

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-8348
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERR MCGEE OIL & GAS ONSHORE LP		7. If Unit or CA Agreement, Name and No. LOVE UNIT UTU-63065X
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		8. Lease Name and Well No. LOVE UNIT 1122-18N
3b. Phone No. (include area code) (435) 781-7024		9. API Well No. 43047-39604
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface SESW, 827' FSL 1782' FWL 628359X 34.855664 At proposed prod. Zone 4412604 -109.499487		10. Field and Pool, or Exploratory LOVE UNIT
14. Distance in miles and direction from nearest town or post office* 43.8 +/- SE of Ouray		11. Sec., T., R., M., or Blk. and Survey or Area SEC 18-T11S-R22E, SLB&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 827'	16. No. of Acres in lease 1089.18	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well 40	13. State UTAH	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 8350'	20. BLM/BIA Bond No. on file BOND NO: WYB000291
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5809' GL	22. Approximate date work will start*	23. Estimated duration

24. Attachments

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

- | | |
|---|--|
| <ul style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan. 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office. | <ul style="list-style-type: none"> 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). 5. Operator certification. 6. Such other site specific information and/or plans as may be required by the authorized office. |
|---|--|

25. Signature <i>Rebecca Worthen</i>	Name (Printed/Typed) REBECCA WORTHEN	Date 8/16/2007
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Title LAND SPECIALIST	Name (Printed/Typed) BRADLEY G. HILL	Date 09-11-07
Approved by (Signature) <i>[Signature]</i>	Title ENVIRONMENTAL MANAGER	RECEIVED SEP 04 2007

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the land or gas which would enable 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

T11S, R22E, S.L.B.&M.

Kerr McGee Oil & Gas Onshore LP

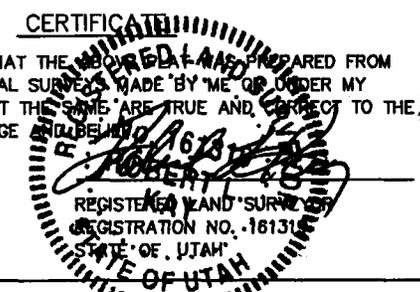
Well location, LOVE UNIT #1122-18N, located as shown in the SE 1/4 SW 1/4 of Section 18, T11S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

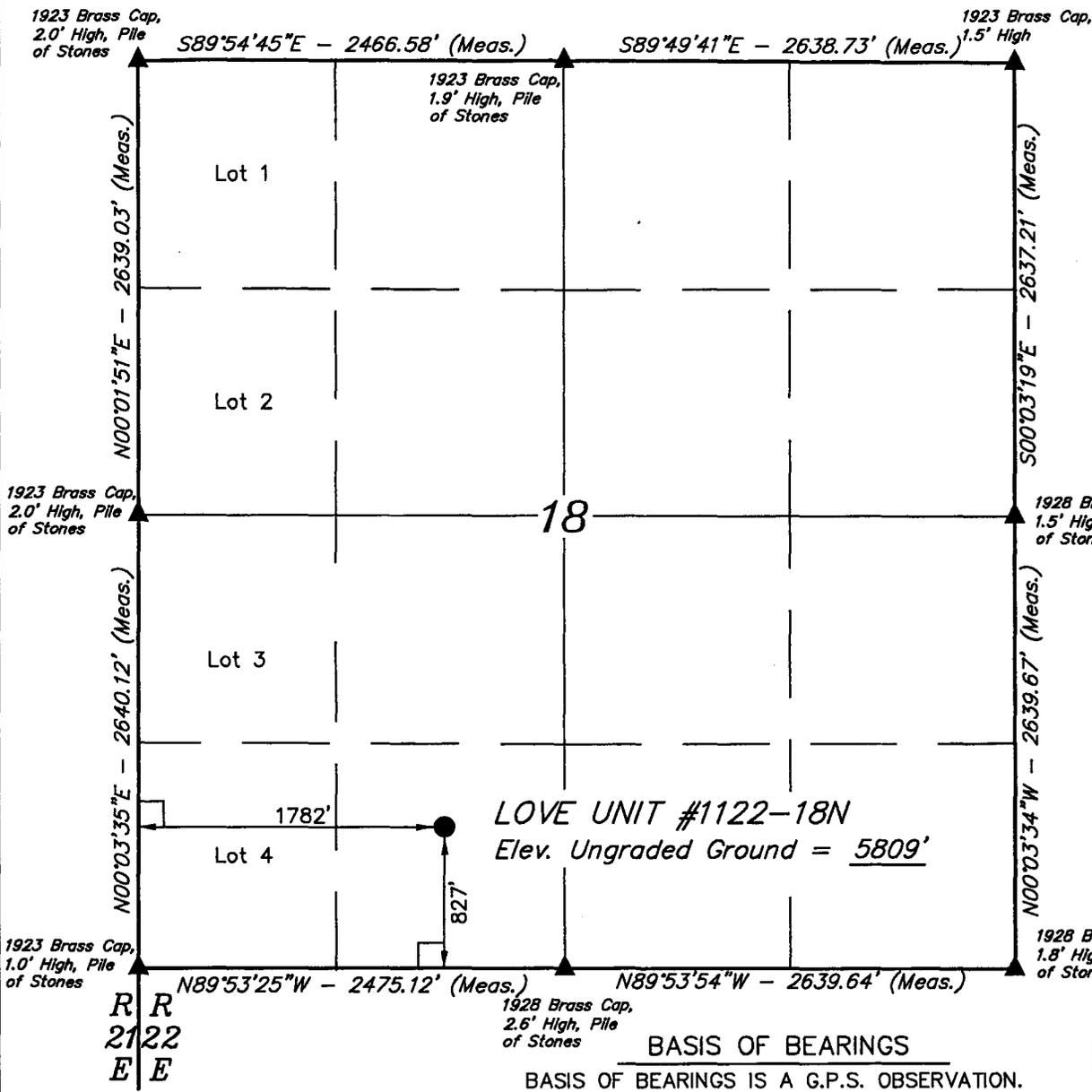
TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING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



SCALE



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



BASIS OF BEARINGS

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

LEGEND:

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

(NAD 83)
 LATITUDE = 39°51'20.33" (39.855647)
 LONGITUDE = 109°30'00.78" (109.500217)
 (NAD 27)
 LATITUDE = 39°51'20.45" (39.855681)
 LONGITUDE = 109°29'58.32" (109.499533)

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 05-07-07	DATE DRAWN: 05-10-07
PARTY L.K. J.A. C.H.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr McGee Oil & Gas Onshore LP	

**LOVE UNIT 1122-18N
SE/SW SEC. 18, T11S,R22E
UINTAH COUNTY, UTAH
UTU-8348**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	920'
Top of Birds Nest Water	1135'
Mahogany	1452'
Wasatch	3847'
Mesaverde	6327'
MVU2	7276'
MVL1	7898'
TD	8350'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	920'
	Top of Birds Nest Water	1135'
	Mahogany	1452'
Gas	Wasatch	3847'
Gas	Mesaverde	6327'
Gas	MVU2	7276'
Gas	MVL1	7898'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8350' TD, approximately equals 5177 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3340 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

Please refer to the attached Drilling Program.

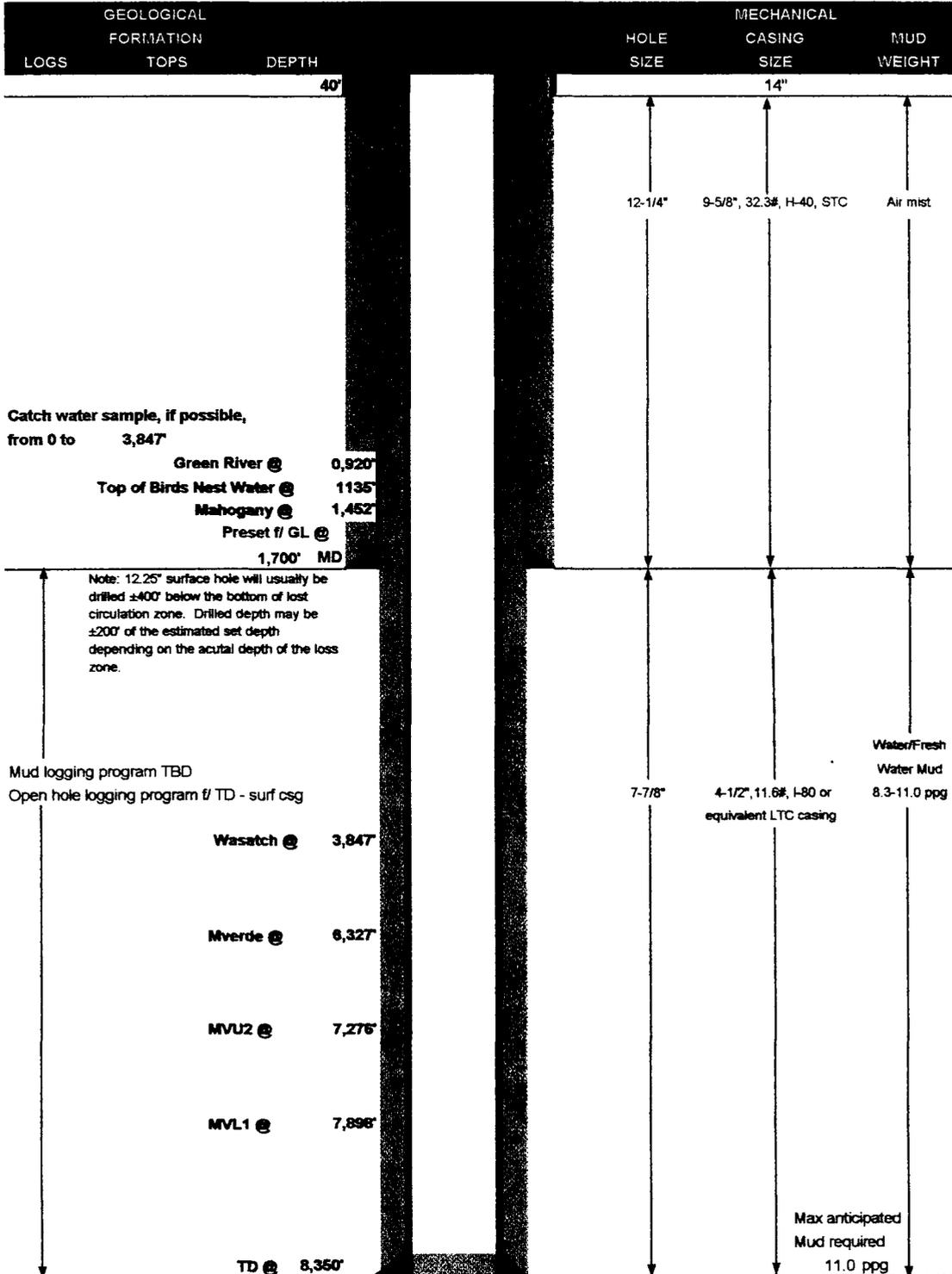
10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP	DATE	August 16, 2007	
WELL NAME	LOVE UNIT 1122-18N	TD	8,350'	MD/TVD
FIELD	Natural Buttes	COUNTY	Uintah	STATE
			Utah	ELEVATION
			5,809' GL	KB 5,824'
SURFACE LOCATION	SESW, SEC. 18-T11S-R22E, 827' FSL 1782' FWL			BHL
	Latitude: 39.855647			Longitude: 109.500217
OBJECTIVE ZONE(S)	Wasatch/Mesaverde			
ADDITIONAL INFO	Regulatory Agencies: BLM SURF & UDGOM MINERALS, Tri-County Health Dept.			





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

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1700	32.30	H-40	STC	6.77 7780	1.72 6350	5.28 201000
PRODUCTION	4-1/2"	0 to 8350	11.60	I-80	LTC	2.65	1.33	2.38

- 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 = 11.0 ppg) .22 psi/ft = gradient for partially evac wellbore
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoyn.Fact. of water)
 MASP 2939 psi

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

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			NOTE: If well will circulate water to surface, option 2 will be utilized				
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,340'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	370	60%	11.00	3.38
	TAIL	5,010'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1400	60%	14.30	1.31

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

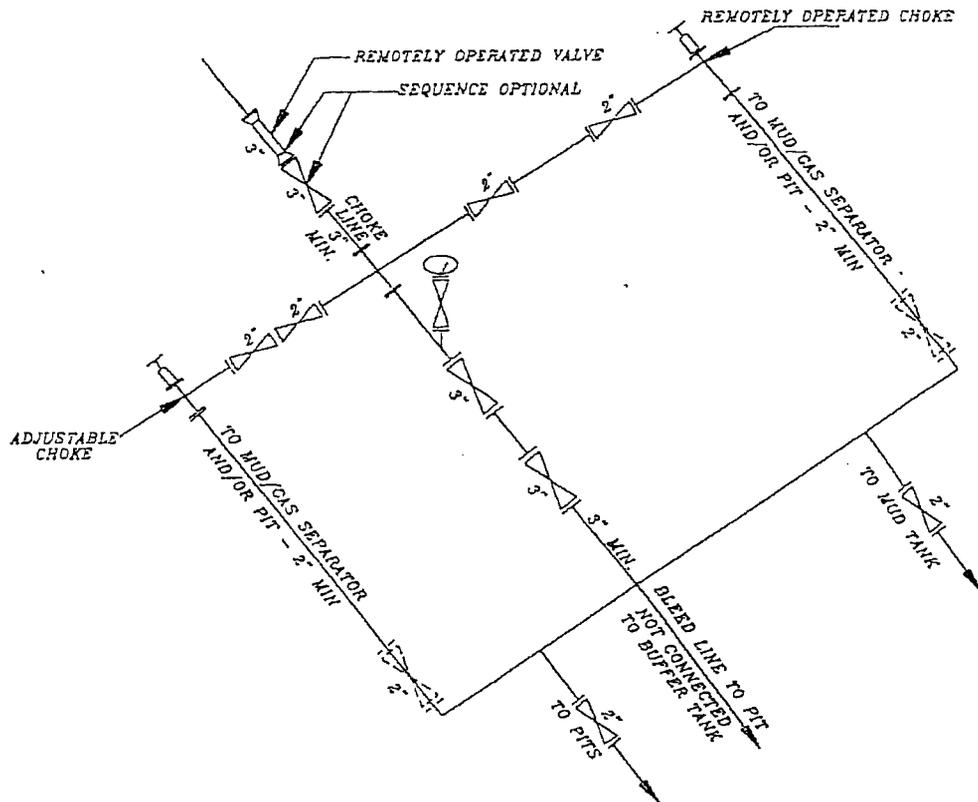
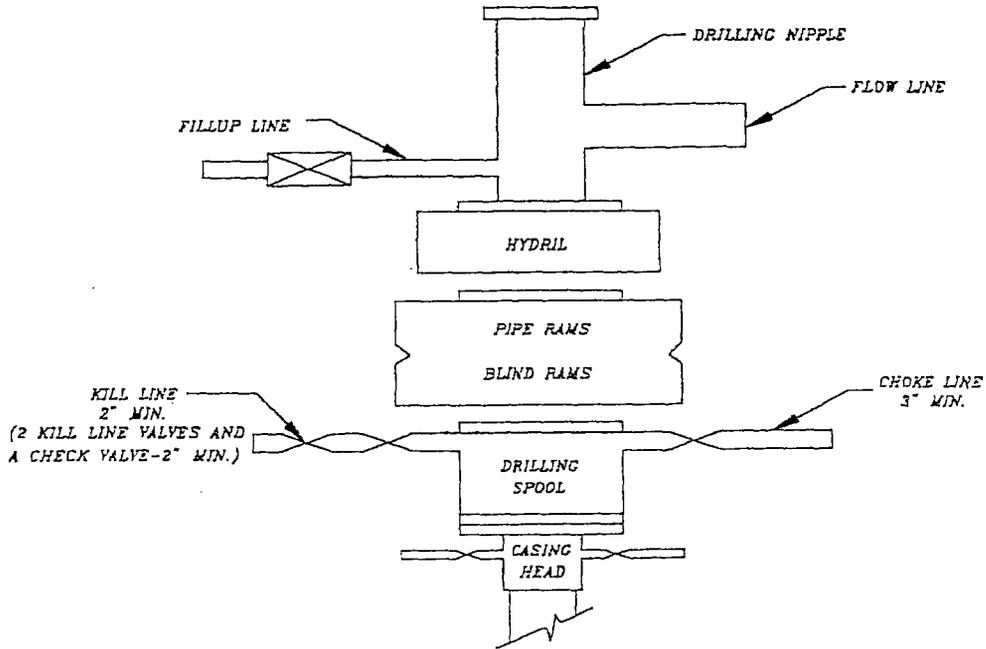
Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.
 BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.
 Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.
 Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER:

Brad Laney DHD_LOVEUNIT1122-18N_APD

DATE:

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**LOVE UNIT 1122-18N
SE/SW SEC. 18, T11S, R22E
UINTAH COUNTY, UTAH
UTU-8348**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Directions to the proposed location are attached.

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

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

The operator will use the existing road. Refer to Topo Map B.

The access road will be crowned (2 to 3%), ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing or shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities & Pipelines:

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5 Y 6/2) as determined during the on-site inspection.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Variations to Best Management Practices (BMP) Requests:

Approximately 283' +/- of 4" steel pipeline is proposed. Please refer to the Topo Map D. The pipeline will be butt-welded together.

The pipeline shall be installed on surface within 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.

5. Location and Type of Water Supply:

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec.32, T4S,R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

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

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner is to be used as discussed during on-site inspection. It will be a minimum of 20 mil thick and felt with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

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

8. Ancillary Facilities:

None are anticipated.

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

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

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

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

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

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

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 seeds are:

Needle & Thread Grass	8 lbs.
Black Sagebrush	12 lbs.

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

11. Surface Ownership:

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

13. Other Information:

A Class III Archaeological Survey Report No. 06-669, completed on January 9, 2007 for the well location and the Paleontological Reconnaissance Report No. 07-111 completed on August 8, 2007 are being submitted along with the Application for Permit to Drill.

WILDLIFE STIPULATIONS:

SAGE GROUSE: No Construction or Drilling March 15th – June 15th.

ANTELOPE: No Construction or Drilling May 15th—June 20th.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

13. Lessee's or Operators's Representative & Certification:

Rebecca Worthen
Land Specialist
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435) 781-7013

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

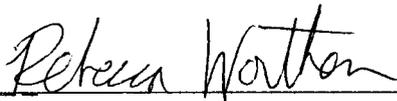
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

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

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

I hereby certify that the proposed drill site and access route has been inspected and 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.



Rebecca Worthen

August 16, 2007
Date

Kerr-McGee Oil & Gas Onshore LP
LOVE UNIT #1122-18N
SECTION 18, T11S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 10.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 5.6 MILES PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 58.6 MILES.

Kerr-McGee Oil & Gas Onshore LP

LOVE UNIT #1122-18N
LOCATED IN UINTAH COUNTY, UTAH
SECTION 18, T11S, R22E, S.L.B.&M.

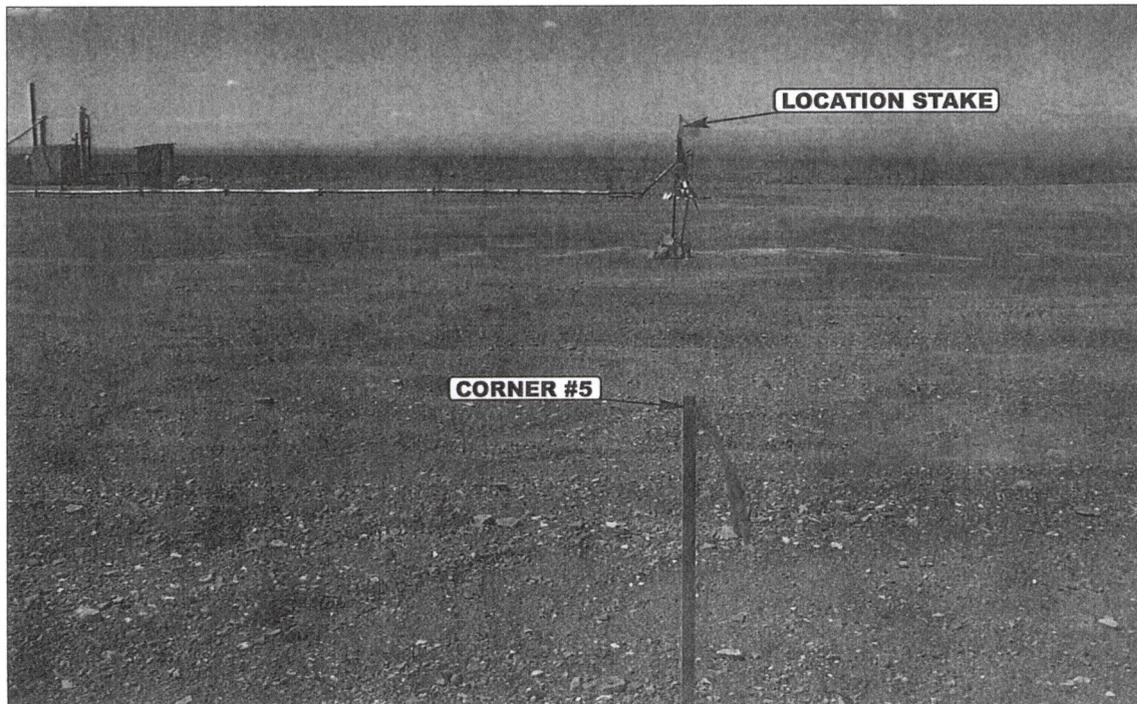


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

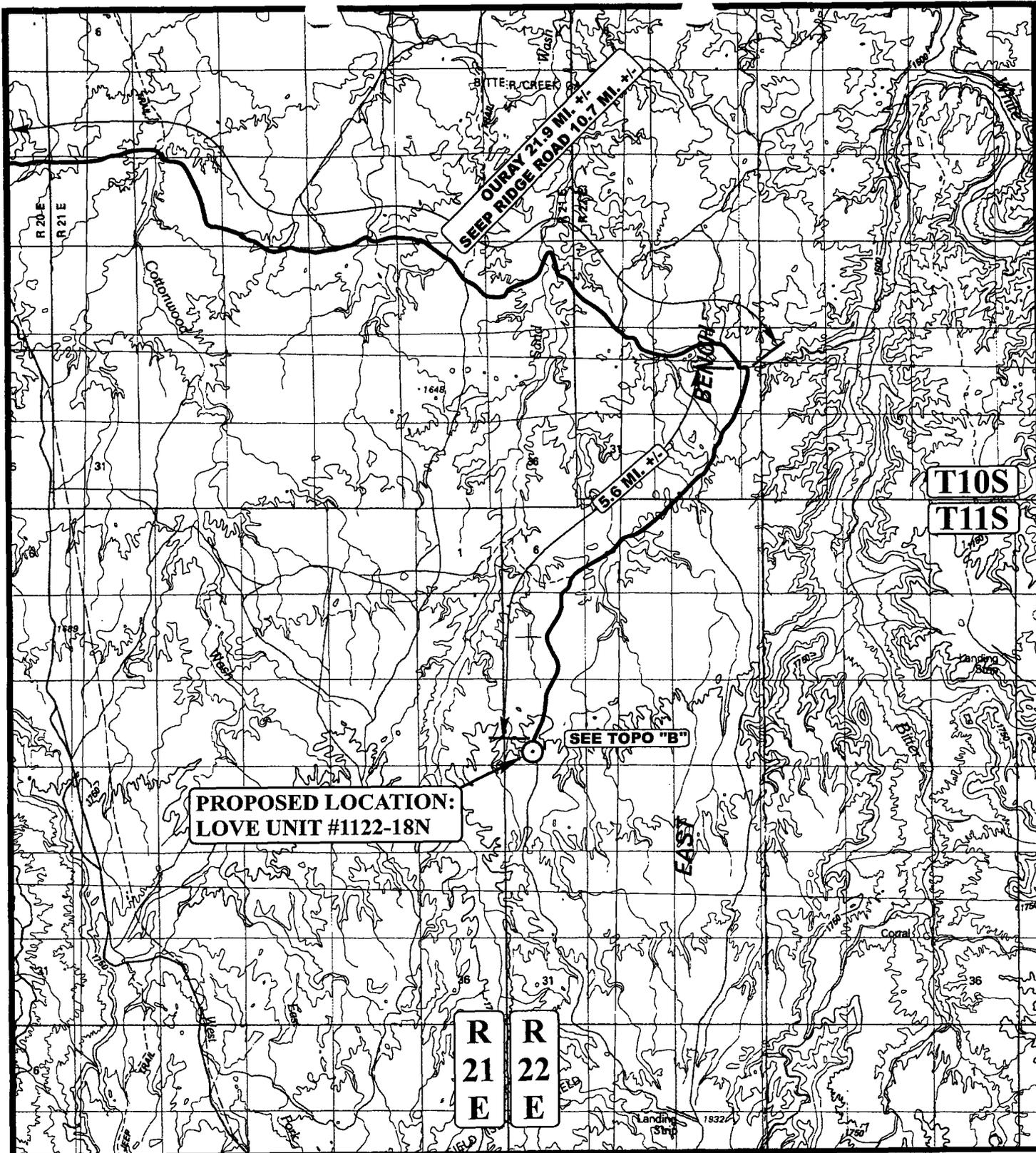
CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS	05	10	07	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: C.P.		REVISED: 00-00-00	



**PROPOSED LOCATION:
LOVE UNIT #1122-18N**

SEE TOPO "B"

T10S

T11S

**R
21
E**

**R
22
E**

LEGEND:

○ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

**LOVE UNIT #1122-18N
SECTION 18, T11S, R22E, S.L.B.&M.
827' FSL 1782' FWL**



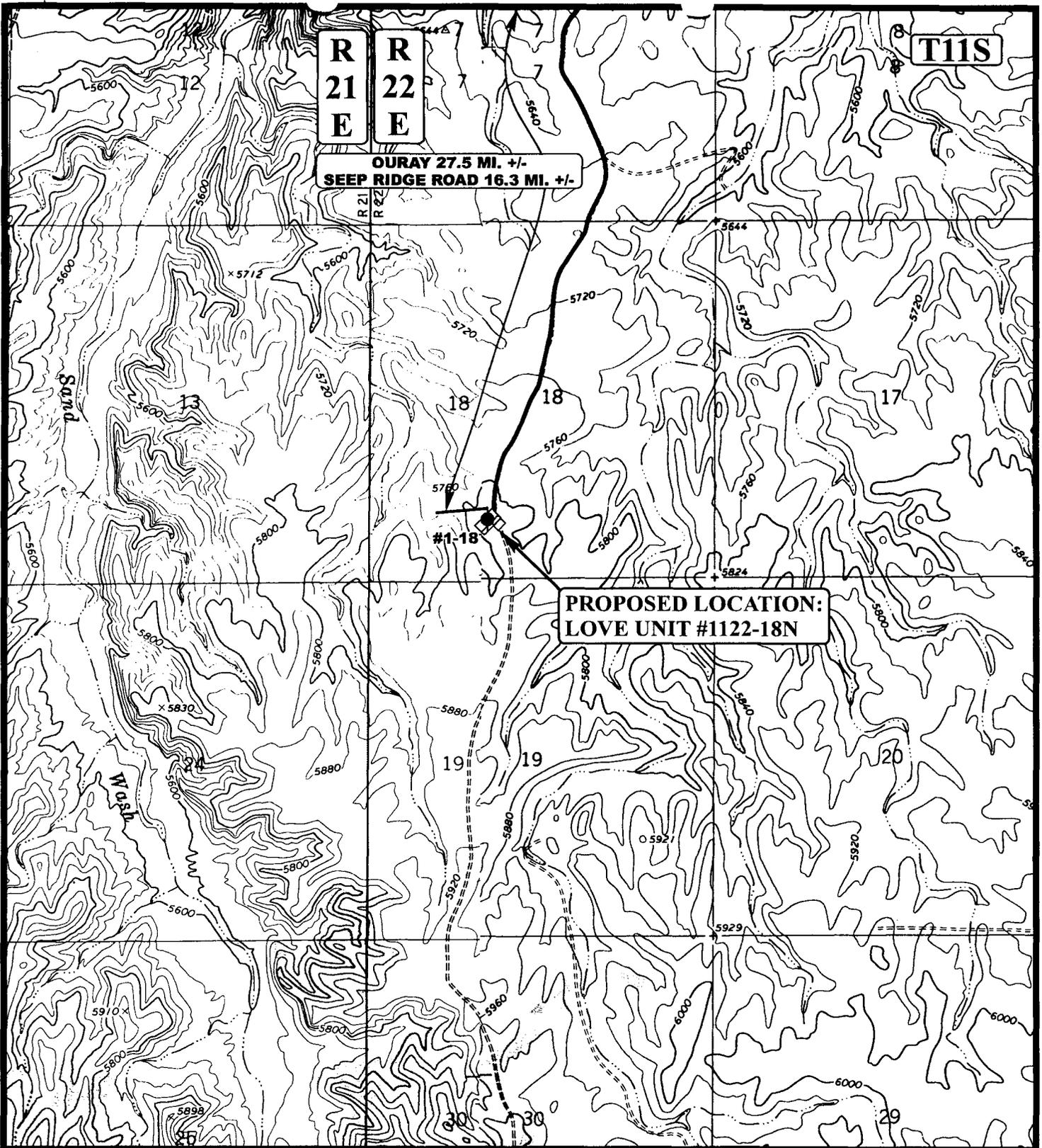
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

05	10	07
MONTH	DAY	YEAR

SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



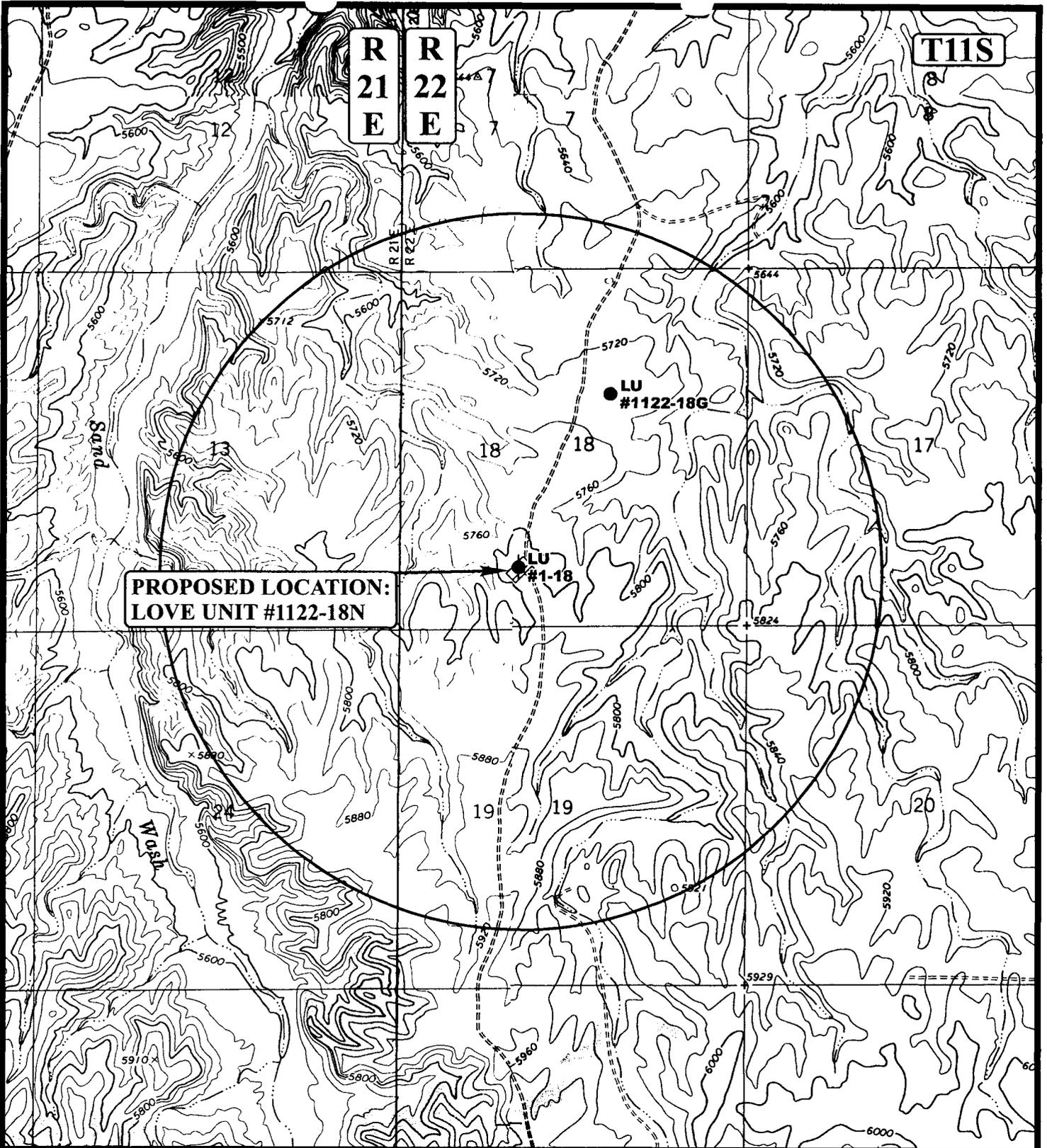
Kerr-McGee Oil & Gas Onshore LP

**LOVE UNIT #1122-18N
SECTION 18, T11S, R22E, S.L.B.&M.
827' FSL 1782' FWL**

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

TOPOGRAPHIC **05 10 07**
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
TOPO



LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP

LOVE UNIT #1122-18N
SECTION 18, T11S, R22E, S.L.B.&M.
827' FSL 1782' FWL



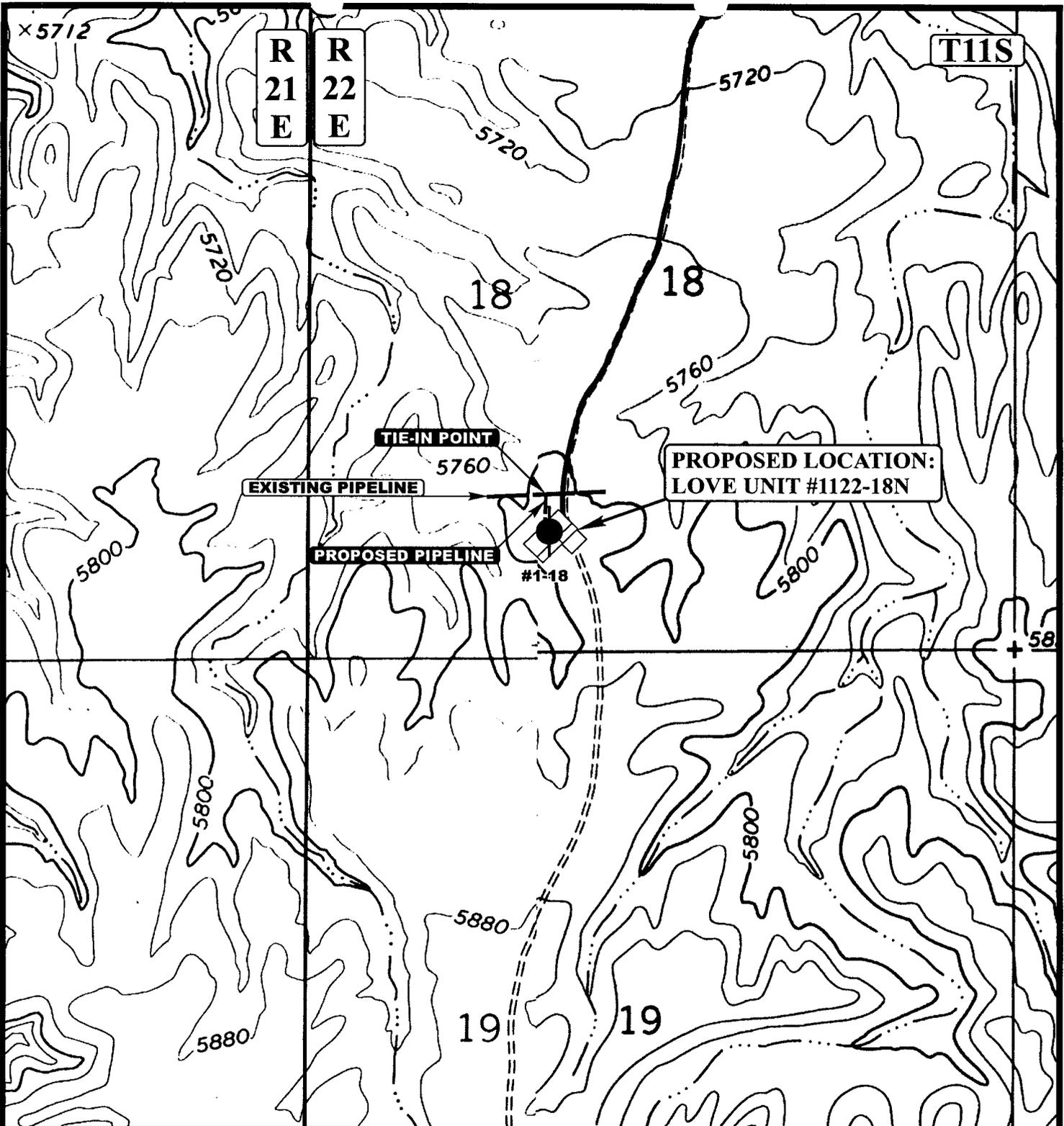
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

05 10 07
 MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 283' +/-

LEGEND:

- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE



Kerr-McGee Oil & Gas Onshore LP

LOVE UNIT #1122-18N
SECTION 18, T11S, R22E, S.L.B.&M.
827' FSL 1782' FWL



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

TOPOGRAPHIC MAP 05 10 07
MONTH DAY YEAR

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

D
TOPO

Kerr-McGee Oil & Gas Onshore LP
LOVE UNIT #1122-18N
PIPELINE ALIGNMENT
LOCATED IN UINTAH COUNTY, UTAH
SECTION 18, T11S, R22E, S.L.B.&M.



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHWESTERLY

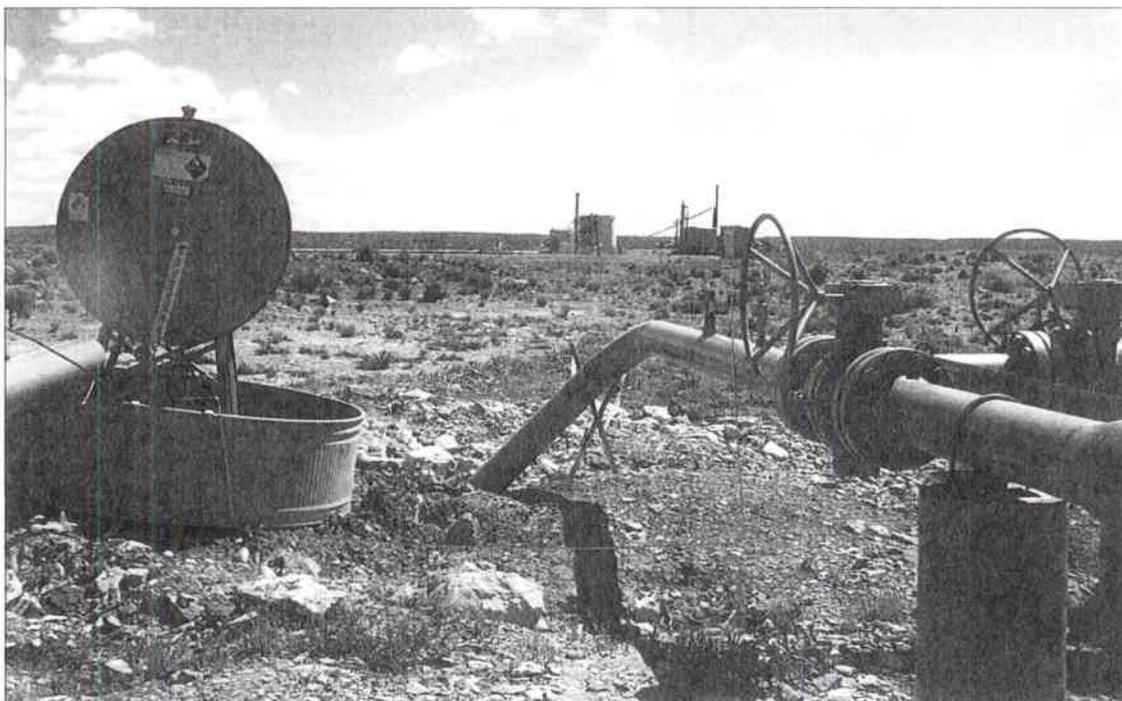


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

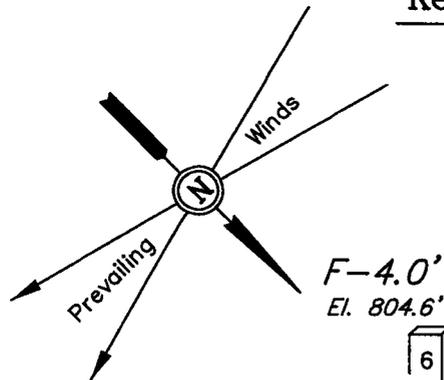
PIPELINE PHOTOS			05	10	07	PHOTO
	MONTH	DAY	YEAR			
TAKEN BY: L.K.	DRAWN BY: C.P.	REVISED: 00-00-00				

Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

LOVE #1122-18N
SECTION 18, T11S, R22E, S.L.B.&M.
827' FSL 1782' FWL



SCALE: 1" = 50'
DATE: 05-10-07
Drawn By: C.H.

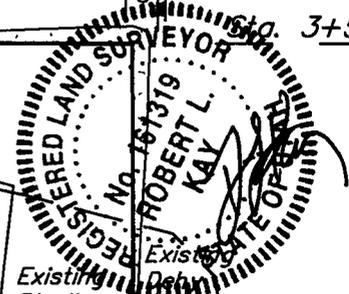
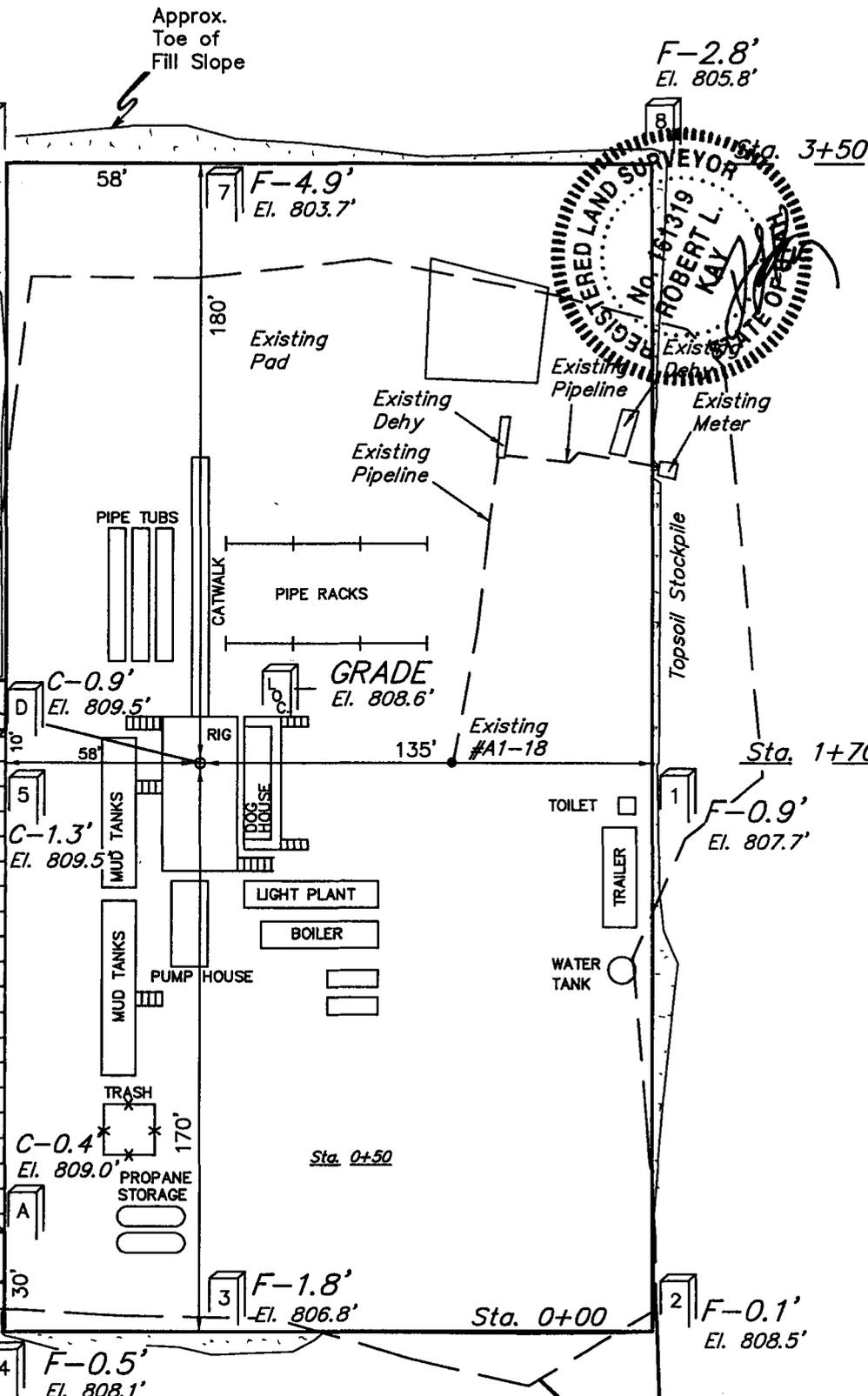
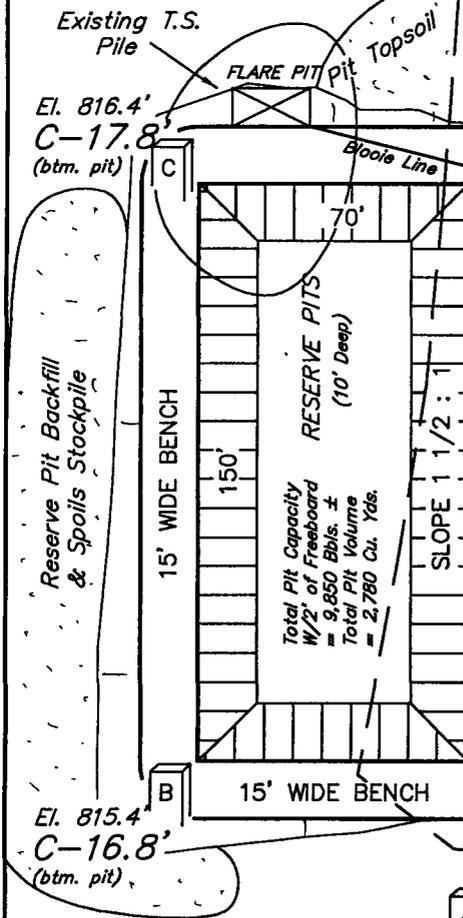
Approx. Toe of Fill Slope

F-4.0'
El. 804.6'

F-2.8'
El. 805.8'

NOTE:

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



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5808.6'
FINISHED GRADE ELEV. AT LOC. STAKE = 5808.6'

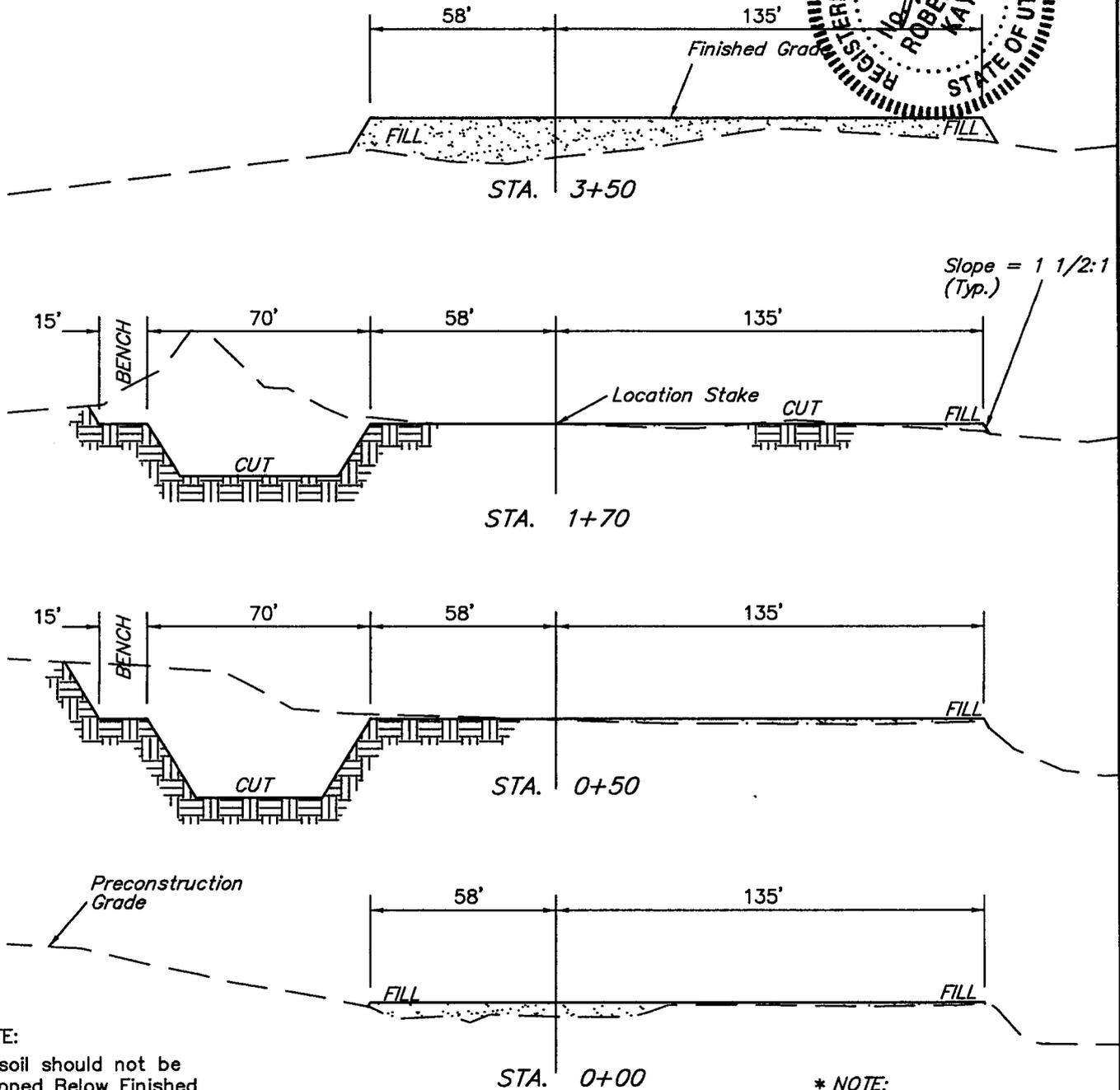
Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

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

DATE: 05-10-07
Drawn By: C.H.

TYPICAL CROSS SECTIONS FOR
LOVE #1122-18N
SECTION 18, T11S, R22E, S.L.B.&M.
827' FSL 1782' FWL



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	= 1,680 Cu. Yds.
Remaining Location	= 5,550 Cu. Yds.
TOTAL CUT	= 7,230 CU.YDS.
FILL	= 1,890 CU.YDS.

EXCESS MATERIAL	= 5,340 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,070 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 2,270 Cu. Yds.

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

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 09/04/2007

API NO. ASSIGNED: 43-047-39604

WELL NAME: LOVE U 1122-18N
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: REBECCA WORTHEN

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SESW 18 110S 220E
 SURFACE: 0827 FSL 1782 FWL
 BOTTOM: 0827 FSL 1782 FWL
 COUNTY: UINTAH
 LATITUDE: 39.85567 LONGITUDE: -109.4995
 UTM SURF EASTINGS: 628359 NORTHINGS: 4412606
 FIELD NAME: LOVE (622)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-8348
 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)

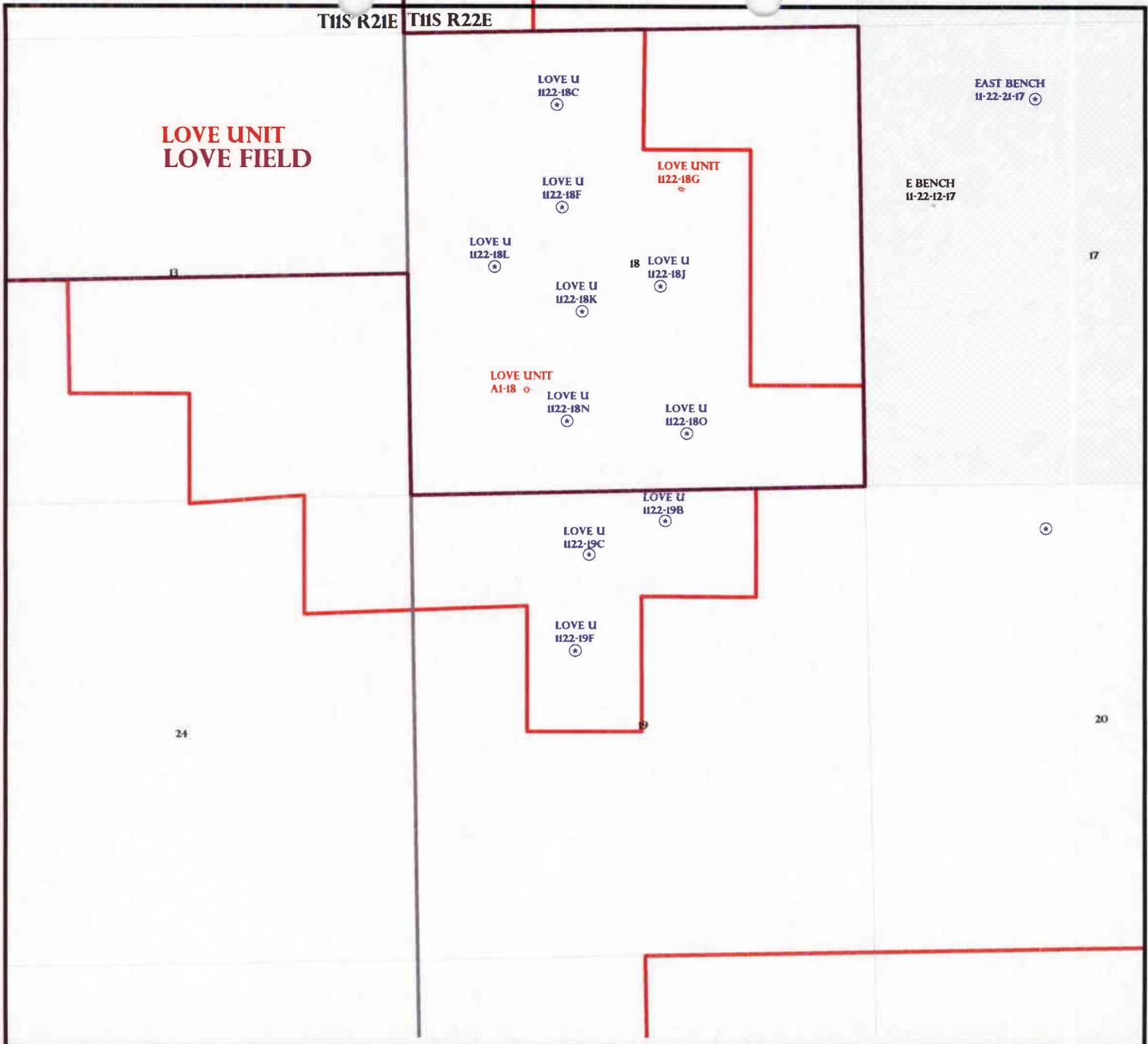
LOCATION AND SITING:

- R649-2-3.
- Unit: LOVE
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: _____
- Eff Date: _____
- Siting: _____
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: _____

1- Federal Approval
2- Spacing Strip



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 18 T. 11S R. 22E

FIELD: LOVE (622)

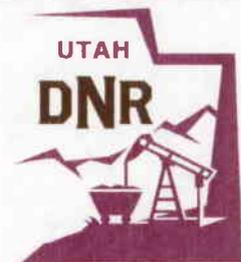
COUNTY: Uintah

SPACING: R649-3-2 / GENERAL SITING

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

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

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



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 7-SEPTEMBER-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)

September 7, 2007

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

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

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Wasatch/MesaVerde)

43-047-39604	Love U 1122-18N Sec 18 T11S R22E 0827 FSL 1782 FWL	
43-047-39605	Love U 1122-18L Sec 18 T11S R22E 2606 FSL 0999 FWL	
43-047-39606	Love U 1122-18O Sec 18 T11S R22E 0660 FSL 1980 FEL	
43-047-39601	Love U 1122-19B Sec 19 T11S R22E 0332 FNL 2236 FEL	
43-047-39602	Love U 1122-19F Sec 19 T11S R22E 1790 FNL 1836 FWL	
43-047-39603	Love U 1122-19C Sec 19 T11S R22E 0701 FNL 2014 FWL	

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:9-7-07



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

September 11, 2007

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

Re: Love Unit 1122-18N Well, 827' FSL, 1782' FWL, SE SW, Sec. 18, T. 11 South,
R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39604.

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 Love Unit 1122-18N
API Number: 43-047-39604
Lease: UTU-8348

Location: SE SW Sec. 18 T. 11 South R. 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division 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. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410



IN REPLY REFER TO:

3160

UT08300

February 25, 2008

Raleen White
Kerr McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078

435-781-39604

Re: Well No. Love Unit 1122-18N
SESW, Sec. 18, T11S, R22E
Uintah County, Utah
Lease No. UTU-8348
Love Unit

Dear Ms. White:

The Application for Permit to Drill (APD) the above referenced well submitted August 17, 2007, is being returned unapproved per your request to this office in an email message to Natural Resource Specialist Verlyn Pindell on February 13, 2008. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions regarding this matter, please contact me at (435) 781-4455.

Sincerely,

Cindy Severson

Cindy Severson
Land Law Examiner

Enclosures

cc: UDOGM – Diana Mason

RECEIVED

MAR 10 2008

DIV. OF OIL, GAS & MINING



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

March 11, 2008

Raleen White
Kerr McGee O&G Onshore LP
1368 South 1200 East
Vernal UT 84078

Love Unit 1122-18N
43 047 3960A
11S 22E 18

Re: APDs Rescinded at the request of Kerr-McGee O&G Onshore LP

Dear Ms. White:

Enclosed find the list of APDs that you requested to be rescinded to Kerr-McGee O&G Onshore LP. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective March 10, 2008.

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

Federal 920-35M
Federal 1021-34L
Federal 1021-34O
Federal 1021-23I
Federal 1021-23H
NBU 1021-3I
NBU 1021-6E
NBU 1021-5MT
NBU 1021-12M
NBU 1021-12K
NBU 1021-11J
NBU 1021-11N
NBU 1021-11O
NBU 1021-14B
NBU 1021-14F
NBU 1021-15J
NBU 1021-15K
NBU 1021-15O
NBU 1021-23C
NBU 1021-23D
NBU 1021-23E
NBU 1021-23B
NBU 1021-23J
NBU 1021-23K
NBU 1021-23N
NBU 1021-23M
NBU 1021-22E
NBU 1021-22C
NBU 1021-22L
NBU 1021-22K
NBU 1021-22D
LOVE UNIT 1122-18F
LOVE UNIT 1122-18O
LOVE UNIT 1122-18N
LOVE UNIT 1122-19F
LOVE UNIT 1122-15J
LOVE 1121-2B
LOVE 1121-7J
LOVE 1121-14J
LOVE 1121-14L
LOVE 1121-15J