

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

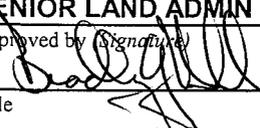
FORM APPROVED  
OMB No. 1004-0136  
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-0129384</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
2. Name of Operator <b>KERR McGEE OIL &amp; 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 1021-26D</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>NW/NW 695'FNL, 614'FWL 626030X 39.9 241 80</b> At proposed prod. Zone <b>44 201734 -109.525239</b>		9. API Well No. <b>43-047-39580</b>
14. Distance in miles and direction from nearest town or post office* <b>19.6 +/- MILES SOUTH OF 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>614'</b>	16. No. of Acres in lease <b>1280.00</b>	11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 26, T10S, R21E</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	17. Spacing Unit dedicated to this well <b>40.00</b>	12. County or Parish <b>UINTAH</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5325'GL</b>	19. Proposed Depth <b>9080'</b>	13. State <b>UTAH</b>
22. Approximate date work will start*		20. BLM/BIA Bond No. on file <b>BOND NO: WYB000291</b>
23. Estimated duration		

24. Attachments

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

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

25. Signature 	Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Date <b>8/15/2007</b>
Title <b>SENIOR LAND ADMIN SPECIALIST</b>		
Approved by 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>08-29-07</b>
Title <b>ENVIRONMENTAL MANAGER</b>	Office	

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

Conditions of approval, if any, are attached.

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

\*(Instructions on reverse)

RECEIVED

AUG 21 2007

Federal Approval of this  
Action is Necessary

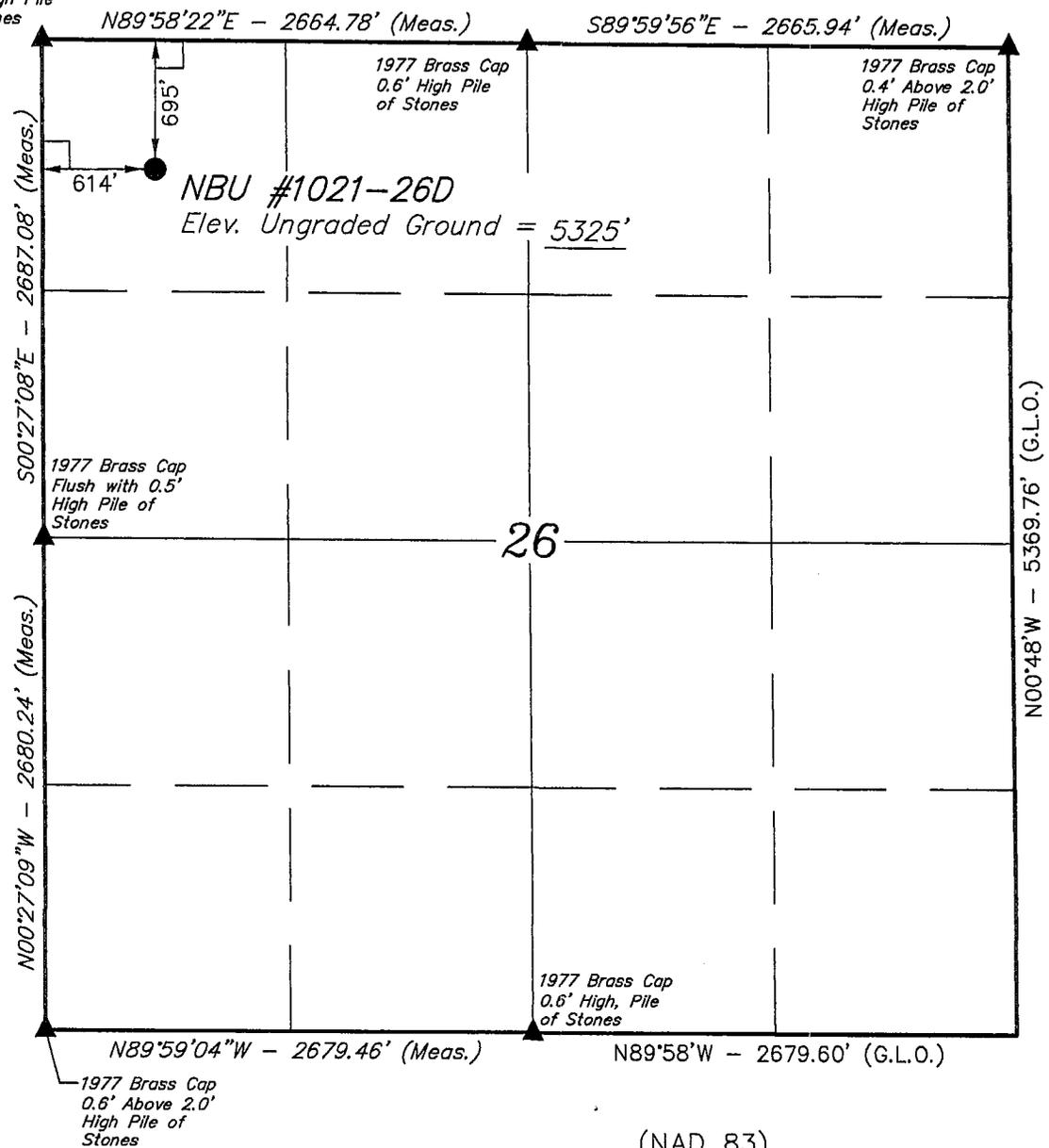
DIV. OF OIL, GAS & MINING

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

## Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1021-26D, located as shown in the NW 1/4 NW 1/4 of Section 26, T10S, R21E, S.L.B.&M. Uintah County, Utah.

1977 Brass Cap  
0.2' High Pile  
of Stones

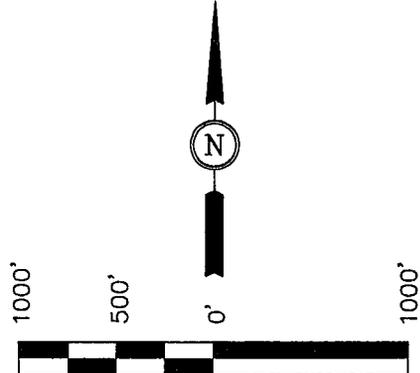


### BASIS OF ELEVATION

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

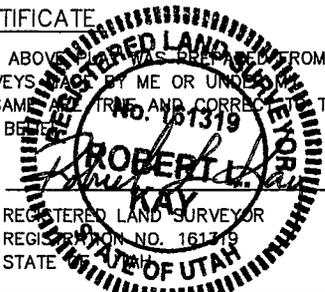
### BASIS OF BEARINGS

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



### SCALE CERTIFICATE

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



### LEGEND:

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

(NAD 83)  
 LATITUDE = 39°55'27.02" (39.924172)  
 LONGITUDE = 109°31'33.49" (109.525969)  
 (NAD 27)  
 LATITUDE = 39°55'27.14" (39.924206)  
 LONGITUDE = 109°31'31.02" (109.525283)

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

SCALE 1" = 1000'	DATE SURVEYED: 10-19-06	DATE DRAWN: 10-27-06
PARTY G.O. D.H. C.H.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU #1021-26D  
NW/NW SEC 26, T10S, R21E  
UINTAH COUNTY, UTAH  
UTU-0129384**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1044'
Top of Birds Nest Water	1313'
Mahogany	1893'
Wasatch	4236'
Mesaverde	6940'
MVU2	7910'
MVL1	8461'
TD	9080'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1044'
	Top of Birds Nest Water	1313'
	Mahogany	1893'
Gas	Wasatch	4236'
Gas	Mesaverde	6940'
Gas	MVU2	7910'
Gas	MVL1	8461'
Water	N/A	
Other Minerals	N/A	

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

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

**4. Proposed Casing & Cementing Program:**

*Please see the Natural Buttes Unit SOP.*

**5. Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

**6. Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9080' TD, approximately equals 5630 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3632 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variations:**

*Please see Natural Buttes Unit SOP.*

10. **Other Information:**

*Please see Natural Buttes Unit SOP.*





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

### CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0 to 1900	32.30	H-40	STC	2270 0.66*****	1370 1.54	254000 4.73
PRODUCTION	4-1/2"	0 to 9080	11.60	I-80	LTC	7780 2.27	6350 1.17	201000 2.19

- 1) Max Anticipated Surf. Press. (MASP) (Surface Casing) = (Pore Pressure at next csg point - (0.22 psi/ft-partial evac gradient x TVD of next csg point))
- 2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
- (Burst Assumptions: TD = 11.5 ppg) .22 psi/ft = gradient for partially evac wellbore
- (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing \* Buoy. Fact. of water)
- MASP 3432 psi
- \*\*\*\*\* Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

### CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,730'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	410	60%	11.00	3.38
	TAIL	5,350'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1500	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 Totoc surveys every 2000'. Maximum allowable hole angle is 5 degrees.

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

DRILLING ENGINEER:

Brad Laney

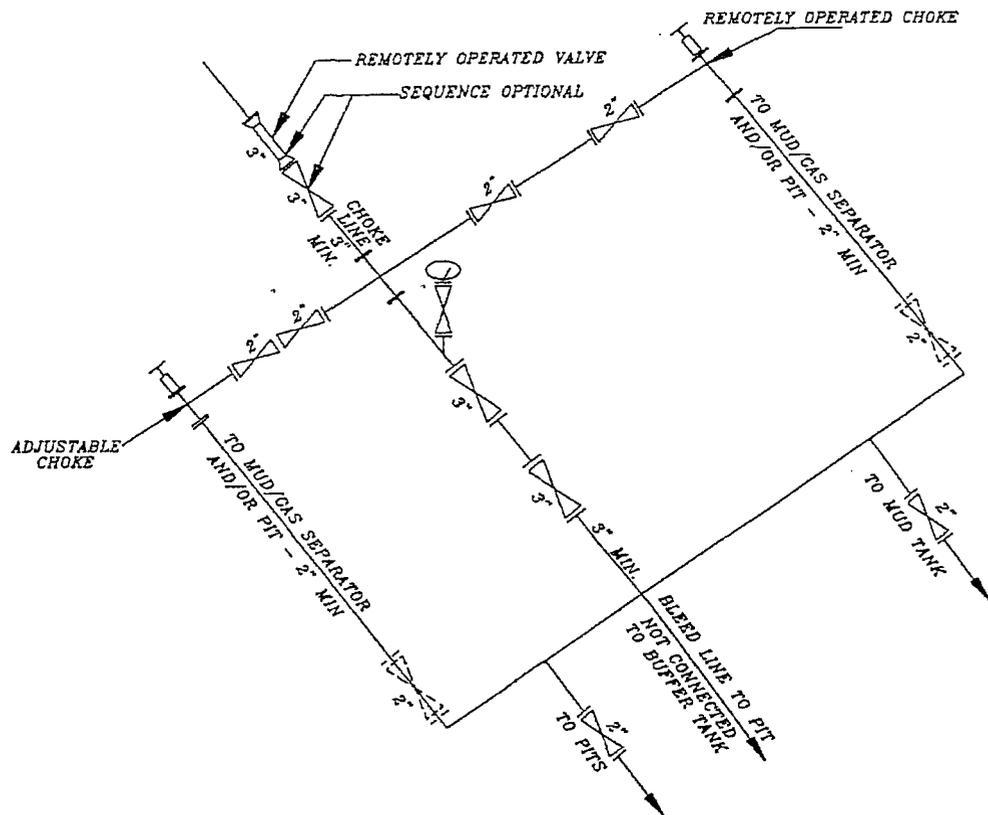
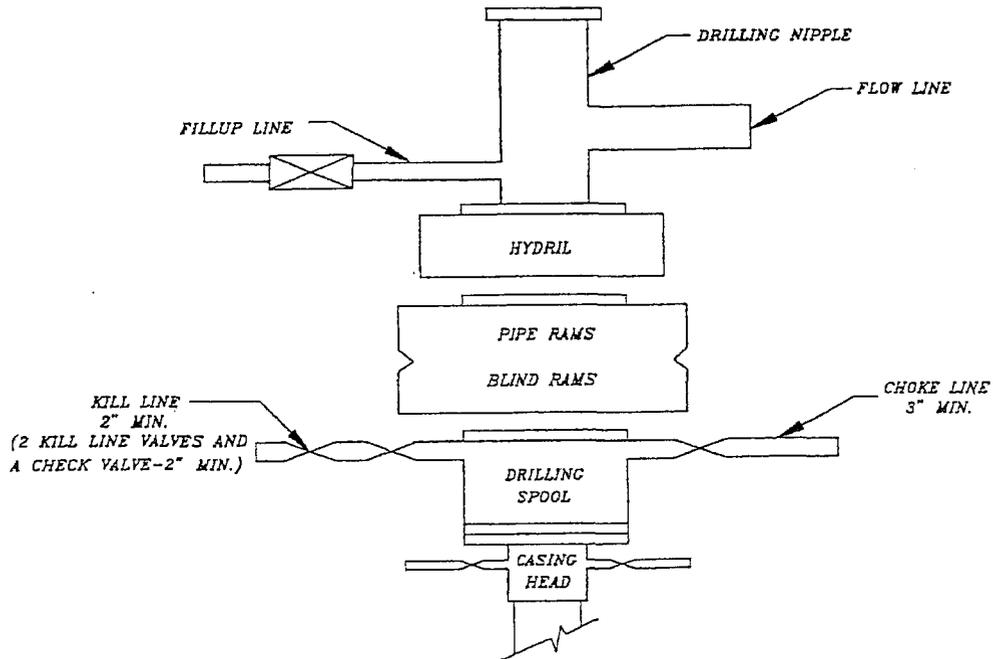
DATE:

DRILLING SUPERINTENDENT:

Randy Bayne

DATE:

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



**NBU #1021-26D  
NW/NW SEC 26, T10S, R21E  
UINTAH COUNTY, UTAH  
UTU-0129384**

**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 access road is proposed.. Please refer to the attached Topo Map B.

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

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities:**

*Please see the Natural Buttes Unit SOP.*

Approximately 4100' +/- of 4" steel pipeline is proposed pipeline. Please refer to the attached Please refer to Topo Map D

**Variations to Best Management Practices (BMPs) Requested:**

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

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

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

**5. Location and Type of Water Supply:**

*Please see the Natural Buttes SOP.*

**6. Source of Construction Materials:**

*Please see the Natural Buttes SOP.*

**7. Methods of Handling Waste Materials:**

*Please see the Natural Buttes SOP.*

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E (*Request is in lieu of filing Form 3160-5, after initial production*).

**8. Ancillary Facilities:**

*Please see the Natural Buttes SOP.*

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

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

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

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

Location size may change prior to the drilling of the well due to the current rig availability. If the proposed location is not large enough to accommodate the drilling rig. The location will be re-surveyed and a form 3160-5 will be submitted.

**10. Plans for Reclamation of the Surface:**

*Please see the Natural Buttes SOP.*

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

Winterfat	8 lbs.
Galleta Grass	8 lbs.

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

**11. Surface Ownership:**

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

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

**12. Other Information:**

A Class III Archaeological Survey Report, has been performed and will be submitted when report becomes available.

The paleontological survey has been performed and will be submitted when report becomes available.

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

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

Sheila Ucphego  
Senior Land Admin Specialist  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7024

Randy Bayne  
Drilling Manager  
Kerr-McGee Oil & Gas Onshore LP  
1368 South 1200 East  
Vernal, UT 84078  
(435) 781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under the terms and conditions of the lease for the operations conducted upon leased lands.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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

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

  
Sheila Upchego

8/15/2007  
Date

# Kerr-McGee Oil & Gas Onshore LP

NBU #1021-26D

SECTION 26, T10S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 6.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1021-23M TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 110' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.6 MILES.

# Kerr-McGee Oil & Gas Onshore LP

NBU #1021-26D

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 26, T10S, R21E, S.L.B.&M.

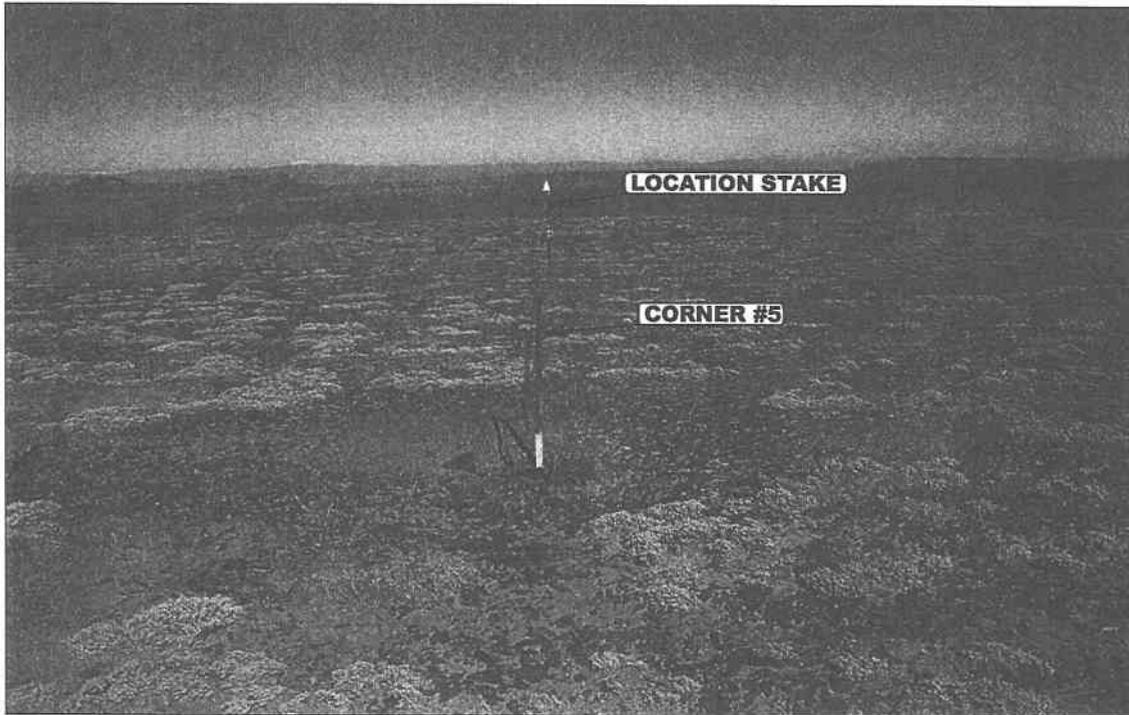


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

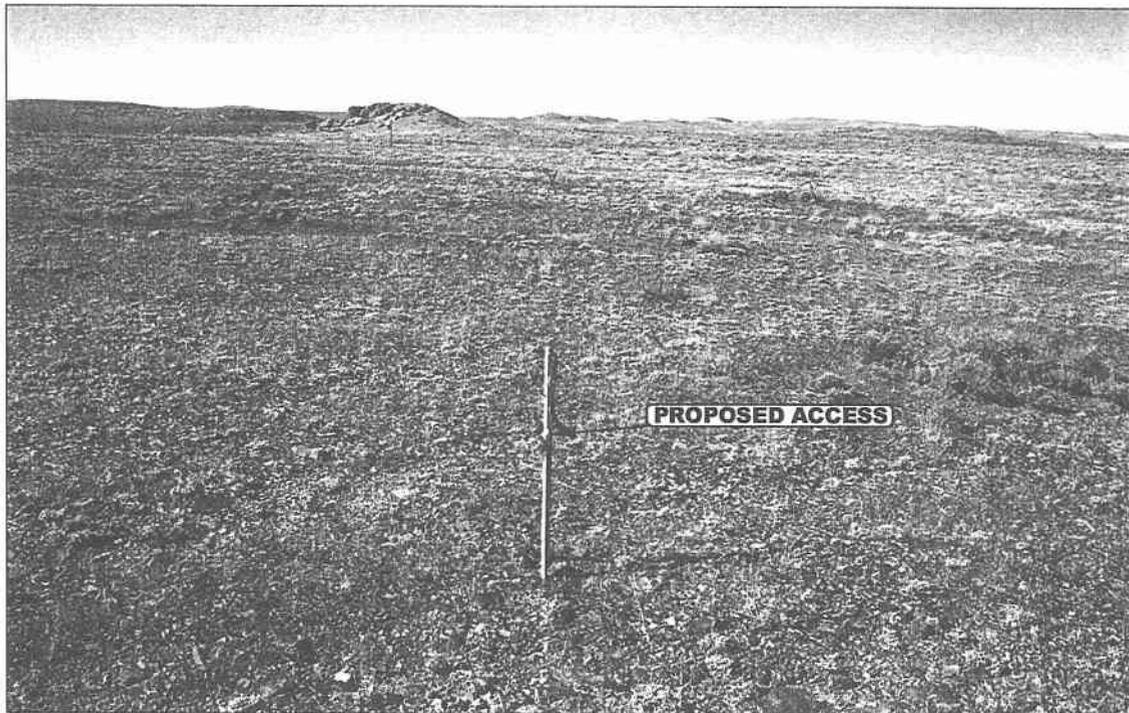


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

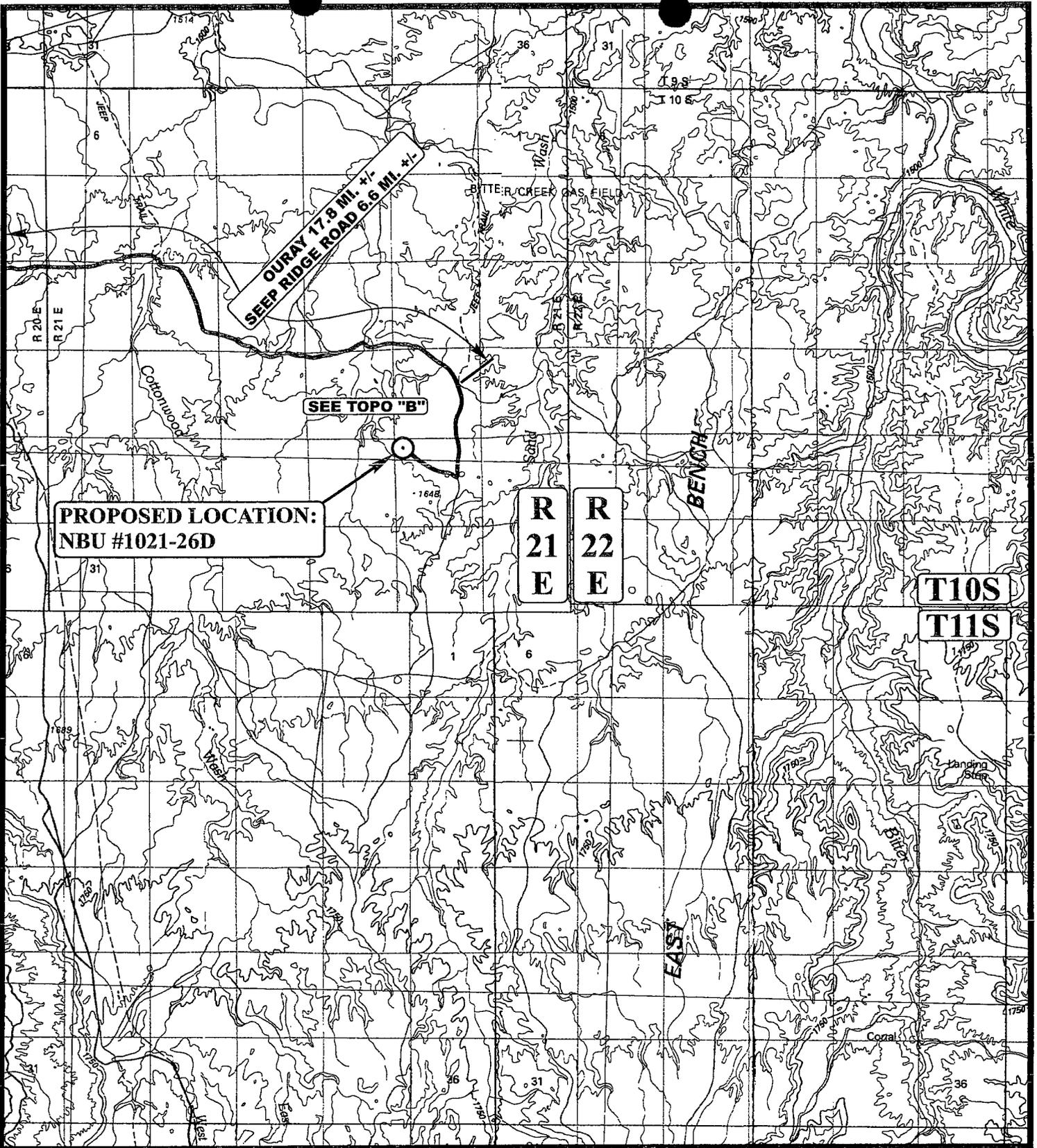
CAMERA ANGLE: WESTERLY



- Since 1964 -

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

LOCATION PHOTOS	10	27	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: GO.	DRAWN BY: C.P.		REVISED: 00-00-00	



**LEGEND:**

⊙ PROPOSED LOCATION

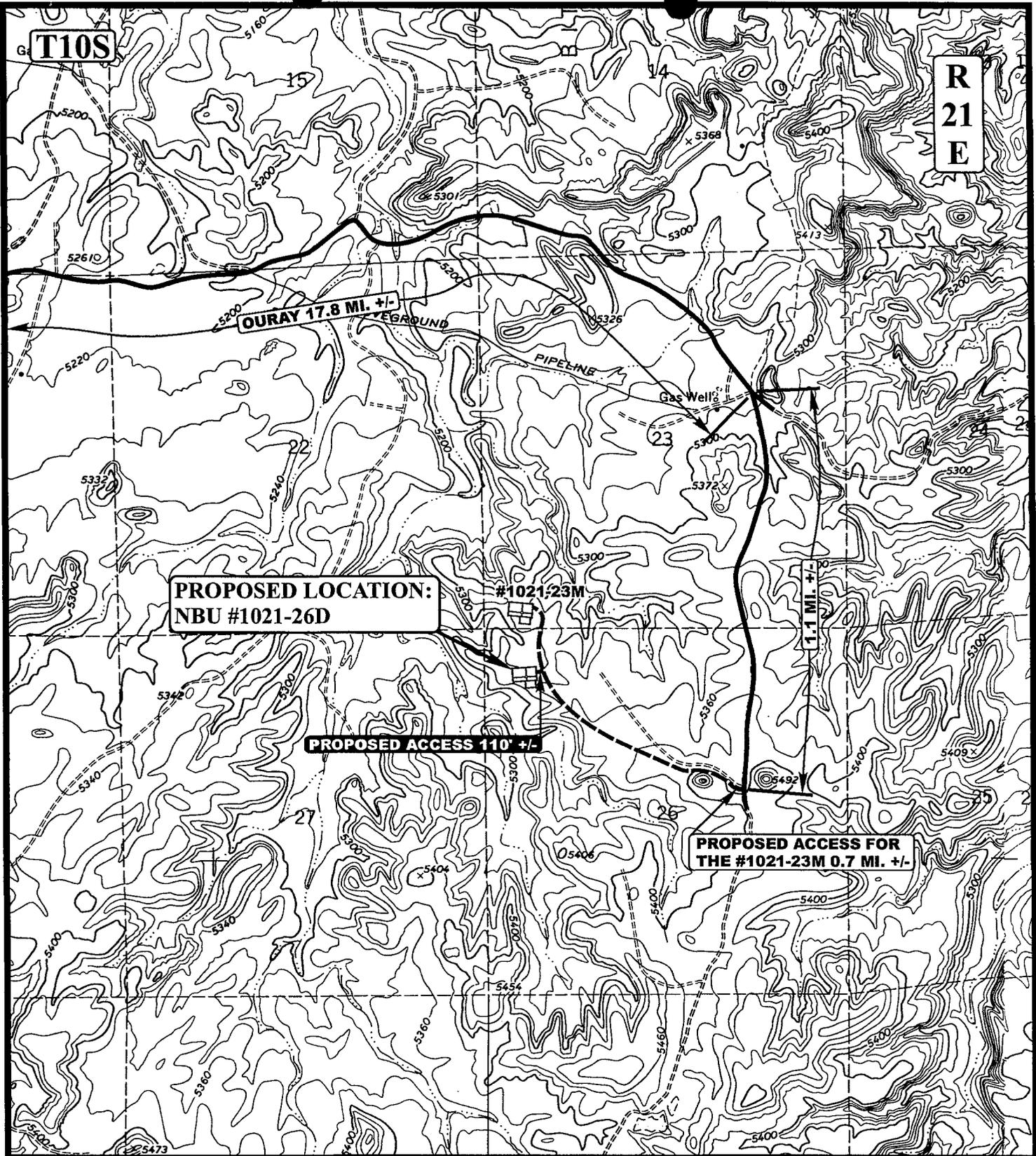


**Kerr-McGee Oil & Gas Onshore LP**

**NBU #1021-26D**  
**SECTION 26, T10S, R21E, S.L.B.&M.**  
**695' FNL 614' FWL**

	<b>Uintah Engineering &amp; Land Surveying</b> 85-South 200 East Vernal, Utah 84078 (435) 789-1017 * FAX (435) 789-1813
	TOPOGRAPHIC
	MAP

TOPOGRAPHIC MAP	10 MONTH	27 DAY	06 YEAR
SCALE: 1:100,000	DRAWN BY: C.P.	REVISED: 00-00-00	A TOPO



**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



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

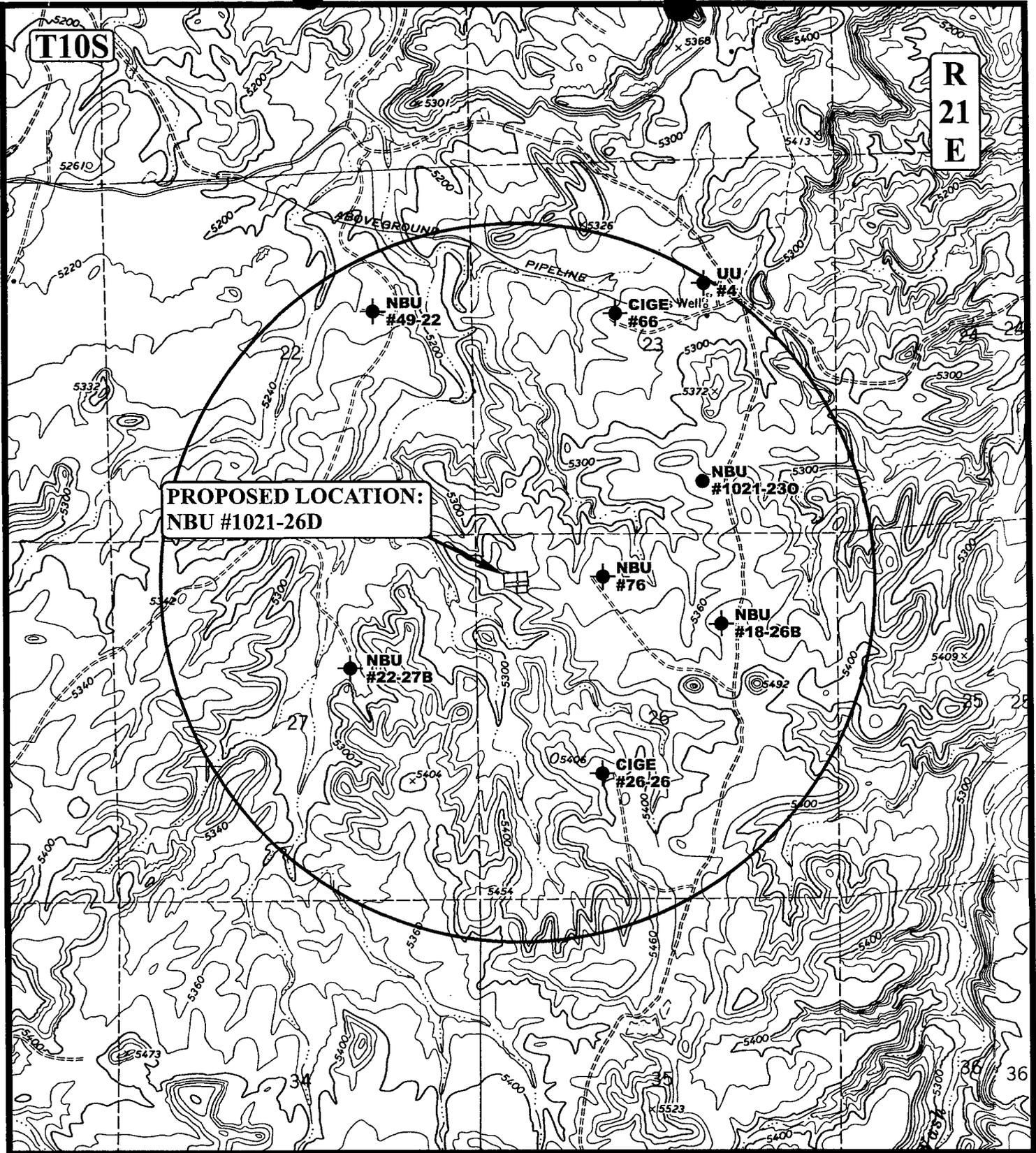
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**695' FNL 614' FWL**



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

**TOPOGRAPHIC** 10 27 06  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





**PROPOSED LOCATION:  
NBU #1021-26D**

**LEGEND:**

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



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

**NBU #1021-26D  
SECTION 26, T10S, R21E, S.L.B.&M.  
695' FNL 614' FWL**



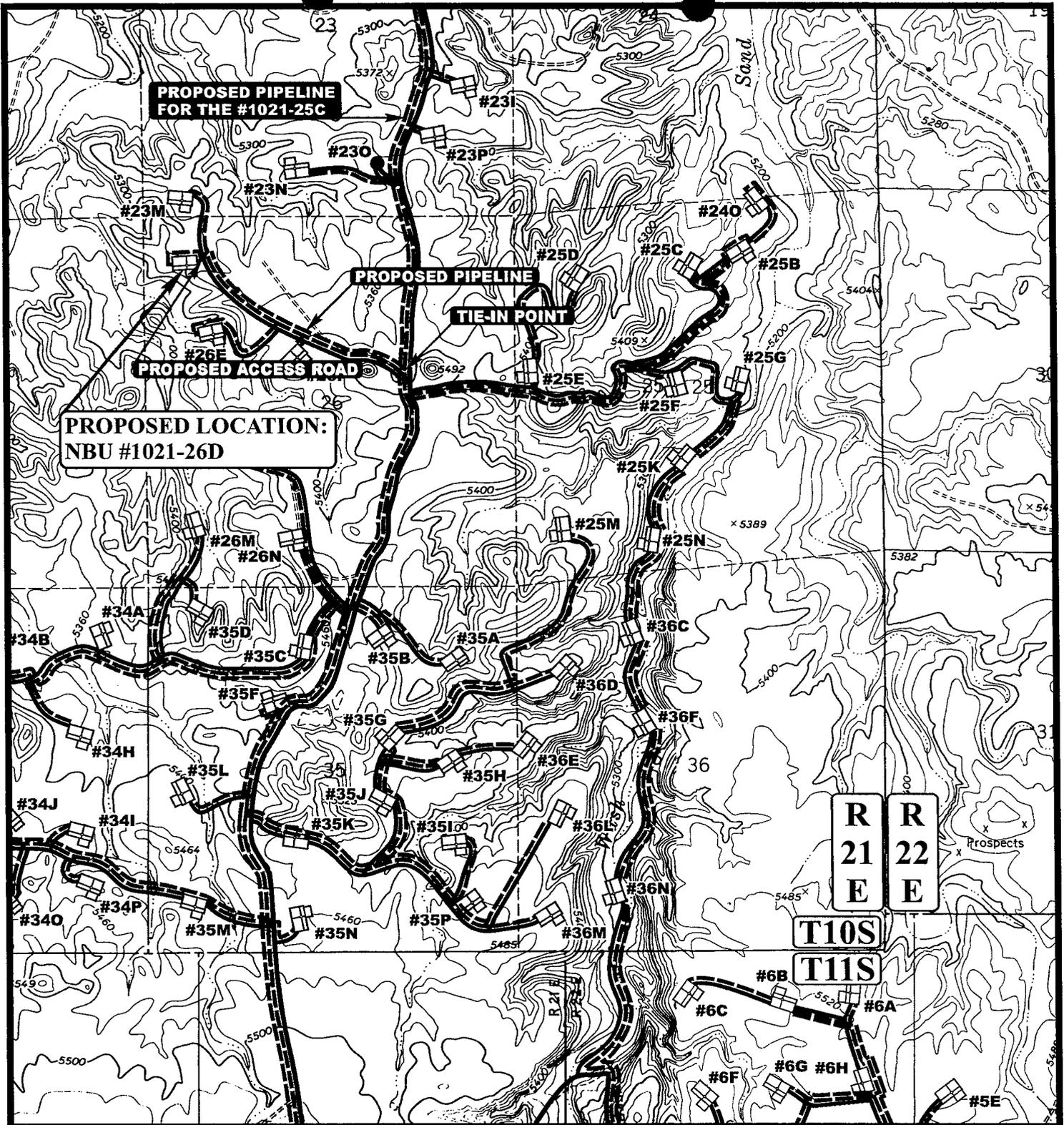
**Utah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC  
MAP**

<b>10</b>	<b>27</b>	<b>06</b>
MONTH	DAY	YEAR

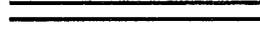
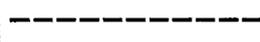
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 4,100' +/-

**LEGEND:**

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



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

NBU #1021-26D  
SECTION 26, T10S, R21E, S.L.B.&M.  
695' FNL 614' FWL



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

**TOPOGRAPHIC MAP**

10	27	06
MONTH	DAY	YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 07-05-07



# Kerr-McGee Oil & Gas Onshore LP

NBU #1021-26D

PIPELINE ALIGNMENT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 26, T10S, R21E, S.L.B.&M.

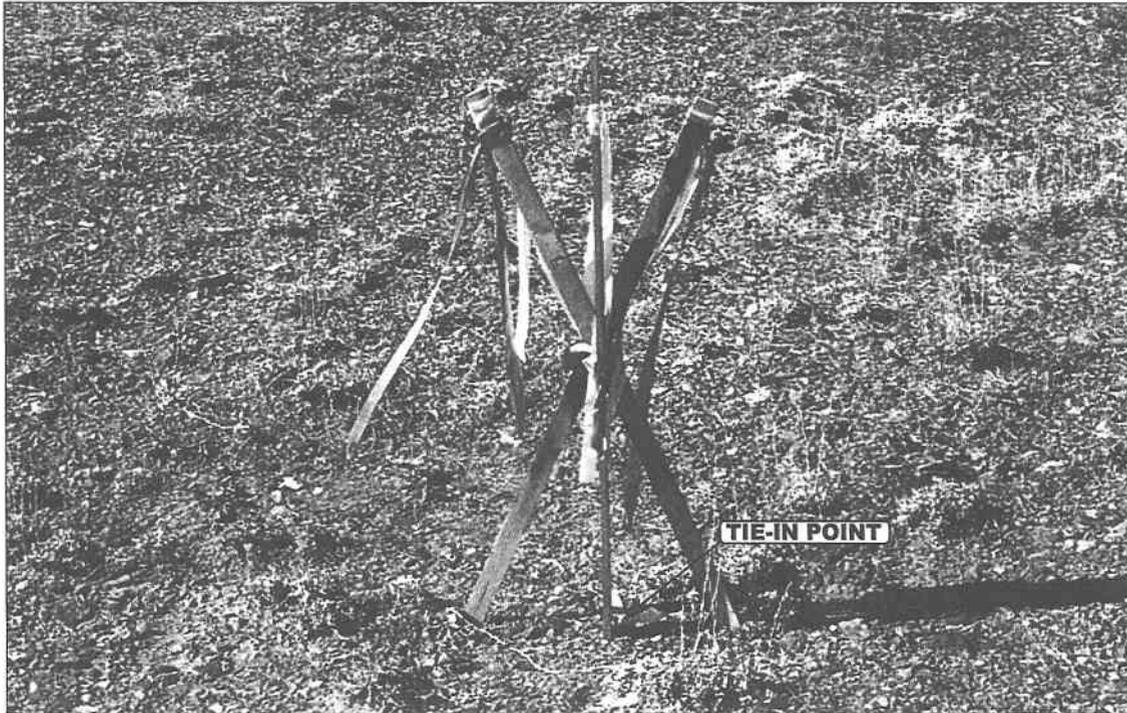


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: WESTERLY

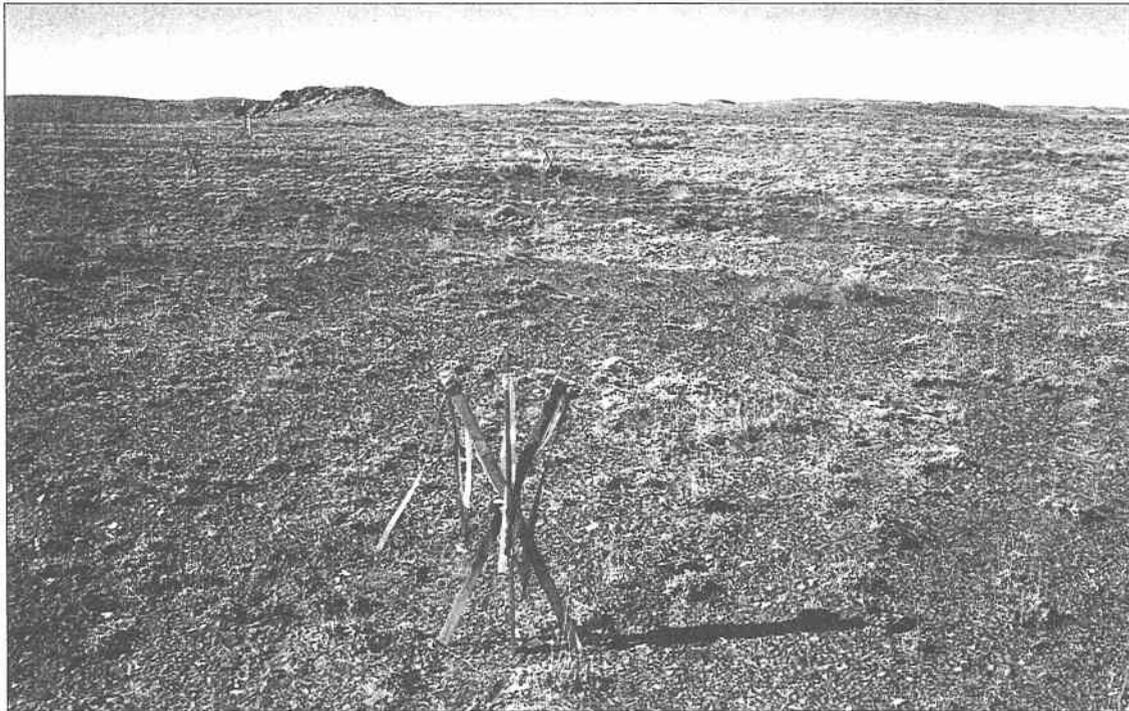


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: WESTERLY



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85 South 200 East Vernal, Utah 84078  
435-789-1017 uels@uelsinc.com

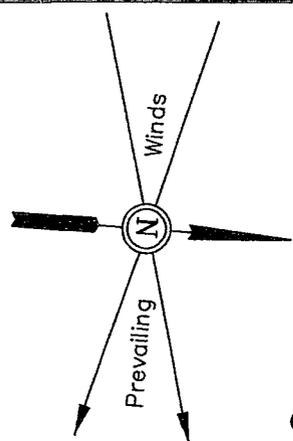
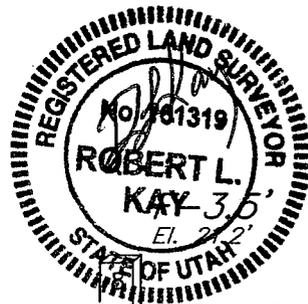
- Since 1964 -

PIPELINE PHOTOS	10	27	06	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: GO.	DRAWN BY: C.P.		REVISED: 00-00-00	

# Kerr-McGee Oil & Gas Onshore LP

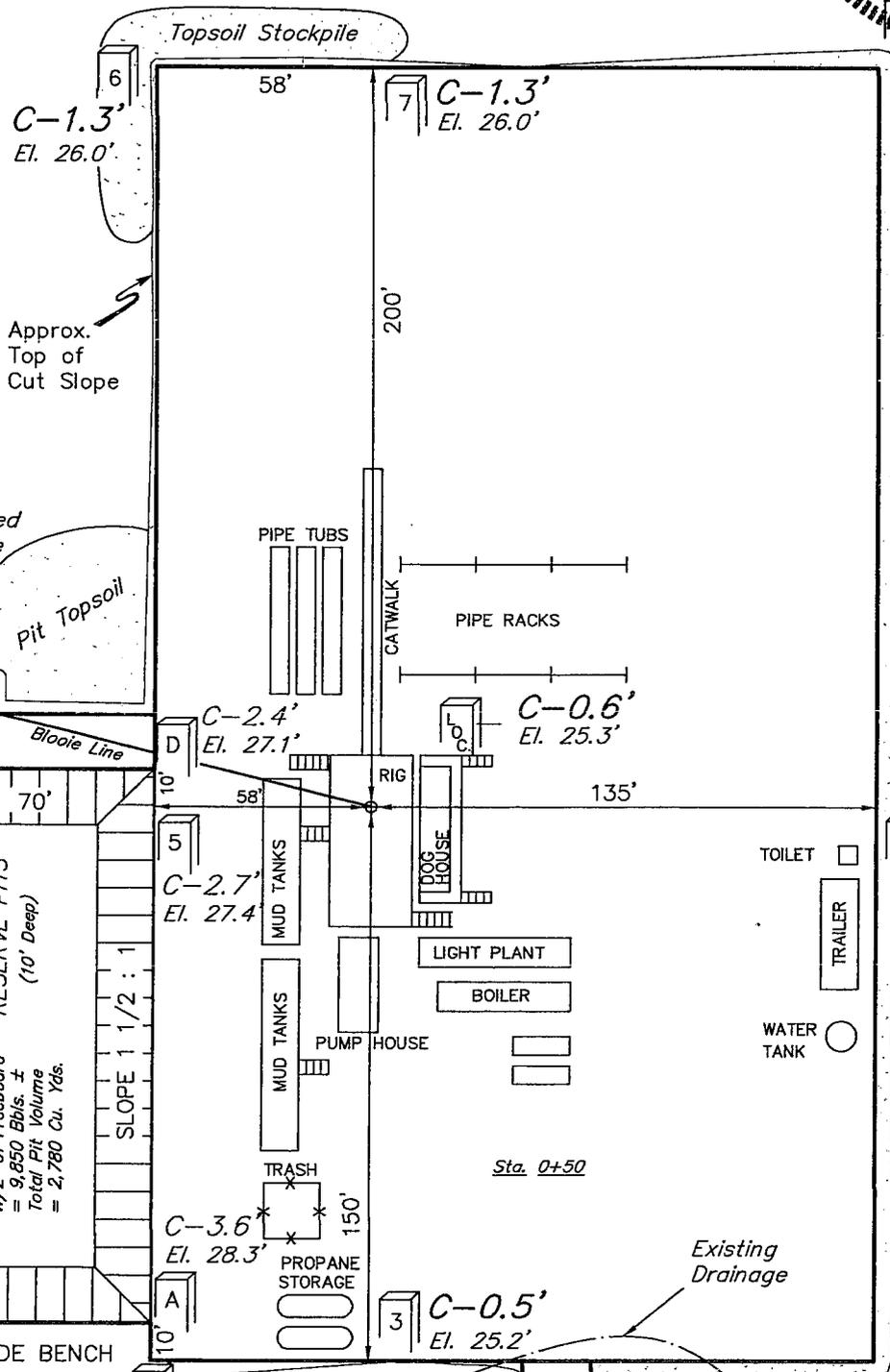
LOCATION LAYOUT FOR

NBU #1021-26D  
SECTION 26, T10S, R21E, S.L.B.&M.  
695' FNL 614' FWL

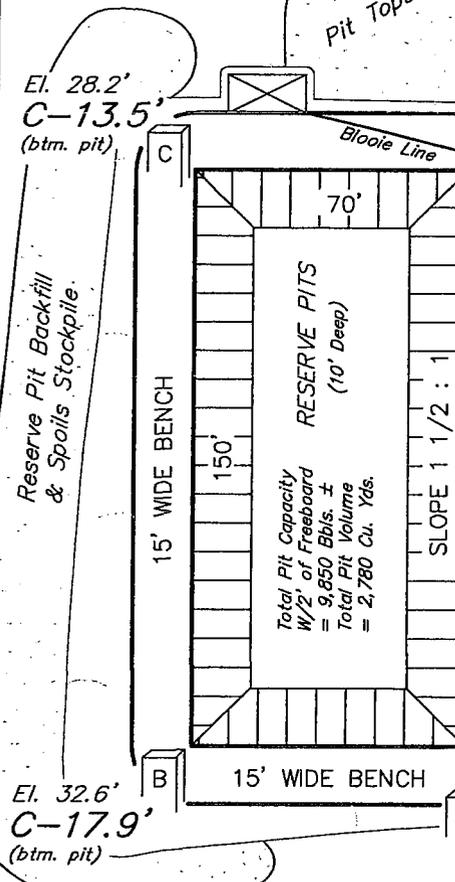


SCALE: 1" = 50'  
DATE: 10-27-06  
Drawn By: C.H.

Sta. 3+50



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



Approx.  
Toe of  
Fill Slope

Sta. 1+50

F-3.4'  
El. 21.3'

Sta. 0+50

Sta. 0+00

**NOTES:**

Elev. Ungraded Ground At Loc. Stake = 5325.3'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5324.7'

**FIGURE #1**

Kerr-McGee Oil & Gas Onshore LP

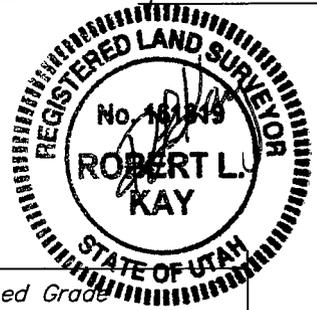
FIGURE #2

TYPICAL CROSS SECTIONS FOR

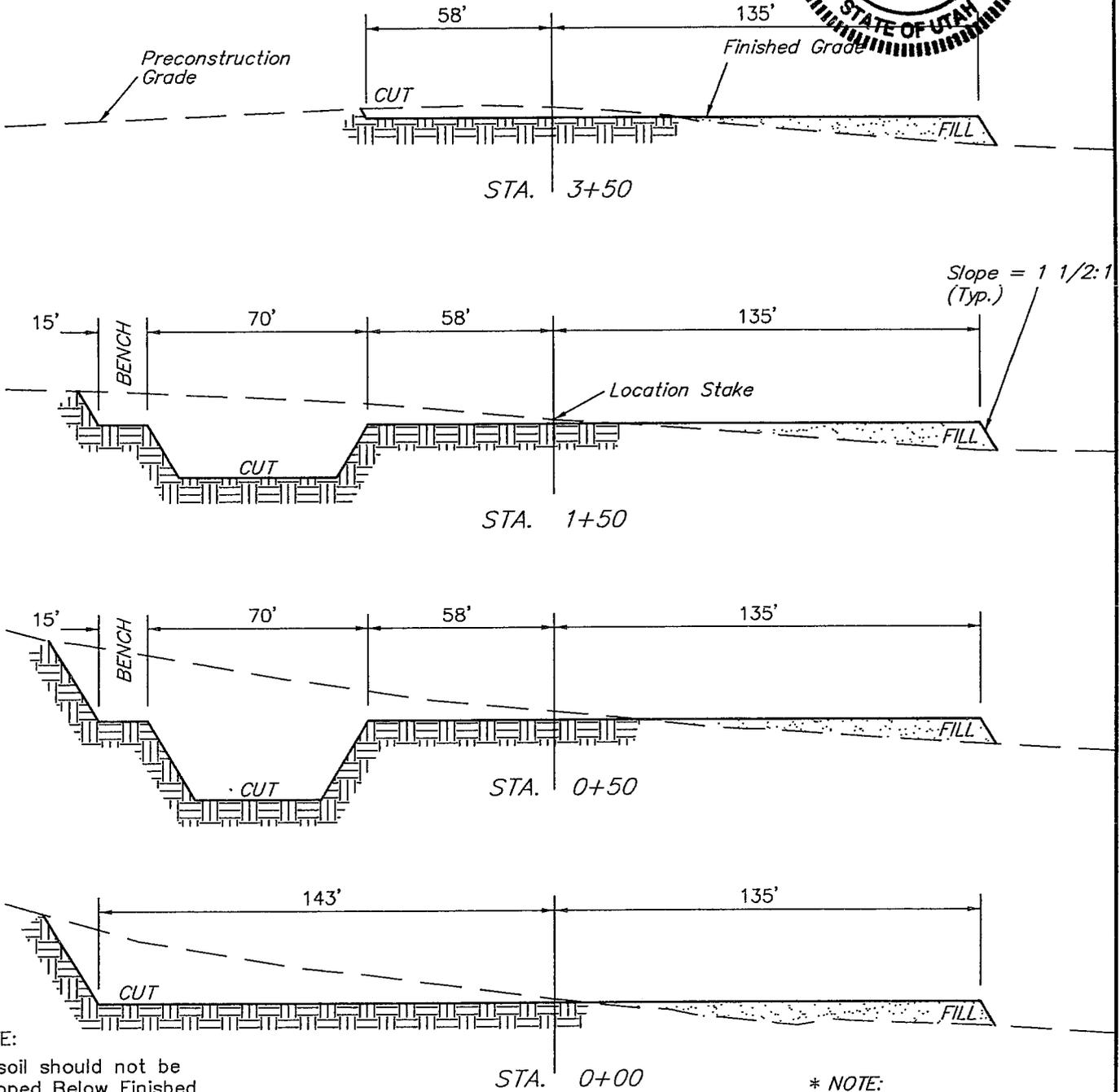
NBU #1021-26D

SECTION 26, T10S, R21E, S.L.B.&M.

695' FNL 614' FWL



1" = 20'  
X-Section Scale  
1" = 50'  
DATE: 10-27-06  
Drawn By: C.H.



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

\* NOTE:  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,690 Cu. Yds.
Remaining Location	= 6,700 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 8,390 CU.YDS.</b>
<b>FILL</b>	<b>= 3,610 CU.YDS.</b>

EXCESS MATERIAL	= 4,780 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,080 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 1,700 Cu. Yds.

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

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 08/21/2007

API NO. ASSIGNED: 43-047-39580

WELL NAME: NBU 1021-26D  
 OPERATOR: KERR-MCGEE OIL & GAS ( N2995 )  
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

NWNW 26 100S 210E  
 SURFACE: 0695 FNL 0614 FWL  
 BOTTOM: 0695 FNL 0614 FWL  
 COUNTY: UINTAH  
 LATITUDE: 39.92418 LONGITUDE: -109.5252  
 UTM SURF EASTINGS: 626030 NORTHINGS: 4420173  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-0129384  
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. WYB000291 )
- 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: 12-21-04
- Siting: 460' by WSDP & UNIFORM S.M.C.
- \_\_\_\_\_ R649-3-11. Directional Drill

COMMENTS: See Separate File

STIPULATIONS: 1- Federal Approval  
2- OIL SHALE



# 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)

August 29, 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)

43-047-39540	NBU 922-30L-T	Sec 30 T09S R22E 2106 FSL 0817 FWL
43-047-39542	NBU 1021-14B	Sec 14 T10S R21E 0439 FNL 2355 FEL
43-047-39543	NBU 1021-14F	Sec 14 T10S R21E 2404 FNL 2387 FWL
43-047-39544	NBU 1021-150	Sec 15 T10S R21E 1127 FSL 2304 FEL
43-047-39545	NBU 1021-15K	Sec 15 T10S R21E 2277 FSL 2041 FWL
43-047-39546	NBU 1021-15L	Sec 15 T10S R21E 2188 FSL 0783 FWL
43-047-39547	NBU 1021-15F	Sec 15 T10S R21E 2164 FNL 1915 FWL
43-047-39548	NBU 1021-15J	Sec 15 T10S R21E 2361 FSL 2372 FEL
43-047-39563	NBU 1021-15P	Sec 15 T10S R21E 1214 FSL 1262 FEL
43-047-39564	NBU 1021-22C	Sec 22 T10S R21E 0902 FNL 2194 FWL
43-047-39549	NBU 1021-22K	Sec 22 T10S R21E 2088 FSL 2006 FWL
43-047-39550	NBU 1021-22A	Sec 22 T10S R21E 0668 FNL 0469 FEL
43-047-39551	NBU 1021-22L	Sec 22 T10S R21E 2114 FSL 0725 FWL
43-047-39565	NBU 1021-22D	Sec 22 T10S R21E 0769 FNL 0641 FWL
43-047-39566	NBU 1021-22E	Sec 22 T10S R21E 2000 FNL 0860 FWL
43-047-39567	NBU 1021-23E	Sec 23 T10S R21E 2201 FNL 0846 FWL
43-047-39569	NBU 1021-23B	Sec 23 T10S R21E 0175 FNL 2391 FEL
43-047-39557	NBU 1021-23K	Sec 23 T10S R21E 2021 FSL 2152 FWL
43-047-39558	NBU 1021-23N	Sec 23 T10S R21E 0699 FSL 2196 FWL
43-047-39559	NBU 1021-23D	Sec 23 T10S R21E 0065 FNL 0460 FWL
43-047-39560	NBU 1021-23L	Sec 23 T10S R21E 2126 FSL 1227 FWL

43-047-39570	NBU	1021-23C	Sec	23	T10S	R21E	0567	FSL	2203	FWL
43-047-39572	NBU	1021-23J	Sec	23	T10S	R21E	1906	FSL	2167	FEL
43-047-39574	NBU	1021-23M	Sec	23	T10S	R21E	0233	FSL	0552	FWL
43-047-39575	NBU	1021-25J	Sec	25	T10S	R21E	1621	FSL	1890	FEL
43-047-39561	NBU	1021-25K	Sec	25	T10S	R21E	1848	FSL	2394	FWL
43-047-39579	NBU	1021-26E	Sec	26	T10S	R21E	1706	FNL	0992	FWL
✓43-047-39580	NBU	1021-26D	Sec	26	T10S	R21E	0695	FNL	0614	FWL
43-047-39578	NBU	1021-25F	Sec	25	T10S	R21E	2477	FNL	2323	FWL
43-047-39541	NBU	1021-3I	Sec	03	T10S	R21E	1371	FSL	1121	FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

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

MCoulthard:mc:8-29-07



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

August 29, 2007

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

Re: NBU 1021-26D Well, 695' FNL, 614' FWL, NW NW, Sec. 26, T. 10 South, R. 21 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39580.

Sincerely,



Gil Hunt  
Associate Director

pab  
Enclosures

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



Operator: Kerr-McGee Oil & Gas Onshore LP  
Well Name & Number NBU 1021-26D  
API Number: 43-047-39580  
Lease: UTU-0129384

Location: NW NW                      Sec. 26                      T. 10 South                      R. 21 East

### Conditions of Approval

1. General

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

2. Notification Requirements

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

5. 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.

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

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>UTU-0129384</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME: <b>N/A</b>
		7. UNIT or CA AGREEMENT NAME: <b>891008900A</b>
1. TYPE OF WELL <b>OIL WELL</b> <input type="checkbox"/> <b>GAS WELL</b> <input checked="" type="checkbox"/> <b>OTHER</b> _____		8. WELL NAME and NUMBER: <b>NBU 1021-26D</b>
2. NAME OF OPERATOR: <b>Kerr-McGee Oil &amp; Gas Onshore, LP</b>		9. API NUMBER: <b>4304739580</b>
3. ADDRESS OF OPERATOR: P.O. Box 173779      CITY <b>Denver</b> STATE <b>CO</b> ZIP <b>80217-3779</b>		10. FIELD AND POOL, OR WILDCAT: <b>Natural Buttes Field</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>695' FNL &amp; 614' FWL</b>		COUNTY: <b>Uintah</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWNW 26 10S 21E</b>		STATE: <b>UTAH</b>

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
 Kerr-McGee Oil & Gas Onshore, LP, respectfully requests a one year extension of this APD in order to complete drilling operations. Utah Division of Oil, Gas, and Mining initially approved this APD on August 29, 2007.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 08-12-08  
By: [Signature]

COPY SENT TO OPERATOR  
Date: 8-14-2008  
Initials: KS

NAME (PLEASE PRINT) <u>Kevin McIntyre</u>	TITLE <u>Regulatory Analyst I</u>
SIGNATURE <u>[Signature]</u>	DATE <u>8/11/2008</u>

(This space for State use only)

**RECEIVED**  
**AUG 12 2008**



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

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

**API:** 4304739580  
**Well Name:** NBU 1021-26D  
**Location:** NWNW 695' FNL & 614' FWL, Sec 26, T10S, R21E  
**Company Permit Issued to:** Kerr-McGee Oil & Gas Onshore, LP  
**Date Original Permit Issued:** 8/29/2007

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

8/11/2008  
 \_\_\_\_\_  
 Date

Title: Regulatory Analyst I

Representing: Kerr-McGee Oil & Gas Onshore, LP

**RECEIVED  
AUG 12 2008**



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

February 24, 2009

Raleen White  
Anadarko Petroleum Corp.  
PO Box 173779  
Denver, CO 80217-3779

43 047 39580  
NBU 1021-26D  
10S 21E 26

Re: APDs Rescinded at the request of Anadarko Petroleum Corp.

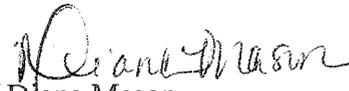
Dear Ms. White:

Enclosed find the list of APDs that you requested to be rescinded to Anadarko Petroleum Corp. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective February 20, 2009.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject locations.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
Bureau of Land Management, Vernal  
SITLA, Ed Bonner

43047395730000	FEDERAL 1021-23P	10S	21E	23	SESE
43047395770000	FEDERAL 1021-25I	10S	21E	25	NESE
43047395760000	FEDERAL 1021-25M	10S	21E	25	SWSW
43047397930000	Federal 1021-25N	10S	21E	25	SESW
43047395810000	FEDERAL 1021-34K	10S	21E	34	NESW
43047395520000	FEDERAL 1021-34M	10S	21E	34	SWSW
43047395560000	FEDERAL 1021-34P	10S	21E	34	SESE
43047389890000	FEDERAL 1021-35F	10S	21E	35	SESW
43047389760000	FEDERAL 1021-35G	10S	21E	35	SWNE
43047389380000	FEDERAL 1021-35H	10S	21E	35	SENE
43047389350000	FEDERAL 1021-35I	10S	21E	35	NESE
43047389330000	FEDERAL 1021-35P	10S	21E	35	SESE
43047389370000	FEDERAL1021-35A	10S	21E	35	NENE
43047365050000	LOVE 1121-2B	11S	21E	02	NWNE
43047394050000	LOVE UNIT 1121-10NT	11S	21E	10	SESW
43047393910000	LOVE UNIT 1121-3NT	11S	21E	03	SWSW
43047388240000	LOVE UNIT 1122-18C	11S	22E	18	NENW
43047388250000	LOVE UNIT 1122-18J	11S	22E	18	NWSE
43047388260000	LOVE UNIT 1122-18K	11S	22E	18	NESW
43047396050000	LOVE UNIT 1122-18L	11S	22E	18	NWSW
43047396030000	LOVE UNIT 1122-19C	11S	22E	19	NENW
43047386310000	MULLIGAN 823-23H	08S	23E	23	SENE
43047387130000	MULLIGAN 823-24O	08S	23E	24	SWSE
43047393730000	NBU 1020-1KT	10S	20E	01	NESW
43047393740000	NBU 1020-24BT	10S	20E	24	NWNE
43047393760000	NBU 1021-11I	10S	21E	11	NESE
43047393800000	NBU 1021-11M	10S	21E	11	SWSW
43047393790000	NBU 1021-11P	10S	21E	11	SESE
4304739383	NBU 1021-12A	10S	21E	12	NENE
43047393860000	NBU 1021-12L - STATE	10S	21E	12	NWSW
43047393840000	NBU 1021-12N	10S	21E	12	SESW
43047395470000	NBU 1021-15F	10S	21E	15	SESW
43047395460000	NBU 1021-15L	10S	21E	15	NWSW
43047395630000	NBU 1021-15P	10S	21E	15	SESE
43047395260000	NBU 1021-20G STATE/FED	10S	21E	20	SWNE
43047395340000	NBU 1021-20J STATE/FED	10S	21E	20	NWSE
43047395330000	NBU 1021-20K STATE/FED	10S	21E	20	NESW
43047395320000	NBU 1021-20L STATE/FED	10S	21E	20	NWSW
43047395310000	NBU 1021-20O STATE/FED	10S	21E	20	SWSE
43047375280000	NBU 1021-21C (FKA C275)	10S	21E	21	NENW
43047367020000	NBU 1021-21H	10S	21E	21	SENE
43047395500000	NBU 1021-22A	10S	21E	22	NENE
43047394030000	NBU 1021-23FT	10S	22E	23	SESW
43047395600000	NBU 1021-23L	10S	21E	23	NWSW
43047395780000	NBU 1021-25F	10S	21E	25	SESW
43047395750000	NBU 1021-25J	10S	21E	25	NWSE
43047395610000	NBU 1021-25K	10S	21E	25	NESW

4304739580000	NBU 1021-26D	10S	21E	26	NWNW
43047395790000	NBU 1021-26E	10S	21E	26	SWNW
43047379680000	NBU 1021-6C	10S	21E	06	NENW LOT 3
43047379670000	NBU 1021-6D	10S	21E	06	NWNW LOT 4
43047379410000	NBU 1021-7B	10S	21E	07	NWNE
43047401850000	NBU 921-31BT	09S	21E	31	NWNE
43047363950000	NBU 921-33K	09S	21E	33	NESW
4304740038	HATCH 923-13A	09S	23E	13	NENE
4304740060	HATCH 923-13ED	09S	23E	13	SWNW
4304740059	HATCH 923-13O	09S	23E	13	SWSE
4304740061	HATCH 923-14M	09S	23E	14	SWSW
4304740143	HATCH 923-14O	09S	23E	14	SWSE
4304740064	HATCH 923-15B	09S	23E	15	NWNE
4304740062	HATCH 923-15L	09S	23E	15	NWSW
4304740063	HATCH 923-15P	09S	23E	15	SESE
4304740065	HATCH 923-24O	09S	23E	24	SWSE
4304740069	HATCH 923-25A	09S	23E	25	NENE
4304740068	HATCH 923-25I	09S	23E	25	NESE
4304740070	HATCH 923-25O	09S	23E	25	SWSE
43047388010000	FEDERAL 1022-15H	10S	22E	15	SENE
4304739388	FEDERAL 1022-15K	10S	22E	15	NESW
43047389240000	FEDERAL 1022-15L	10S	22E	15	NWSW