9705 TO 9804 99' @ 15.2' PH W/ 11.5 PPG - 42 VIS - 13% LCM
22:00 - 23:00	1.00	DRLPRO	04	C	P	CIRC OUT GAS & MIX PILL
23:00 - 0:00	1.00	DRLPRO	05	A	P	TFNB & MM

10/6/2008

SUPERVISOR: STUART NEILSON

0:00 - 12:00	12.00	DRLPRO	05	A	P	TFNB & MM, WASH 75' TO BOTTOM, 10' FILL
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12:00 - 13:30	1.50	DRLPRO	02	B	P	DRLG F/ 9804 TO 9848 43' @ 28.6' PH W/ 11.5 PPG - 42 VIS - 12% LCM
13:30 - 17:00	3.50	DRLPRO	07	B	Z	WORK ON PUMPS, #2 MOTOR WILL NOT RUN, # 1 WILL NOT PUMP
17:00 - 0:00	7.00	DRLPRO	02	B	P	DRLG F/ 9848 TO 10041 193' @ 27.6' PH W/ 11.6 PPG - 45 VIS - 10% LCM

10/7/2008 SUPERVISOR: SID ARMSTRONG

0:00 - 5:00	5.00	DRLPRO	02	B	P	DRILL F/ 10041 TO 10131 - 90' @ 18.0 FPH W/ 11.6 PPG
5:00 - 7:00	2.00	DRLPRO	07	B	Z	WORK ON MUD PUMPS
7:00 - 18:00	11.00	DRLPRO	02	B	P	DRILL F/ 10131 TO 10192 - 61' @ 5.5 FPH W/ 11.6 PPG
18:00 - 0:00	6.00	DRLPRO	05	A	P	T.F.N.B

10/8/2008 SUPERVISOR: SID ARMSTRONG

0:00 - 1:30	1.50	DRLPRO	05	A	P	C/O BIT & T.I.H TO SHOE
1:30 - 2:30	1.00	DRLPRO	06	D	P	CUT DRILL LINE
2:30 - 6:00	3.50	DRLPRO	05	A	P	CONT. T.I.H
6:00 - 6:30	0.50	DRLPRO	03	E	P	WASH 50' TO BTM ( NO FILL)
6:30 - 13:00	6.50	DRLPRO	02	B	P	DRILL F/ 10192 TO 10321 - 129' @ 19.8 FPH W/ 11.6 PPG MUD WT
13:00 - 13:30	0.50	DRLPRO	06	A	P	SER RIG
13:30 - 0:00	10.50	DRLPRO	02	B	P	DRILL F/ 10321 TO 10562 - 241' @ 22.9 - FPH W/ 11.7 PPG MUD WT

10/9/2008 SUPERVISOR: SID ARMSTRONG

0:00 - 1:30	1.50	DRLPRO	02	B	P	DRILL F/ 10562 TO 10610 TO 48' @ 32.0 FPH W/ 11.6 PPG
1:30 - 2:30	1.00	DRLPRO	04	C	P	CIRC BTM UP
2:30 - 4:00	1.50	DRLPRO	05	E	P	SHORT TRIP 20 STANDS
4:00 - 6:00	2.00	DRLPRO	04	C	P	CIRC BTM UP & R/U LAYDOWN MACHINE

4:00 - 6:00	2.00	DRLPRO	04	C	P	CIRC BTM UP & R/U LAYDOWN MACHINE
6:00 - 15:30	9.50	DRLPRO	05	A	P	L.D.D.P & DC'S
15:30 - 0:00	8.50	DRLPRO	08	A	P	R/U BAKER ATLAS & RUN TRIPLE COMBO F/ LOGS @ 7953 COUNDN'T GET DOWN T.I.H & TAKE OFF STAB ON LOGGING TOOL & RERUN TOOLS SAME STILL TAG @ 7953 LOG OUT & CALIBER LOG QUIT @ 3,700 CONT. LOG OUT.

10/10/2008 SUPERVISOR: SID ARMSTRONG

0:00 - 1:00	1.00	DRLPRO	08	A	P	CONT LOG OUT LOG CALIBER LOG QUIT @ 3,700 & R/D LOGGERS
1:00 - 11:00	10.00	DRLPRO	11	B	P	RUN 4 1/2 PROD. STRING & RUN 240 JTS + MARKER SET @ 10,598
11:00 - 12:30	1.50	DRLPRO	04	A	P	R/U BJ CEMENT HEAD & CIRC BTM UP
12:30 - 15:00	2.50	DRLPRO	15	A	P	HELD SAFETY MEETING & TESTED LINES TO 4500 PSI & CEMENT W/ 20 BBLS MUD CLEAN & 20 SKS SCAVENGER 9.5 PPG YIELD 8.44 & LEAD 412 SKS 11.1 PPG W/ YIELD 3.25 & F/ TAIL 1400 SKS 14.3 PPG W/ YIELD 1.31 & DROP PLUG & DISPLACED W/ 164 BBLS WATER & BUMP PLUG W/ 500 OVER FINAL CIRC PSI OF 3,084 & PLUG HELD & GOT BASK 90 BBLS CEMENT TO PIT LOST RETURNS @ 140 INTO DISPLACEMENT & HAD CEMENT @ 50 BBLS INTO DISPLACEMENT.
15:00 - 17:00	2.00	DRLPRO	13	A	P	SET HANGER W/ 108K STRING WT & TEST OK & L/D LANDING JT & NIPPLE DOWN B.O.P'S
17:00 - 21:00	4.00	DRLPRO	13	A	P	WASH & CLEAN OUT MUD TANKS & RELEASED RIG @ 21:00 HRS ON 10/10/2008

EVENT INFORMATION:      EVENT ACTIVITY: COMPLETION      START DATE: 10/27/2008      AFE NO.: 2011275  
 OBJECTIVE: DEVELOPMENT      END DATE: 10/30/2008  
 OBJECTIVE 2:      DATE WELL STARTED PROD.: 8/27/2008  
 REASON: MV      Event End Status: COMPLETE

RIG OPERATIONS:      Begin Mobilization      Rig On Location      Rig Charges      Rig Operation Start      Finish Drilling      Rig Release      Rig Off Location  
 MILES 2 / 2      10/27/2008      10/30/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
10/27/2008	SUPERVISOR: WILL GLEAVE						
	7:00 - 17:00	10.00	COMP	31	I	P	HSM. PREP & TALLY 2-3/8 N-80 TBG. TIH W/ TBG TO 10,550'. RU PUMP & LINES. BREAK REVERSE CIRC. CIRC WELL CLEAN W/ 100 BBLS FLUID. RD LINES. TOOH W/ 78 STANDS. EOT @ 4934'. SWI-SDFN.
10/28/2008	SUPERVISOR: WILL GLEAVE						
	7:00 - 9:00	2.00	COMP	31	I	P	HSM. TOOH W/ REMAINING TBG. ND BOP. NU FRAC VALVE.
	9:00 - 10:00	1.00	COMP	33	C	P	MIRU B&C QUICK TEST. PRESSURE TEST CSG & FRAC VALVES TO 7400#. (HELD). RDMO B&C.
	10:00 - 18:00	8.00	COMP	36	E	P	MIRU CUTTERS WIRELINE. PU 3-3/8 PERF GUNS. RIH, SHOOT 16 HOLES FROM 10418-22'. PU, SHOOT 16 HOLES FROM 10,384-88'. PU, SHOOT 8 HOLES FROM 10,376-78. POOH. MIRU WEATHERFORD FRAC. PRESSURE TEST LINES. NOTE: ALL STAGES SHOT W/ 3-3/8 PERF GUNS. 3 & 4 SPF. 90 & 120 DEG PHASING. 23 GM SHOTS. ALL STAGES TREATED W/ NALCO DVE-005 SCALE INHIB. 10 GPT IN PRE-PAD & FLUSH, 3 GPT IN PAD & 1/2 RAMP. ALL CLEAN FLUID TREATED W/ NALCO BIOCIDE, 1/2 GPT. ALL STAGES TREATED W/ 30/50 SAND, TAILED IN W. 5000# TLC SAND FOR SAND CONTROLL.  STAGE 1: BREAK DOWN PERFS @ 4294#. ISIP 3322#. FG .76. EST INJ RATE OF 51.3 BBL/MIN @ 5939#. TREATED STAGE 1 W/ 32,586# SAND. TAILED IN W/ 5000# TLC SAND. 986 BBLS TOTAL CLEAN FLUID. ISIP 3486#. FG .78. NPI 164. SWI-SDFN.
10/29/2008	SUPERVISOR: CLAUD SIMS						
	6:00 - 6:30	0.50	COMP	48		P	JSA-SAFETY MEETING W/ WEATHERFORD FRAC, CUTTER WIRELINE, RIG CREW

8:30 - 18:00 11.50 COMP 36 D P

( STG #2 ) R/U CUTTER WIRELINE, RIH W/ BAKER 8K CBP & PERF GUNS, SET CBP @ 10282', PERF THE MV @ 10248 - 52' 4-SPF,  
 10190 - 94' 3-SPF, 10160 - 62' 3-SPF,  
 10090 - 92' 3-SPF, USING 3-3/8" EXP GUNS 23gm, 0.36 HOLE, 90° PHS, 40 HOLES,  
 WHP = 180 #,  
 BRK DN PERF @ 4545# @ 2.5 B/M, INJ-RT = 50 B/M, INJ-P = 6020#, ISIP = 3489#, F.G. = 0.79,  
 CALC 66% PERF OPEN, PMPED 1185 BBLS SLK WTR & 45964# SAND, ISIP = 3936#, F.G. = 0.83, NPI = 161, MP = 6097#, MR = 51.6 B/M, AP = 5759#, AR = 51.2 B/M, 40964# OTTAWA 30/50 SAND, 5000# TLV SAND,  
 45 GALS WCS-631 CLAYTREAT, 25 GALS WFR-55 LAW, 114 GALS NALCO SCALE INHIB, 25 GALS NALCO BIOCID.

( STG #3 ) RIH W/ BAKER 8K CBP & PERF GUNS, SET CBP @ 10002', PERF THE MV @ 9970 - 72' 4-SPF, 9922 - 26' 3-SPF, 9854 - 58' 3-SPF, 9748 - 50' 3-SPF, USING 3-3/8" EXP GUNS, 23gm, 0.36 HOLE, 90° PHS, 38 HOLES, WHP = 0#,  
 BRK DN PERF @ 5223# @ 4 B/M, INJ-RT = 50.4 B/M, INJ-P = 6023#, ISIP = 3330#,  
 F.G. = 0.78, CALC 61% PERF OPEN, PMPED 5694 BBLS SLK WTR & 220524# SAND,  
 ISIP = 3273#, F.G. = 0.77, NPI = -57, MP = 6709#, MR = 53.9 B/M, AP = 5672#,  
 AR = 50.8 B/M, 215524# OTTAWA 30/50 SAND, 5000# TLC SAND, 211 GALS WCS-631 CLAYTREAT, 113 GALS WFR-55, 338 GAL NALCO SCALE INHIB, 117 GALS NALCO BIOCID.

( STG #4 ) RIH W/ BAKER 8K CBP & PERF GUNS, SET CBP @ 9646', PERF THE MV @ 9610 - 16', 9558 - 60', 9464 - 70', 3-SPF, USING 3-3/8" EXP GUNS, 23gm, 0.36 HOLE, 90° PHS, 42 HOLES, WHP 0#,  
 BRK DN PERF @ 5621# @ 3 B/M, INJ-RT = 50.9 B/M, INJ-P 5094#, ISIP = 2445#,  
 F.G. = 0.78, CALC 61% PERF OPEN, PMPED 3964 BBLS SLK WTR & 150180# SD, ISIP = 3366#, F.G. = 0.80, NPI = 921,  
 MP = 5621#, MR = 53.9 B/M, AP = 5024#, AR = 51.3 B/M, 145180# OTTAWA 30/50 SD,  
 5000# TLC SAND, 152 GAL WCS- 631 CLAYTREAT, 84 GALS WFR-55LAW,  
 254 GALS NALCO SCALE INHIB, 84 GALS NALCO BIOCID.

( STG #5 ) RIH W/ BAKER 8K CBP & PERF GUNS, SET CBP @ 9338', PERF THE MV @ 9302 - 08' 3-SPF, 9228 - 30' 4-SPF, 9184 - 88' 3-SPF, USING 3-3/8" EXP GUNS, 0.36 HOLE, 90° PHS, 38 HOLES, WHP = 900#,  
 BRK DN PERF @ 3223# @ 3.7 B/M, INJ-RT = 51.5 B/M, INJ-P = 6557#, ISIP = 2904#, F.G. = 0.76, CALC 62% PERF OPEN, PMPED 2247 BBLS SLK WTR & 89384# SAND, ISIP = 3431#, F.G. = 0.81, NPI = 527, MP = 6161#,  
 MR = 51.6 B/M, AP = 5258#, AR = 49.2 B/M, 84384# OTTAWA 30/50 SAND, 5000# TLC SAND, 79 GALS WCS-631 CLAYTREAT,  
 41 GALS WFR-55LAW, 98 GALS NALCO SCALE INHIB, 42 GALS NALCO BIOCID.

( KILL PLUG ) RIH W BAKER 8K CBP, SET CBP @ 9134', POOH R/D CUTTER & WEATHERFORD FRAC, SHUT WELL IN SDFN

10/30/2008

SUPERVISOR: CLAUD SIMS

7:00 - 7:30

0.50

COMP

48

P

JSA-SAFETY MEETING

7:30 - 7:30 0.00 COMP 31 I P

NO PRESSURE ON WELL, P/U 3-7/8" BIT AND POBS, TIH W/ 2-3/8" TBG, TAG CBP @ 9134', R/U POWER SWIVEL, PRESSURE TEST CSG AND BOP TO 3000#, (OK), ESTB CIRC DN TBG OUT CSG,

(DRLG CBP #1) 9134', DRILL OUT BAKER 8K CBP IN 15 MIN, 1300# DIFF, RIH TAG @ 9308', C/O 30' SAND, FCP = 1300 #,

(DRLG CBP #2) 9338', DRILL OUT BAKER 8K CBP IN 15 MIN, 700 # DIFF, RIH TAG @ 9616', C/O 30' SAND, FCP = 1200 #,

(DRLG CBP #3) 9646', DRILL OUT BAKER 8K CBP IN 9 MIN, 400 # DIFF, RIH TAG SAND @ 9972', C/O 30' SAND, FCP = 1200#,

(DRLG CBP #4) 10002', DRILL OUT BAKER 8K CBP IN 45MIN, 200 # DIFF, RIH TAG SAND @ 10252', C/O 30' SAND, FCP = 1500 #,

(DRLG CBP #5) 10282', DRILL OUT BAKER 8K CBP IN 50 MIN, 300 # DIFF, RIH TAG @ 10532', C/O 30' TO 10552' PBTD,

CIRC WELL CLEAN, R/D POWER SWIVEL, POOH LAY DN 24 JTS ON PIPE TRAILER, LAND TBG W/ HANGER W/ 317 JTS 2-3/8" L-80 TBG, EOT = 10053.30', R/D FLOOR & TBG EQUIP, N/D BOPS, N/U WH, DROP BALL DN TBG, PUMP OFF THE POBS @ 3400 #, WAIT 30 MIN FOR BIT TO FALL TO BTM, OPEN WELL UP ON 48/64 CHOKE, FTP = 300#, SICP = 2600 # TURN WELL OVER TO FBC @ 6:00 PM, W/ 12145 BBLS WTR LTR.

341 JTS DELV.  
317 JTS LANDED  
24 JTS RETURNED

KB =  
HANGER =  
317 JTS 2-3/8" L-80 TBG =  
POBS XN-NIPPLE =

EOT =

10/31/2008	SUPERVISOR: JUNIOR PEREZ	7:00 -	33	A	7 AM FLBK REPORT: CP 2100#, TP 1675#, 20/64" CK, 35 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 3520 BBLS LEFT TO RECOVER: 1055
11/1/2008	SUPERVISOR: JESSICA GIBSON	7:00 -	33	A	7 AM FLBK REPORT: CP 2350#, TP 2000#, 16/64" CK, 50 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 5265 BBLS LEFT TO RECOVER: 8810
		10:00 -		PROD	WELL TURNED TO SALES HR ON 11/01/2008 - FTP 2300#, CP 3500#, CK 16/64", 935 MCFD, 1080 BWPD
11/2/2008	SUPERVISOR: JESSICA GIBSON	7:00 -	33	A	7 AM FLBK REPORT: CP 3450#, TP 2300#, 16/64" CK, 45 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 6375 BBLS LEFT TO RECOVER: 7700
11/3/2008	SUPERVISOR: JESSICA GIBSON	7:00 -	33	A	7 AM FLBK REPORT: CP 3800#, TP 2400#, 16/64" CK, 30 BWPH, L TRACE SAND, - GAS TTL BBLS RECOVERED: 7165 BBLS LEFT TO RECOVER: 6910

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.  
UTU-0149767

1a. Type of Well  Oil Well  Gas Well  Dry  Other  
 b. Type of Completion:  New Well  Work Over  Deepen  Plug Back  Diff. Resrv.,  
 Other: \_\_\_\_\_

6. If Indian, Allottee or Tribe Name  
TRIBAL SURFACE

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

8. Lease Name and Well No.  
NBU 921-8B

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

9. AFI Well No.  
4304739237

3. Address 1368 SOUTH 1200 EAST VERNAL, UTAH 84078

3a. Phone No. (include area code)  
435.781.7024

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface NW/NE 52<sup>8</sup> FNL, 2080' FEL

10. Field and Pool or Exploratory  
NATURAL BUTTES

11. Sec., T., R., M., on Block and Survey or Area  
SEC. 8, T8S, R21E

12. County or Parish  
UINTAH, COUNTY

13. State  
UT

At top prod. interval reported below  
  
At total depth

14. Date Spudded 08/25/2008

15. Date T.D. Reached 10/09/2008

16. Date Completed 11/01/2008  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
4679' GL

18. Total Depth: MD 10,610' TVD

19. Plug Back T.D.: MD 10,552' TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
CBL-CCL-GR, comp 2, CN, Cal, HDL

22. Was well cored?  No  Yes (Submit analysis)  
 Was DST run?  No  Yes (Submit report)  
 Directional Survey?  No  Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14" STEEL	36.7#		40'		28 SX			
12 1/4"	9 5/8" J-55	36#		2750'		625 SX			
7 7/8"	4 1/2 I-80	11.6#		10,610'		1812 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8"	10,053'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	9184'	10,422'	9184'-10,422'	0.36	198	OPEN
B) WSMVD						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
9184'-10,422'	PMP 14,076 BBLs SLICK H2O & 538,638# 30/50 SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/1/08	11/7/08	24	→	0	1355	770			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
16/64	194#	3361#	→	0	1355	770		PRODUCING GAS WELL	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

RECEIVED  
DEC 18 2011

\*(See instructions and spaces for additional data on page 2)

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

Formation	Top	Bottom	Descriptions, Contents, etc.	31. Formation (Log) Markers	
				Name	Meas. Depth
GREEN RIVER	1857'				
MAHOGANY	2667'				
WASATCH	5301'	8335'			
MESAVERDE	8435'	10,422'			

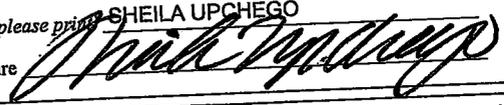
32. Additional remarks (include plugging procedure):

**RECEIVED**  
**DEC 18 2008**  
**DIV. OF OIL, GAS & MINING**

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- Electrical/Mechanical Logs (1 full set req'd.)
- Sundry Notice for plugging and cement verification
- Geologic Report
- Core Analysis
- DST Report
- Other:
- Directional Survey

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)\*

Name (please print) SHEILA UPCHEGO  
Signature 

Title REGULATORY ANALYST  
Date 12/12/2008

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.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-0149767
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b> UTE  <b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> NBU 921-8B
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047392370000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0528 FNL 2080 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 08 Township: 09.0S Range: 21.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/25/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> 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 checked="" 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 OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES COMPLETE THE WASATCH AND THE MESAVERDE FORMATIONS. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH AND MESAVERDE FORMATIONS, ALONG WITH THE EXISTING MESAVERDE FORMATION. PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

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

Date: June 17, 2009

By: *Don K. [Signature]*

<b>NAME (PLEASE PRINT)</b> Sheila Upchego	<b>PHONE NUMBER</b> 435 781-7024	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 6/17/2009	



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

**Electronic Permitting System - Sundry Notices**

**Sundry Conditions of Approval Well Number 43047392370000**

**In accordance with Board Cause No. 173-14, commingling of the production from the Wasatch and Mesaverde formations is allowed.**

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

**Date:** June 17, 2009  
**By:** *Dark Wolf*

**Name:** NBU 921-8B  
**Location:** NWNE 8 9S 21E  
**Uintah County, UT**  
**Date:** 3/11/08

**ELEVATIONS:** 4679 GL 4696 KB

**TOTAL DEPTH:** 10656 **PBTD:** 10522  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 2720'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 10599'  
 Marker Joint **5212 - 5226'**

**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:**

1808' Green River  
 2145' Birds Nest  
 2513' Mahogany  
 5286' Wasatch  
 8415' Mesaverde

CBL indicates good cement below N/A

**GENERAL:**

- A minimum of **13** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Bakers Induction-Density-Neutron log dated 10/9/08
- **5** fracturing stages required for coverage.
- Procedure calls for **6** CBP's (**8000** psi).
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). Stage acid and scale inhibitor if necessary to cover the next perforated interval.

- Call flush at 0 PPG @ inline densimeters. Slow to 5 bbl/min over last 10-20 bbls of flush. Flush to top perf.
- If distance between plug and top perf of previous stage is less than 50', it is considered to be tight spacing - over flush stage by 5 bbls (from top perf)
- Pump 20/40mesh resin coated sand last 5,000# of all frac stages
- Tubing Currently Landed @~10053
- Originally completed on 10/29/08

**Existing Perforations:**

<b>PERFORATIONS</b>						
<b>Formation</b>	<b>Zone</b>	<b>Top</b>	<b>Btm</b>	<b>spf</b>	<b>Shots</b>	<b>Date</b>
MESA VERDE		9184	9188	3	12	10/29/2008
MESA VERDE		9228	9230	4	8	10/29/2008
MESA VERDE		9302	9308	3	18	10/29/2008
MESA VERDE		9464	9470	3	18	10/29/2008
MESA VERDE		9558	9560	3	6	10/29/2008
MESA VERDE		9610	9616	3	18	10/29/2008
MESA VERDE		9748	9750	3	6	10/29/2008
MESA VERDE		9854	9858	3	12	10/29/2008
MESA VERDE		9922	9926	3	12	10/29/2008
MESA VERDE		9970	9972	4	8	10/29/2008
MESA VERDE		10090	10092	3	6	10/29/2008
MESA VERDE		10160	10162	3	6	10/29/2008
MESA VERDE		10190	10194	3	12	10/29/2008
MESA VERDE		10248	10252	4	16	10/29/2008
MESA VERDE		10376	10378	4	8	10/29/2008
MESA VERDE		10384	10388	4	16	10/29/2008
MESA VERDE		10418	10422	4	16	10/29/2008

**PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~10053'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 9194 (50' below proposed CBP). Otherwise P/U a mill and C/O to 9194 (50' below proposed CBP).
4. Set 8000 psi CBP at ~ 9144'. Pressure test BOP and casing to 6000 psi.
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	8897	8899	3	6
MESAVERDE	8950	8952	3	6
MESAVERDE	8972	8974	3	6
MESAVERDE	9032	9034	3	6
MESAVERDE	9110	9114	4	16

6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gal of 15% HCl and let soak. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~8897' and trickle 250gal 15%HCL w/ scale inhibitor in flush .
7. Set 8000 psi CBP at ~8690'. Perf the following 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
MESAVERDE	8446	8450	3	12
MESAVERDE	8550	8554	3	12
MESAVERDE	8654	8660	3	18
8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~8446' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
9. Set 8000 psi CBP at ~7426'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	7386	7396	4	40
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~7386' trickle 250gal 15%HCL w/ scale inhibitor in flush.
11. Set 8000 psi CBP at ~7022'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	6796	6800	3	12
WASATCH	6962	6966	3	12
WASATCH	6988	6992	4	16
12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~6796' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
13. Set 8000 psi CBP at ~6056'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:
 

Zone	From	To	spf	# of shots
WASATCH	5884	5888	3	12
WASATCH	5966	5968	4	8
WASATCH	6020	6026	3	18
14. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 5 on attached listing. Under-displace to ~5884' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
15. Set 8000 psi CBP at ~5884'.
16. TIH with 3 7/8" mill, pump off sub, SN and tubing.
17. Mill ALL plugs and clean out to PBSD at 10522. Land tubing at ±10053' pump off bit and bit sub. This well WILL be commingled at this time.
18. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

19. RDMO

**For design questions, please call  
Conner Staley, Denver, CO  
(720)-929-6419 (Office)**

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

NOTES:

Fracturing Schedules

Name NBU 921-88  
Slickwater Frac

Recomplete? Y  
Pad? N

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

Stage	Zone	Perfs		SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.	
		Top, ft	Bot., ft																		
1	MESAVERDE	8897	8899	3	6	Varied	Pump-in test			Slickwater		0	0	0							57
	MESAVERDE	8950	8952	3	6	0	ISIP and 5 min ISIP											0			21
	MESAVERDE	8972	8974	3	6	50	Slickwater Pad			Slickwater	7,050	7,050	168	168	15.0%	0.0%	0	0			20
	MESAVERDE	no perfs				50	Slickwater Ramp	0.25	1.25	Slickwater	13,317	20,367	317	485	26.3%	19.4%	9,988	9,988			0
	MESAVERDE	9032	9034	3	6	50	SW Sweep	0	0	Slickwater	0	20,367	0	485	0.0%	0.0%	0	9,988			0
	MESAVERDE	no perfs				50	Slickwater Ramp	1.25	1.5	Slickwater	13,317	33,683	317	802	26.3%	35.6%	18,310	28,298			0
	MESAVERDE	9110	9114	4	16	50	SW Sweep	0	0	Slickwater	0	33,683	0	802	0.0%	0.0%	0	28,298			0
	MESAVERDE	no perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	0	33,683	0	802	0.0%	0.0%	0	28,298			0
	MESAVERDE	no perfs				50	Slickwater Ramp	1.5	2	Slickwater	13,317	47,000	317	1,119	26.3%	45.2%	23,304	51,602			0
	MESAVERDE	no perfs				50	Flush (4-1/2)			Slickwater	5,808	52,808	138	1,257				51,602			57
	MESAVERDE	no perfs					ISDP and 5 min ISDP					52,808									174
		# of Perfs/stage			40	25.1	<< Above pump time (min)										500	549	500	549	207
					Look																
2	MESAVERDE	8446	8450	3	12	Varied	Pump-in test			Slickwater		0	0	0							
	MESAVERDE	no perfs				0	ISIP and 5 min ISIP														
	MESAVERDE	8650	8654	3	12	50	Slickwater Pad			Slickwater	9,270	9,270	221	221	15.0%	0.0%	0	0			28
	MESAVERDE	no perfs				50	Slickwater Ramp	0.25	1.25	Slickwater	17,510	26,780	417	638	26.3%	19.4%	13,133	13,133			26
	MESAVERDE	no perfs				50	SW Sweep	0	0	Slickwater	0	26,780	0	638	0.0%	0.0%	0	13,133			0
	MESAVERDE	8654	8660	3	18	50	Slickwater Ramp	1.25	1.5	Slickwater	17,510	44,290	417	1,055	26.3%	35.6%	24,076	37,209			26
	MESAVERDE	no perfs				50	SW Sweep	0	0	Slickwater	0	44,290	0	1,055	0.0%	0.0%	0	37,209			0
	MESAVERDE	no perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	0	44,290	0	1,055	0.0%	0.0%	0	37,209			0
	MESAVERDE	no perfs				50	Slickwater Ramp	1.5	2	Slickwater	17,510	61,800	417	1,471	26.3%	45.2%	30,643	67,851			0
	MESAVERDE	no perfs				50	Flush (4-1/2)			Slickwater	5,514	67,314	131	1,603				67,851			48
	MESAVERDE	no perfs					ISDP and 5 min ISDP					67,314									129
		# of Perfs/stage			42												600	659	600	659	1,020
					Look																
3	WASATCH	7306	7306	4	40	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	no perfs				0	ISIP and 5 min ISIP														
	WASATCH	no perfs				50	Slickwater Pad			Slickwater	3,218	3,218	77	77	15.0%	0.0%	0	0			10
	WASATCH	no perfs				50	Slickwater Ramp	0.25	1.5	Slickwater	10,725	13,943	255	332	50.0%	35.7%	9,384	9,384			16
	WASATCH	no perfs				50	Slickwater Ramp	1.5	3	Slickwater	7,508	21,450	179	511	35.0%	64.3%	16,892	26,276			11
	WASATCH	no perfs				50	Flush (4-1/2)			Slickwater	4,822	26,272	115	626				26,276			7
	WASATCH	no perfs					ISDP and 5 min ISDP			Slickwater											0
	WASATCH	no perfs																26,276			0
	WASATCH	no perfs									26,272		115	626							0
	WASATCH	no perfs																			46
	WASATCH	no perfs																			90
		# of Perfs/stage			40												1,100	1,348	1,100	1,348	364
					Look																
4	WASATCH	6796	6800	3	12	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	6962	6966	3	12	0	ISIP and 5 min ISIP														
	WASATCH	6968	6992	4	16	50	Slickwater Pad			Slickwater	4,181	4,181	100	100	15.0%	0.0%	0	0			13
	WASATCH	no perfs				50	Slickwater Ramp	0.25	1.5	Slickwater	13,938	18,119	332	431	50.0%	35.7%	12,195	12,195			21
	WASATCH	no perfs				50	Slickwater Ramp	1.5	3	Slickwater	9,756	27,875	232	664	35.0%	64.3%	21,952	34,147			15
	WASATCH	no perfs				50	Flush (4-1/2)			Slickwater	4,436	32,311	106	769				34,147			7
	WASATCH	no perfs					ISDP and 5 min ISDP			Slickwater											0
	WASATCH	no perfs																34,147			0
	WASATCH	no perfs									32,311		106	769							0
	WASATCH	no perfs																			39
	WASATCH	no perfs																			94
		# of Perfs/stage			40												500	613	500	613	740
					Look																
5	WASATCH	5884	5888	3	12	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	5966	5968	4	8	0	ISIP and 5 min ISIP														
	WASATCH	6020	6026	3	16	50	Slickwater Pad			Slickwater	5,895	5,895	140	140	15.0%	0.0%	0	0			18
	WASATCH	no perfs				50	Slickwater Ramp	0.25	1.5	Slickwater	19,650	25,545	468	608	50.0%	35.7%	17,194	17,194			29
	WASATCH	no perfs				50	Slickwater Ramp	1.5	3	Slickwater	13,755	39,300	328	936	35.0%	64.3%	30,949	48,143			21
	WASATCH	no perfs				50	Flush (4-1/2)			Slickwater	3,841	43,141	91	1,027				48,143			6
	WASATCH	no perfs					ISDP and 5 min ISDP			Slickwater											0
	WASATCH	no perfs																48,143			0
	WASATCH	no perfs									43,141		91	1,027							0
	WASATCH	no perfs																			0
	WASATCH	no perfs																			74
		# of Perfs/stage			38												600	735	600	735	50
					Look																
					200	20.5	<< Above pump time (min)				Total Fluid	221,846	gals	5,262	bbls		Total Sand	228,019			
					1.8																560

Name NBU 921-8B  
 Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	MESAVERDE	8897	8899	3	6	8880	to	8899
	MESAVERDE	8950	8952	3	6	8945	to	8952
	MESAVERDE	8972	8974	3	6	8970	to	8980
	MESAVERDE		no perfs			9004	to	9010
	MESAVERDE	9032	9034	3	6	9024	to	9046
	MESAVERDE		no perfs			9068	to	9072
	MESAVERDE	9110	9114	4	16	9088	to	9114
		# of Perfs/stage				40	CBP DEPTH	8,690
2	MESAVERDE	8446	8450	3	12	8438	to	8460
	MESAVERDE		no perfs			8542	to	8550
	MESAVERDE	8550	8554	3	12	8550	to	8577
	MESAVERDE		no perfs			8581	to	8583
	MESAVERDE		no perfs			8588	to	8596
	MESAVERDE	8654	8660	3	18	8626	to	8670
		# of Perfs/stage				42	CBP DEPTH	7,426
3	WASATCH	7386	7396	4	40	7379.25	to	7398.75
		# of Perfs/stage			40	CBP DEPTH	7,022	
4	WASATCH	6796	6800	3	12	6787.75	to	6801.5
	WASATCH	6962	6966	3	12	6954.75	to	6975.5
	WASATCH	6988	6992	4	16	6983.5	to	7004.75
		# of Perfs/stage			40	CBP DEPTH	6,056	
5	WASATCH	5884	5888	3	12	5870.75	to	5899.75
	WASATCH	5966	5968	4	8	5966	to	5970
	WASATCH	6020	6026	3	18	6012.5	to	6045
		# of Perfs/stage			38	CBP DEPTH	5,834	

Fracturing Schedules  
 Name: NBU 921-88  
 Slickwater Frac

Recompleter?  Y  N  
 Part?  Y  N

Swabbing Days: 0  
 Production Log: 0  
 DFTI: 0

Enter Number of swabbing days here for recompletes  
 Enter 1 if running a Production Log  
 Enter Number of DFTIs

Stage	Zone	Perfs		SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Foolage from CBP to Flush	Scale Inhib., gal.
		Top, ft.	Bot., ft.																	
1	MESAVERDE	8887	8889	3	6	Varied	Pump-in test 0 ISIP and 5 min ISIP	0.25	1.25	Slickwater	7,050	0	0	0	15.0%	0.0%	0	0	0	57
	MESAVERDE	8850	8852																	
	MESAVERDE	8972	8974																	
	MESAVERDE	9032	9034																	
	MESAVERDE	9110	9114																	
	MESAVERDE																			
	MESAVERDE																			
	MESAVERDE																			
	MESAVERDE																			
	MESAVERDE																			
2	MESAVERDE	8446	8450	3	12	Varied	Pump-in test 0 ISIP and 5 min ISIP	0.25	1.25	Slickwater	9,270	0	0	0	15.0%	0.0%	0	0	0	28
	MESAVERDE	8550	8554																	
	MESAVERDE	8654	8660																	
	MESAVERDE																			
	MESAVERDE																			
	MESAVERDE																			
	MESAVERDE																			
	MESAVERDE																			
	MESAVERDE																			
	MESAVERDE																			
3	WASATCH	7386	7390	4	40	Varied	Pump-in test 0 ISIP and 5 min ISIP	0.25	1.5	Slickwater	3,218	0	0	15.0%	0.0%	0	0	0	10	
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
4	WASATCH	6796	6900	3	12	Varied	Pump-in test 0 ISIP and 5 min ISIP	0.25	1.5	Slickwater	4,181	0	0	15.0%	0.0%	0	0	0	13	
	WASATCH	6966	6968																	
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
5	WASATCH	5884	5888	3	12	Varied	Pump-in test 0 ISIP and 5 min ISIP	0.25	1.5	Slickwater	5,895	0	0	15.0%	0.0%	0	0	0	18	
	WASATCH	5966	5968																	
	WASATCH	6020	6026																	
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
	WASATCH																			
Totals					38						221,846 gals	5,282 bbls	5,282 bbls	5884		Total Sand	228,019	Total Scale Inhib. =	560	