

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-29797

6. If Indian, Allottee or Tribe Name

1a. Type of Work: DRILL REENTER

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

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

8. Lease Name and Well No.
BITTER CREEK 1122-3M

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

9. API Well No.
43047-39758

10. Field and Pool, or Exploratory
UNDESIGNATED Bitter Creek 547

4. Location of Well (Report location clearly and in accordance with any State requirements.)*

At surface **SW/SW 448'FSL, 242'FWL 632.621X 39.883510**

At proposed prod. Zone **44157694 -109.449036**

11. Sec., T., R., M., or Blk, and Survey or Area
SEC. 3, T11S, R22E

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

12. County or Parish
UINTAH

13. State
UTAH

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **242'**

16. No. of Acres in lease **701.24**

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 **8200'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5686'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:

- 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) **SHEILA UPCHEGO** Date **10/25/2007**

Title **SENIOR LAND ADMIN SPECIALIST**

Approved by  Name (Printed/Typed) **BRADLEY G. HILL** Date **10-24-08**

Title **ENVIRONMENTAL MANAGER**

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.

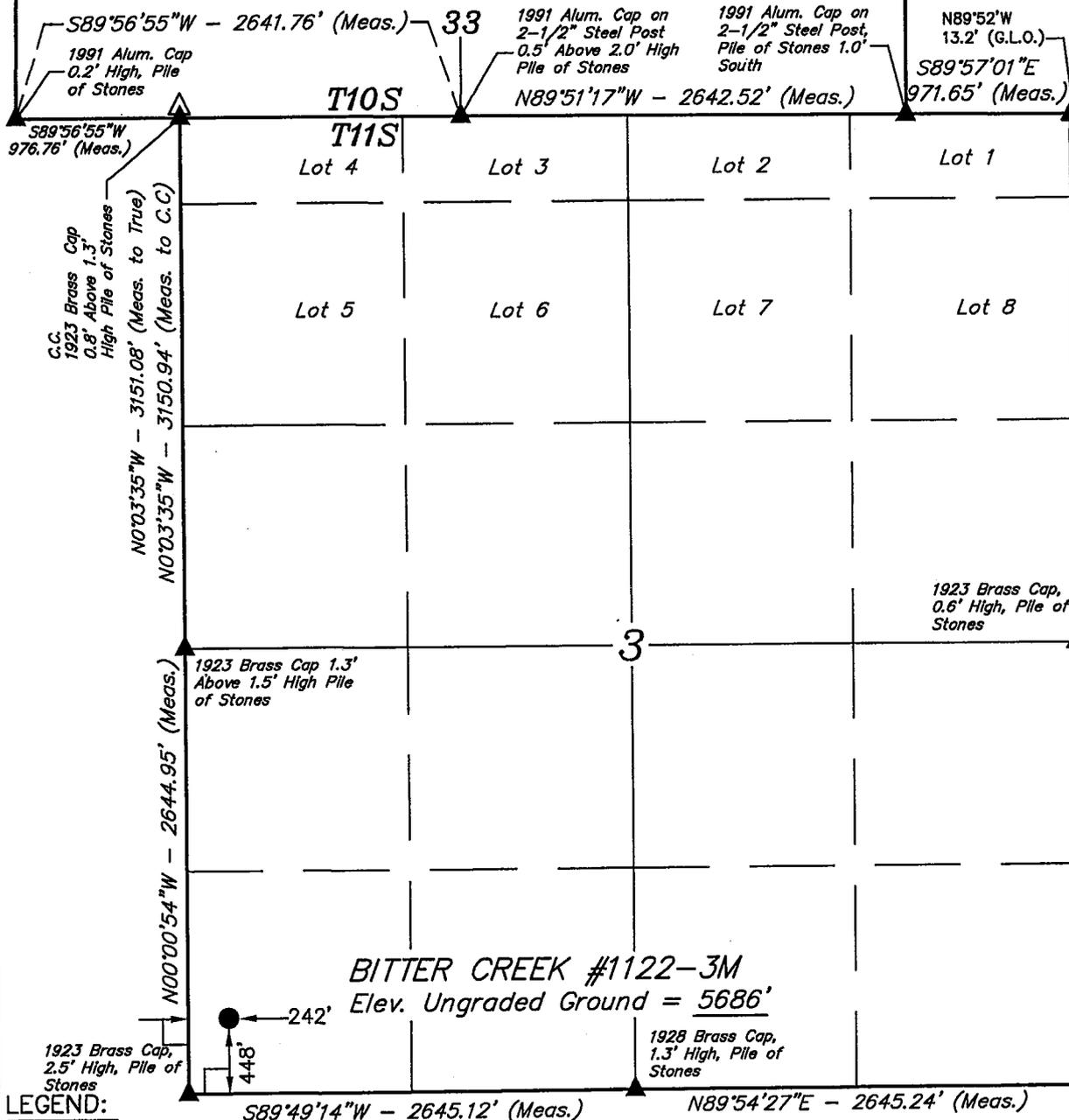
*(Instructions on reverse)

Federal Approval of this
Action is Necessary

RECEIVED
NOV 02 2007
DIV. OF OIL, GAS & MINING

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

Kerr-McGee Oil & Gas Onshore LP



Well location, BITTER CREEK #1122-3M, located as shown in the SW 1/4 SW 1/4 of Section 3, T11S, R22E, S.L.B.&M., Uintah County, Utah.

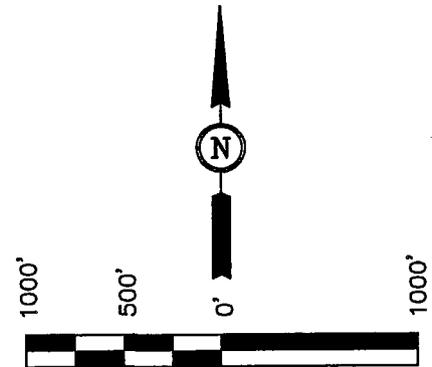
1991 Alum. Cap, Pile of Stones True Position

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 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

CERTIFIED LAND SURVEY

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

ROBERT J. ...
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161219
STATE OF UTAH

BITTER CREEK #1122-3M
Elev. Ungraded Ground = 5686'

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

LEGEND:

- └ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.
- △ = SECTION CORNERS RE-ESTABLISHED.
(Not Set On Ground)

(NAD 83)
LATITUDE = 39°53'00.67" (39.883519)
LONGITUDE = 109°26'58.99" (109.449719)
(NAD 27)
LATITUDE = 39°53'00.79" (39.883553)
LONGITUDE = 109°26'56.54" (109.449039)

1923 Brass Cap, 0.2' High, Pile of Stones

SCALE 1" = 1000'	DATE SURVEYED: 06-19-07	DATE DRAWN: 06-28-07
PARTY J.M. K.D. C.H.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	



Kerr-McGee Oil & Gas Onshore LP
1099 18th Street, Suite 1200
Denver, CO 80202

March 13, 2008

Ms. Diana Mason
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, UT 84114-6100

RE: Bitter Creek 1122-3M
T11S-R22E
Section 3: SWSW
448' FSL, 242' FWL
Uintah County, Utah
Bitter Creek

Dear Ms. Mason,

Kerr-McGee Oil & Gas Onshore LP, formerly known as Westport Oil and Gas Company, L.P. has submitted a permit to drill the captioned well to test the Wasatch and Mesaverde formations. The well is located at an exception location to Statewide Spacing Rule 649-3-2. The well location was moved for topographic reasons. Kerr-McGee and Robert L. Bayless, Producer LLC own 100% of the leasehold within 460 feet of the exception location of the offset lands and has no objection to the exception location. Enclosed for your reference is Robert L. Bayless' signed consent to the exception well location.

Kerr-McGee requests your approval of this exception location. If you have any questions, call me at 720-929-6262. Thank you for your assistance.

Sincerely,



Jason K. Rayburn
Landman

encl



Kerr-McGee Oil & Gas Onshore LP
1896 Broadway, Suite 3700
Denver, CO 80205

January 31, 2008

Robert L. Bayless, Producer LLC
Ms. C. Jay Munoz
621 17th Street, Suite 2300
Denver, CO 80293

Re: Request for Consent to Exception Well Location
Bitter Creek 1122-3M Well
Township 11 South, Range 22 East
Section 3: SWSW
448' FSL, 242' FWL
Uintah County, Utah
Bitter Creek

Dear Ms. Munoz:

Kerr-McGee Oil & Gas Onshore LP has staked and proposes to drill the Bitter Creek 1122-3M well, an 8260' Wasatch/Mesaverde formation test, located 448' FSL, 242' FWL of Section 3-T11S-R22E, SLM, Uintah County, Utah. Enclosed is a copy of the survey plat along with a copy of a topographic map depicting the proposed location of the subject well.

The State of Utah Board of Oil, Gas and Mining's Order 210-04 established 40-acre drilling units for the development and production of gas and associated hydrocarbons from the Wasatch/Mesaverde formation and prescribes that the location of the permitted well in each drilling unit shall not be less than 460' from the exterior boundary of such drilling unit.

Since the location of the subject well is not in compliance with this spacing order, Kerr-McGee Oil & Gas Onshore LP will request the State of Utah Division of Oil, Gas and Mining's administrative approval of such location as an exception location in accordance with General Rule R649-3-3. This rule requires Kerr-McGee Oil & Gas Onshore LP to obtain written consent from all owners of directly or diagonally offsetting drilling units.

If Robert L. Bayless, Producer LLC has no objections to Kerr-McGee Oil & Gas Onshore LP's drilling the subject well at the above-described exception location, Kerr-McGee Oil & Gas Onshore LP respectfully requests you indicate your approval by executing in the space provided below and returning two (2) originally executed copies to my attention.

If you have any questions or require any additional information, please do not hesitate to call the undersigned at 720-929-6262.

Sincerely,

Kerr-McGee Oil & Gas Onshore LP


Jason K. Rayburn
Landman

Robert L. Bayless, Producer LLC consents to the above described exception location this

5th day of March, 2008.

By: 

Name: GEORGE F. CARVELL

Title: GEOLOGIST

**BITTER CREEK 1122-3M
SW/SW SEC. 3, T11S, R22E
UINTAH COUNTY, UTAH
UTU-29797**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	894'
Top of Birds Nest Water	1213'
Mahogany	1534'
Wasatch	3881'
Mesaverde	6185'
MVU2	7133'
MVL1	7669'
TD	8200'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	894'
	Top of Birds Nest Water	1213'
	Mahogany	1534'
Gas	Wasatch	3881'
	Mesaverde	6185'
Gas	MVU2	7133'
Gas	MVL1	7669'
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 8200' TD, approximately equals 5084 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3280 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 refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



**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 1800	32.30	H-40	STC	2270 0.76*****	1370 1.63	254000 4.99
PRODUCTION	4-1/2"	0 to 8200	11.60	I-80	LTC	7780 2.62	6350 1.33	201000 2.42

- 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 = 11.2 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 2972 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	LEAD	1500	NOTE: If well will circulate water to surface, option 2 will be utilized Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
Option 2	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	3,380'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	370	60%	11.00	3.38
	TAIL	4,820'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1350	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 & four sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

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

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

DRILLING ENGINEER: _____

Brad Laney

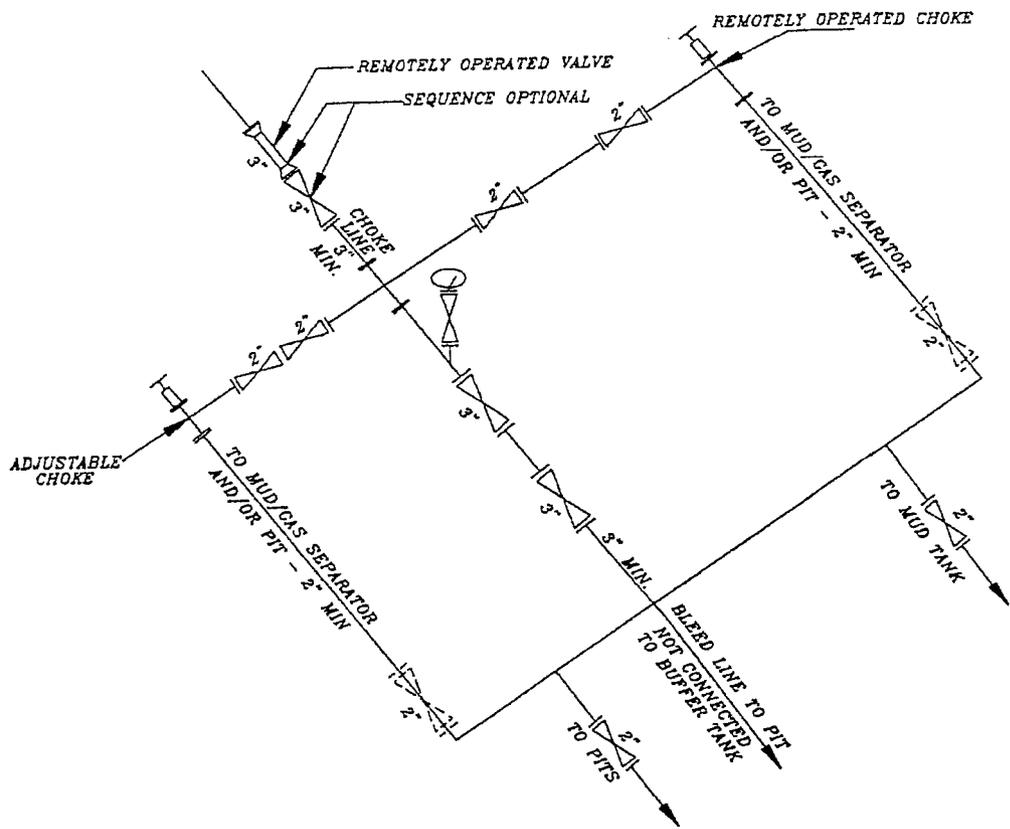
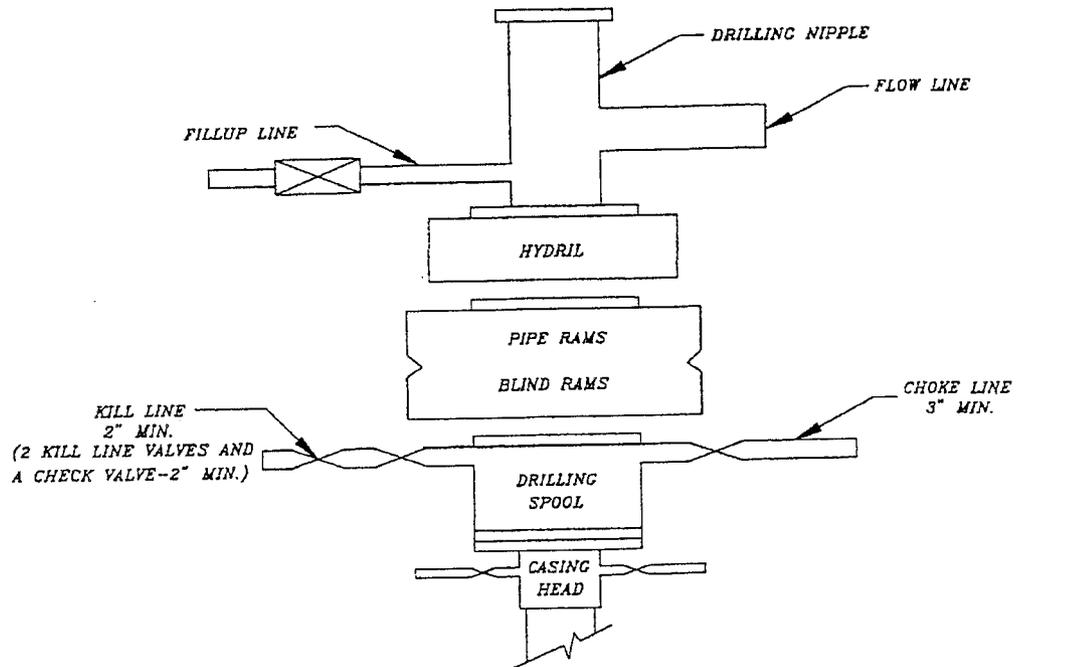
DATE: _____

DRILLING SUPERINTENDENT: _____

Randy Bayne

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**BITTER CREEK 1122-3M
SW/SW SEC. 3, T11S, R22E
UINTAH COUNTY, UTAH
UTU-29797**

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:

A 30' of Rights-of-Way will be required for approximately 0.15 +/- miles of access road is proposed. From the proposed Bitter Creek 1122-4P (Lease #UTU-71417), well location to the proposed location. Refer to Topo Map B for the access road.

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:

A 30' Rights-of-Way will be required for approximately 1850' +/- of 4" steel pipeline shall be installed from the proposed Bitter Creek 1122-4P (Lease #UTU-71417), well location to the proposed location. Refer to 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:*****Interim Surface Reclamation Plan:**

When the pit is backfilled within 180 days of well completion, the operator shall spread the top soil pile on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The operator will reseed the area using the BLM recommended seed mixture and reclamation methods.

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.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

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

Dry Hole/Abandoned Location:

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

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

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 and Thread Gras	15 lbs.
Shadscale	10 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

12. STIPULATIONS:

WILDLIFE STIPULATIONS:

ANTELOPE: No drilling or construction from May 15th – June 20th.

SAGE GROUSE: No drilling or construction from March 1st – June 30th.

13. Other Information:

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

The Paleontological Reconnaissance Survey has been performed will be submitted when report becomes available.

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.

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

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

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

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

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

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. 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.


Sheila Upchego

October 25, 2007

Date

Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-3M
SECTION 3, 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 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 3.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1122-4P TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 290' TO THE PROPOSED #1122-4P AND THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.3 MILES.

Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-3M
 LOCATED IN UTAH COUNTY, UTAH
 SECTION 3, T11S, R22E, S.L.B.&M.

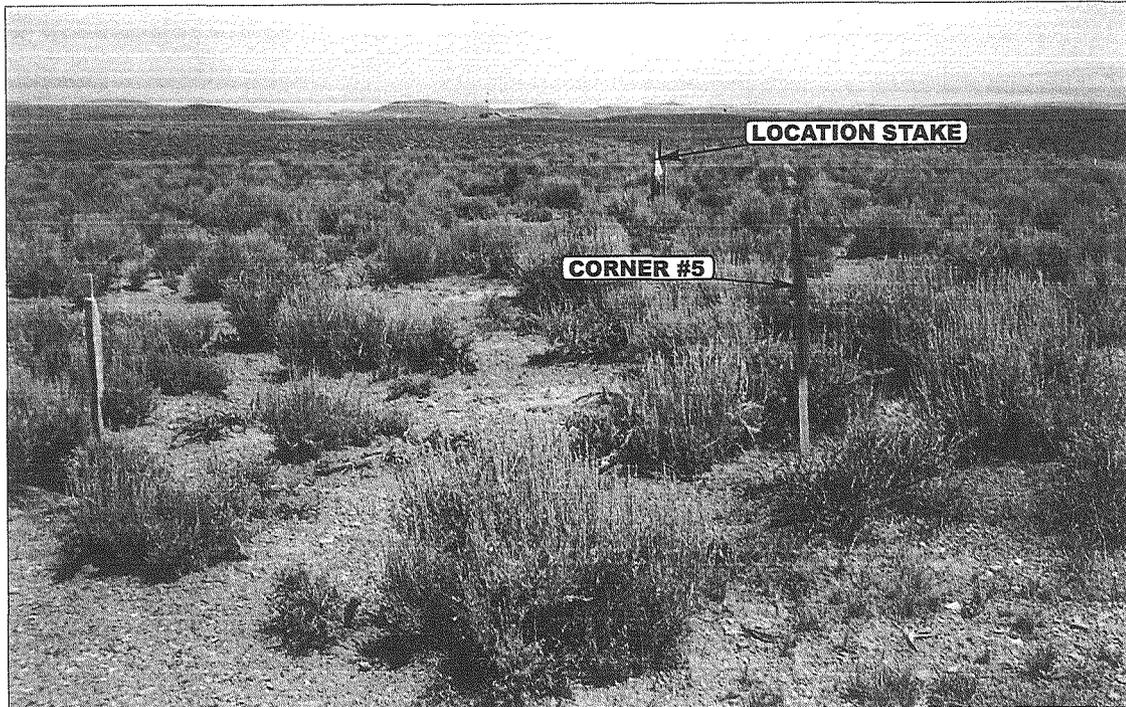


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

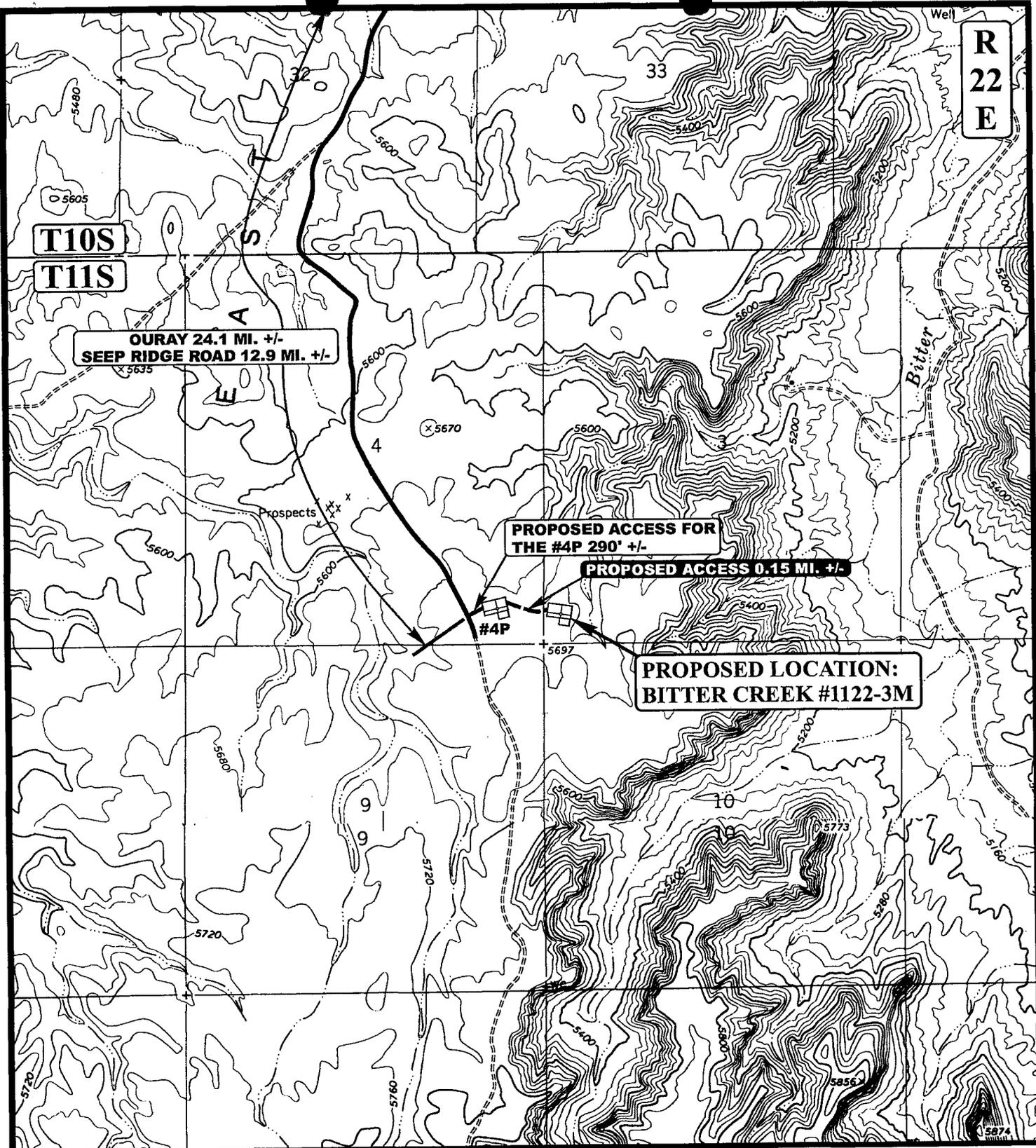
CAMERA ANGLE: SOUTHEASTERLY



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

- Since 1964 -

LOCATION PHOTOS	06	19	07	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: J.M.	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



Kerr-McGee Oil & Gas Onshore LP

BITTER CREEK #1122-3M
SECTION 3, T11S, R22E, S.L.B.&M.
448' FSL 242' FWL

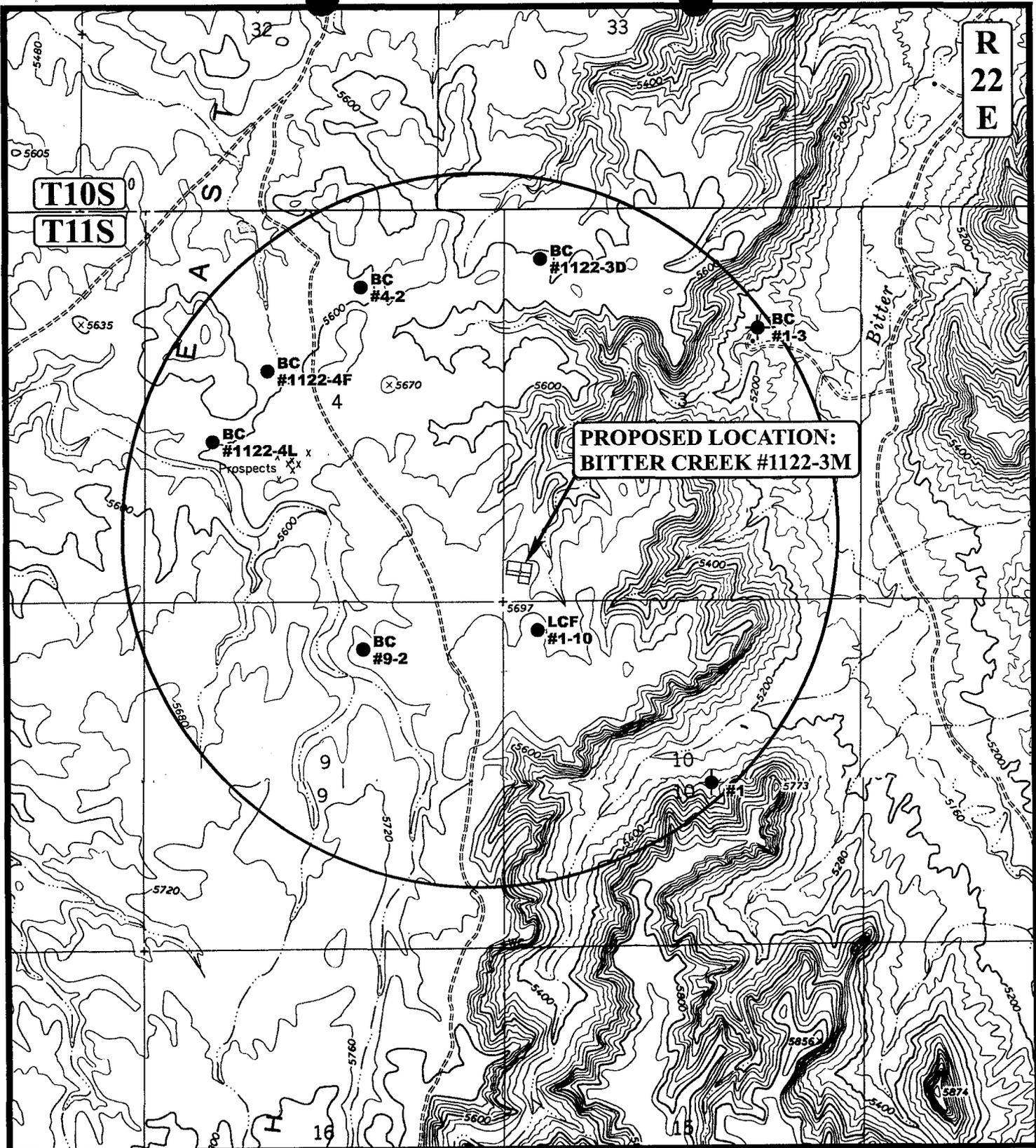


Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC 06 19 07
MAP MONTH DAY YEAR

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





LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ♂ WATER WELLS |
| ● PRODUCING WELLS | ⊕ ABANDONED WELLS |
| ⊖ SHUT IN WELLS | ⊙ TEMPORARILY ABANDONED |



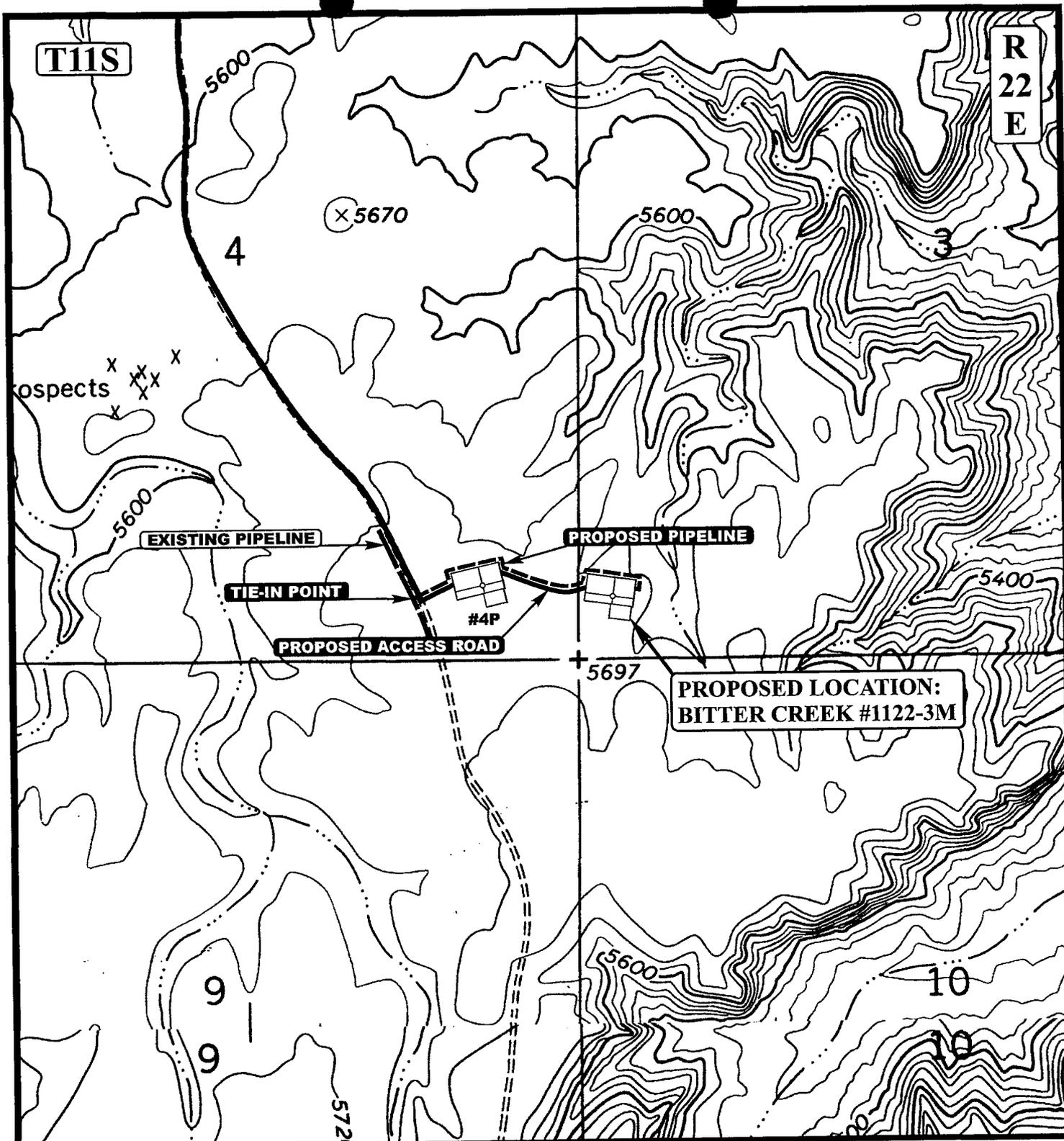
Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-3M
SECTION 3, T11S, R22E, S.L.B.&M.
448' FSL 242' FWL



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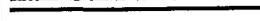
TOPOGRAPHIC 06 19 07
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

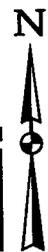




APPROXIMATE TOTAL PIPELINE DISTANCE = 1,850' +/-

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP
 BITTER CREEK #1122-3M
 SECTION 3, T11S, R22E, S.L.B.&M.
 448' FSL 242' FWL

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

TOPOGRAPHIC MAP
 06 19 07
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 10-10-07

D
 TOPO

Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-3M
 PIPELINE ALIGNMENT
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 3, T11S, R22E, S.L.B.&M.



TIE-IN POINT

PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHEASTERLY

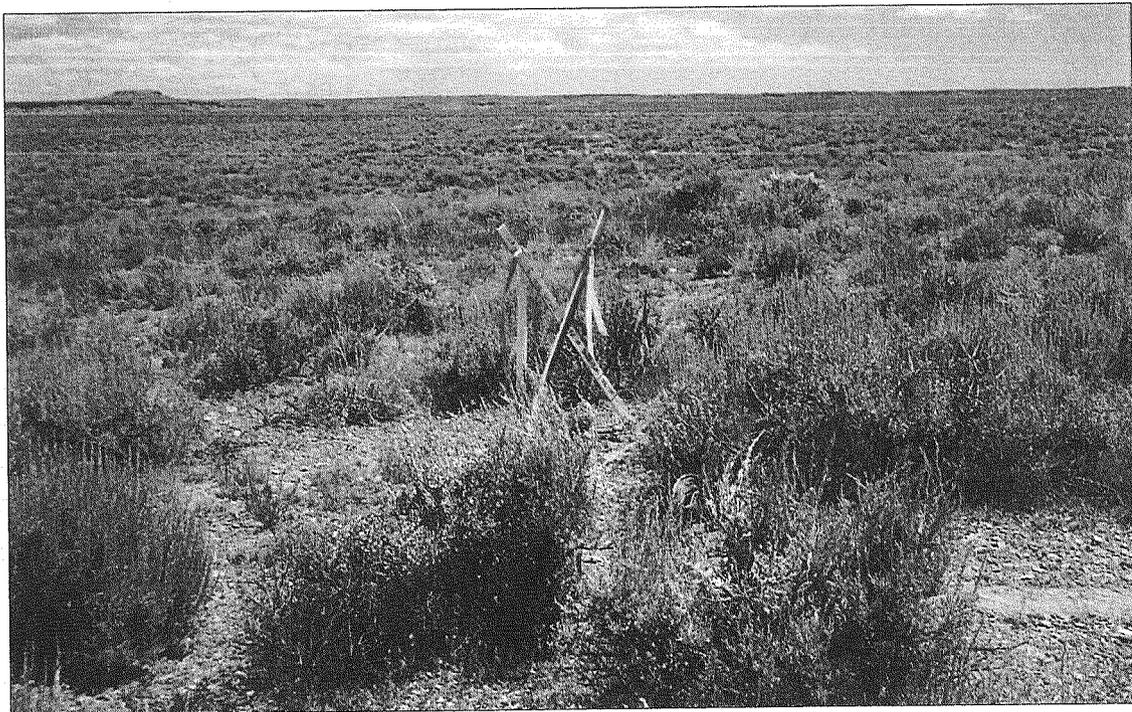


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: SOUTHEASTERLY



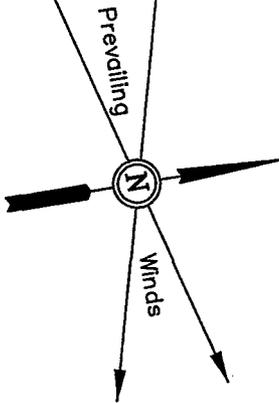
- Since 1964 -

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

PIPELINE PHOTOS	06	19	07	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: J.M.	DRAWN BY: C.P.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

LOCATION LAYOUT FOR
BITTER CREEK #1122-3M
SECTION 3, T11S, R22E, S.L.B.&M.
448' FSL 242' FWL



F-0.6'
El. 83.8'

Proposed Access Road

SCALE: 1" = 50'
DATE: 06-28-07
Drawn By: C.H.

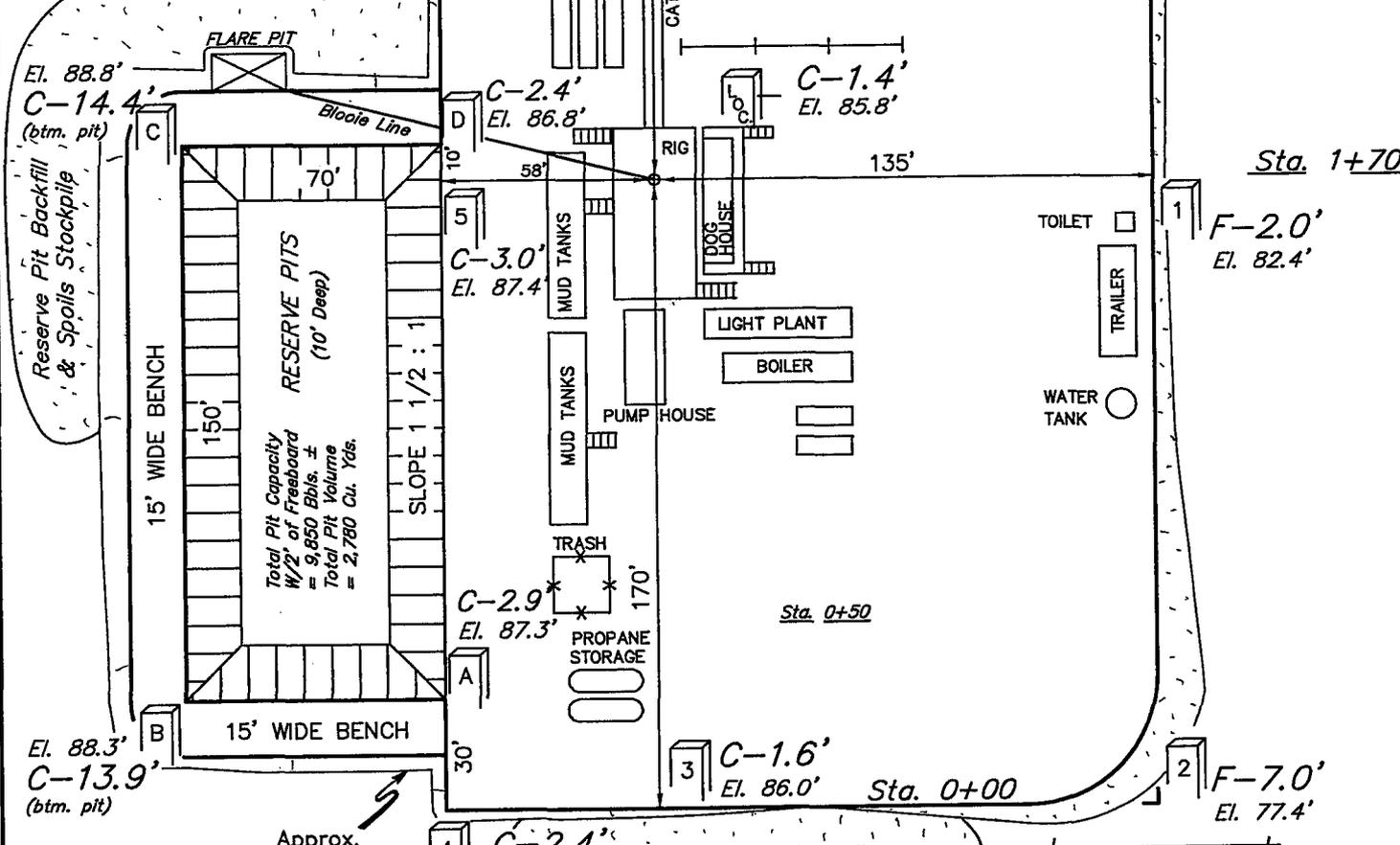
Sta. 3+50

Round Corners as Needed

Approx. Toe of Fill Slope

NOTE:

Flare Pit is to be located a min. of 100' from the pit Topsoil.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5685.8'
FINISHED GRADE ELEV. AT LOC. STAKE = 5684.4'

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

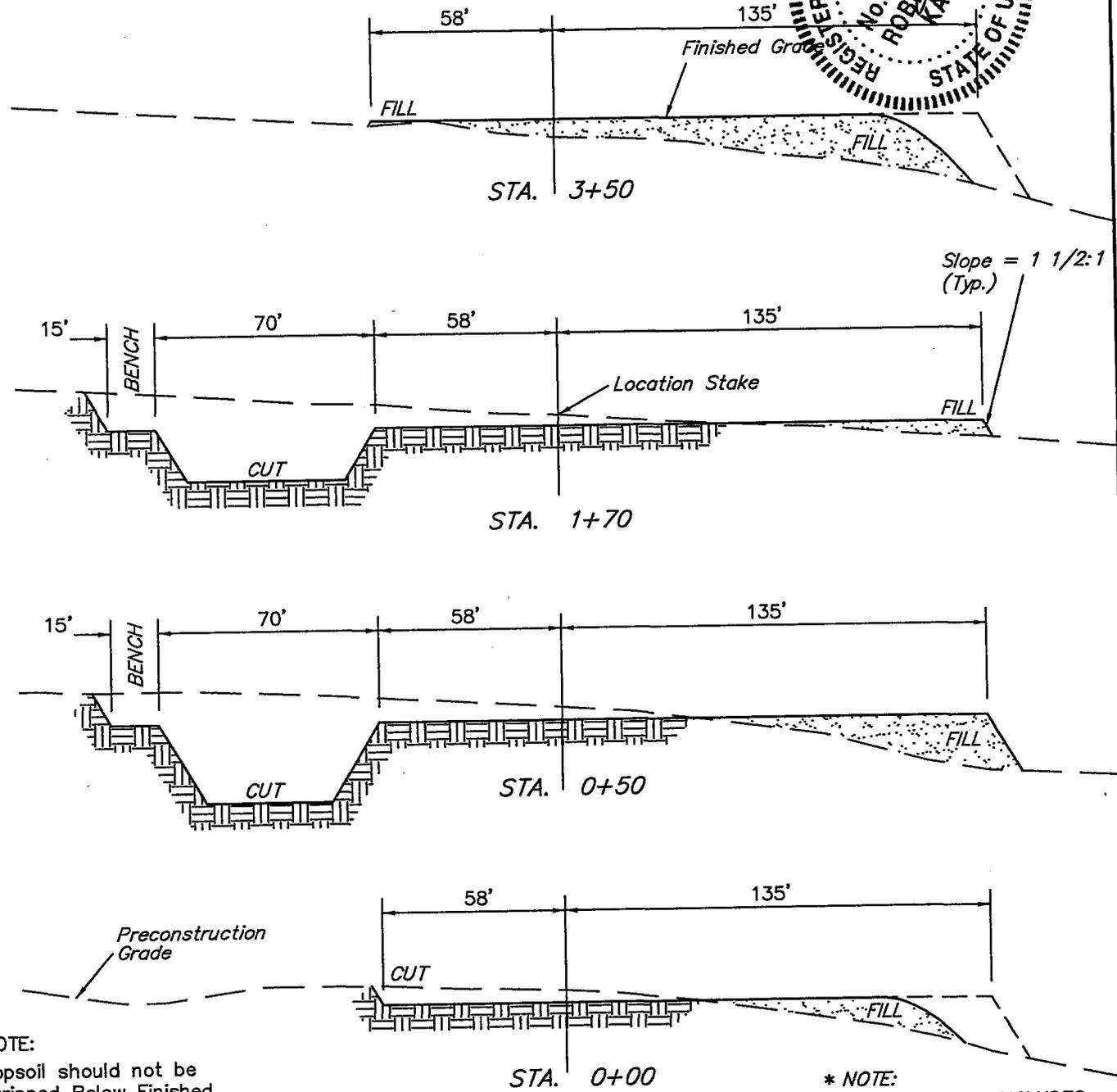
FIGURE #1

Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR
 BITTER CREEK #1122-3M
 SECTION 3, T11S, R22E, S.L.B.&M.
 448' FSL 242' FWL

1" = 20'
 X-Section Scale
 1" = 50'
 DATE: 06-28-07
 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	= 1,700 Cu. Yds.
Remaining Location	= 5,810 Cu. Yds.
TOTAL CUT	= 7,510 CU.YDS.
FILL	= 4,420 CU.YDS.

EXCESS MATERIAL	= 3,090 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,090 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: 11/02/2007

API NO. ASSIGNED: 43-047-39750

WELL NAME: BITTER CREEK 1122-3M
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

SWSW 03 110S 220E
 SURFACE: 0448 FSL 0242 FWL
 BOTTOM: 0448 FSL 0242 FWL
 COUNTY: UINTAH
 LATITUDE: 39.88351 LONGITUDE: -109.4490
 UTM SURF EASTINGS: 632621 NORTHINGS: 4415769
 FIELD NAME: BITTER CREEK (547)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-29797
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

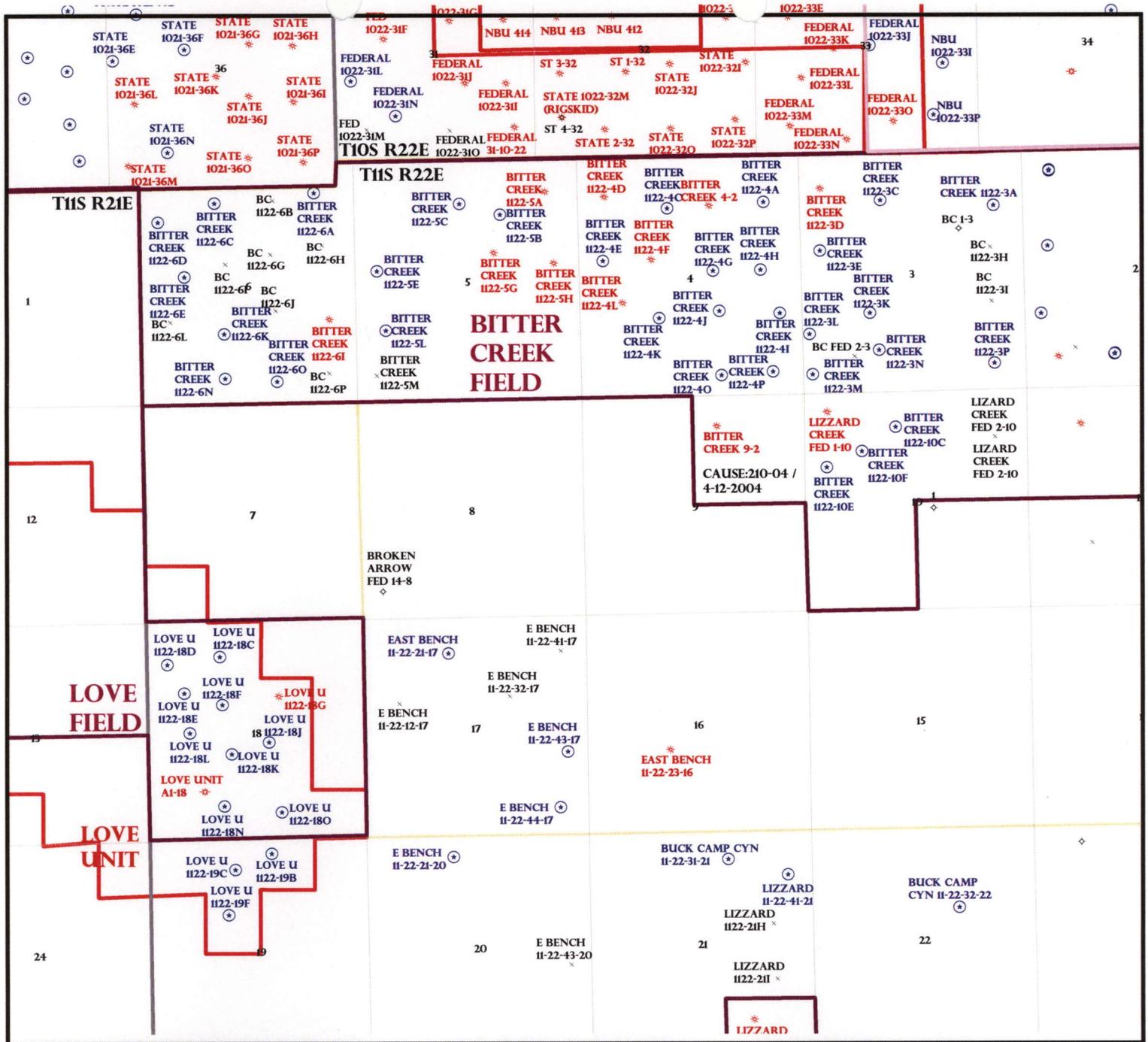
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WYB000291)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit: _____
- R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: 210-04
- Eff Date: 4-12-04
- Siting: 460' fr. ext. w. ubang 9420' fr. other wells.
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1. Sheila Approval



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 3,4,6,10 T.11S R. 22E

FIELD: BITTER CREEK (547)

COUNTY: UINTAH

CAUSE:210-04 / 4-12-2004

- 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: 07-NOVEMBER-2007



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

June 24, 2008

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

Re: Bitter Creek 1122-3M Well, 448' FSL, 242' FWL, SW SW, Sec. 3, 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.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby 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 43-047-39750.

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 Bitter Creek 1122-3M

API Number: 43-047-39750

Lease: UTU-29797

Location: SW SW Sec. 3 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 (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.

RECEIVED
VERNAL FIELD OFFICE

OCT 31 PM 3:23

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU-29797

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
BITTER CREEK 1122-3M

9. API Well No.
43-047-39750

10. Field and Pool, or Exploratory
UNDESIGNATED

11. Sec., T., R., M., or Blk, and Survey or Area
SEC. 3, T11S, R22E

12. County or Parish
UINTAH

13. State
UTAH

1a. Type of Work: DRILL REENTER

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

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

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

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

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **SW/SW 448'FSL, 242'FWL**
At proposed prod. Zone

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

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
242'

16. No. of Acres in lease
701.24

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
8200'

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5686'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:

- 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): **SHEILA UPCHEGO** Date: **10/25/2007**
Title: **SENIOR LAND ADMIN SPECIALIST**

Approved by (Signature):  Name (Printed/Typed): **JEREMY KENICKA** Date: **7-2-2008**
Title: **Assistant Field Manager** Office: **VERNAL FIELD OFFICE**
Lands & Mineral Resources

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

CONDITIONS OF APPROVAL ATTACHED

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

NOTICE OF APPROVAL

JUL 16 2008

DIV. OF OIL, GAS & MINING

NOS: 07/27/2008
DEPD 2538A

UDOGM



**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
Well No: Bitter Creek 1122-3M
API No: 43-047-39750

Location: SWSW, Sec. 3, T11S, R22E
Lease No: UTU-29797
Agreement: N/A

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	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
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
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	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

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

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

NOTIFICATION REQUIREMENTS

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

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

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.
- Adhere to Executive Order 5327 of April 15, 1930, stipulations for lands in oil shale withdrawal.
- All applicable local, state, and/or federal laws, regulations, and/or statutes will be complied with.
- All traffic related to this action will be restricted to approved routes. Cross-country vehicle travel will not be allowed.
- No vehicle travel, construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment.
- The access roads will be crowned and ditched. Flat-bladed roads are not allowed.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches or etc. will be needed to control the erosion.
- All secondary drainages shall be rerouted around the location, as needed.
- Low-water crossings will be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Pipelines will be buried at all major drainage crossings.
- Prevent fill and stock piles from entering drainages.
- The reserve pit will be lined with a 16 ml or greater liner and doubled felted prior to spudding.
- The liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.
- When the reserve pit contains fluids or toxic substances, the operator must ensure animals do not ingest or become entrapped in pit fluids.
- If paleontologic or cultural materials are uncovered during construction, the operator shall immediately stop work that might further disturb or move such materials and contact the Authorized Officer (AO) within 48 hours. A determination will be made by the AO as to necessary mitigation for the discovered paleontologic/cultural material.

- If Uinta Basin hookless cactus or other special status plants are found, construction will cease and the AO will be notified to determine the appropriate mitigation.
- The interim seed mix for this location shall be:

Galleta grass	Hilaria jamesii	10lbs/acre
Indian rice grass	Oryzopsis hymenoides	10lbs/acre
Needle & Thread grass	Stipa comata	10lbs/acre

All pounds are in pure live seed.

- Rates are set for drill seeding; double the rate if broadcasting.
 - Reseeding may be required if initial seeding is not successful.
- The operator will be responsible for treatment and control of invasive and noxious weeds following the operator submitted PUP plan provided the BLM before this project construction begins.
 - The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit and posted/marked topsoil. When the reserve pit is closed, it shall be contoured and the topsoil spread, and the area shall be seeded in the same manner as the location topsoil to comply with natural topography.
 - Once the location is plugged and abandoned, it shall be contoured to natural topography, topsoil shall be spread, and the entire location shall be seeded with a seed mix recommended by the AO (preferably of native origin). Seed application will follow all guidelines in the interim seed mix bullet statement above. Seeding guidelines will be provided by the BLM to the operator with prescribed seeding recommendations.
 - The authorized officer may prohibit surface disturbing activities during severe winter conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
 - The authorized officer may prohibit surface disturbing activities during wet or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
 - All well facilities not regulated by OSHA will be painted Carlsbad Canyon.
 - All boulders with a length or diameter greater than 3 feet, that are found showing at the surface, will be stockpiled for use during final reclamation.
 - The habitat will be protected (no or little development) within 2 miles (3.2 km) of active leks.
 - a. All human disturbances will be minimized within sight or 0.3 mile (0.5 km) of active leks during breeding season during early morning or evening when birds are likely to be found on the leks; and
 - b. Avoid constructing above ground powerlines, or other tall structures within 2 miles of seasonal habitat.

- Well pads will be located out of the line of sight/hearing at the leks by considering topographical or vegetative screening features as well as centralized tank batteries, use of low profile tanks, and pointing exhaust from heater-treater to the north and northeast at proposed locations.
 - a. Proper placement of well locations can reduce the impact out of hearing >10 dBA above natural ambient noise.
- Construction, drilling, completion and workover activities will not be allowed within two miles of active leks from March 1 through June 15.
- Other structures such as fences, poles, utilities, will not be constructed within the two mile buffer of active leks, unless the proposed project is reviewed by BLM and UDWR and a waiver issued for this measure on an approved design.
- Operational activities (trucks driving to well locations, well, road, pipeline surveys, pipeline maintenance etc.) will be minimized March 1 through June 15 one hour prior to sunrise to three hours after sunrise.
- No construction, drilling, completion activities will be allowed from May 15-June 20 to help protect pronghorn kidding in the area.
- Golden eagle nesting a timing restriction from February 1 through July 30 will be applied to the following well locations:
 - Bitter Creek Well 1121 6K Location NESW Section 6, T 11 S R22 E.
 - Bitter Creek Well 1121 6E Location SWNW Section 6, T 11 S R22 E.
 - Bitter Creek Well 1121 6D Location NWNW Section 6, T 11 S R22 E.
- Notify the Authorized Officer 48 hours prior to surface disturbing activities.

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

SITE SPECIFIC DOWNHOLE COAs:

- A mist system is approved in lieu of deduster equipment. All other equipment for air/gas drilling shall meet specifications in Onshore Order #2, III. Requirements, E. Special Drilling Operations.
- A formation integrity test shall be performed at the surface casing shoe before drilling more than twenty feet.
- Logging program: Gamma Ray shall be run from TD to surface.
- The conductor pipe shall be set and cemented in a competent formation.
- The top of the production casing cement shall extend a minimum of 200 feet 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 ($\frac{1}{4}$ $\frac{1}{4}$, 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.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: Kerr-McGee Oil & Gas Onshore, LP

Well Name: Bitter Creek 1122-3M

API No: 43-047-39750 Lease Type: Federal

Section 03 Township 11S Range 22E County Uintah

Drilling Contractor Pete Martin Drilling Rig # Bucket

SPUDDED:

Date 9-04-08

Time 10:00 AM

How Dry

Drilling will Commence: _____

Reported by Lew Weldon

Telephone # 435-781-7060

Date 9-08-08 Signed RM

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
4304738911	BONANZA 1023-5N-1		SESW	5	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17060	9/4/2008		9/22/08		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 09/04/2008 AT 8:00 AM.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738226	BONANZA 1023-10P		SESE	10	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17061	9/4/2008		9/22/08		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 09/04/2008 AT 9:00 AM.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739750	BITTER CREEK 1122-3M		SWSW	3	11S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	17062	9/5/2008		9/22/08		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 09/05/2008 AT 8:00 AM.							

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

9/5/2008

Title

Date

RECEIVED
SEP 08 2008

(5/2000)

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.

5. Lease Serial No.
UTU-29797

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
BITTER CREEK 1122-3M

9. API Well No.
4304739750

10. Field and Pool, or Exploratory Area
UNDESIGNATED

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)
SW/SW SEC. 3, T11S, R22E 448'FSL, 242'FWL

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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed 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 09/05/2008 AT 8:00 AM.

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

Name (Printed/Typed) **SHEILA UPCHEGO** Title **REGULATORY ANALYST**

Signature  Date **September 5, 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.

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-29797

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

BITTER CREEK 1122-3M

9. API Well No.

4304739750

10. Field and Pool, or Exploratory Area

UNDESIGNATED

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)

SW/SW SEC. 3, T11S, R22E 448'FSL, 242'FWL

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 CSG
	<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.

MIRU PROPETRO AIR RIG ON 09/06/2008. DRILLED 12 1/4" SURFACE HOLE TO 1850'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/150 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 +/- BBL 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

Signature



Title

REGULATORY ANALYST

Date

September 9, 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 11 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-29797

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
BITTER CREEK 1122-3M

9. API Well No.
4304739750

10. Field and Pool, or Exploratory Area
UNDESIGNATED

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)
SW/SW SEC. 3, T11S, R22E 448'FSL, 242'FWL

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

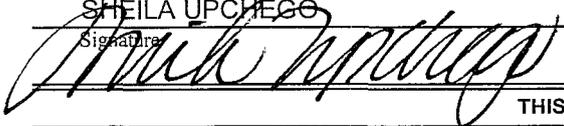
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 FINAL DRILLING OPERATIONS
	<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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with 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.

FINISHED DRILLING FROM 1850' TO 8282' ON 09/26/2008. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/286 SX PREM LITE II @11.3 PPG 3.02 YIELD. TAILED CMT W/1200 SX 50/50 POZ @ 14.3 PPG 1.31 YIELD. BUMP PLUG 500 PSI OVER FLOATS HELD. 12 BBLS BACK TO PIT. LAND CSG TEST NIPPLE DOWN BOPE CLEAN TANKS.

RELEASED PIONEER RIG 69 ON 09/28/2008 AT 1500 HRS

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

Name (Printed/Typed) SHEILA UPCHEGO	Title REGULATORY ANALYST
Signature 	Date September 29, 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

OCT 06 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-29797

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
BITTER CREEK 1122-3M

9. API Well No.
4304739750

10. Field and Pool, or Exploratory Area
UNDESIGNATED

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)
**448' FSL, 242 FWL
SW/SW, SEC.3, T11S-R22E**

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

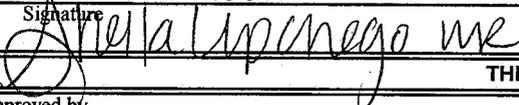
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> 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 PRODUCTION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	START-UP
	<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 SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 10/24/2008 AT 10:00 HRS.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

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

Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature 	Date October 31, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Office		

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.

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.: 95707

BITTER CREEK 1122-3M

Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 09/06/2008	GL 5,684	KB 5684	ROUTE V45
API 4304739750	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.88352 / -109.44972	Q-Q/Sect/Town/Range: SWSW / 3 / 11S / 22E	Footages: 448.00' FSL 242.00' FWL			

Wellbore: BITTER CREEK 1122-3M

MTD 5,702	TVD 5,702	PBMD 5,702	PBTVD 5,702
EVENT INFORMATION:	EVENT ACTIVITY: DRILLING	START DATE: 9/6/2008	AFE NO.: 2011010
	OBJECTIVE: DEVELOPMENT	END DATE: 9/28/2008	
	OBJECTIVE 2: VERTICAL WELL	DATE WELL STARTED PROD.: 9/6/2008	
	REASON: DRILL PROD HOLE	Event End Status: COMPLETE	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 69 / 69	06/12/2008	06/12/2008	06/12/2008	09/26/2008	09/28/2008	09/28/2008	09/28/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
9/6/2008	<u>SUPERVISOR:</u> LEW WELDON						
	7:00 - 12:00	5.00	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 0700 HR 9/6/08 DA AT REPORT TIME 480'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 930'
9/7/2008	<u>SUPERVISOR:</u> LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1440'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG T/D @ 1850' CONDITION HOLE @ REPORT TIME
9/8/2008	<u>SUPERVISOR:</u> LEW WELDON						
	0:00 - 3:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE
	3:00 - 6:00	3.00	DRLSUR	11		P	RUN 1809' OF 9 5/8 CSG AND 200' OF 1" PIPE RIG DOWN AIR RIG
	6:00 - 7:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 150 SKS LEAD @ 11# 3.82 23 GAL/SK AND 200 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK GOOD RETURNS THRUOUT JOB + - 18 BBL LEAD CMT TO PIT
	7:00 - 7:30	0.50	DRLSUR	15		P	1ST TOP JOB 100 SKS DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK WOC
	7:30 - 9:30	2.00	DRLSUR	15		P	2ND TOP JOB 75 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	9:30 - 9:30	0.00	DRLSUR				NO VISIBLE LEAKS PIT HAD 3 FEET IN IT WORT
9/12/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 9:00	9.00	DRLPRO	01	E	P	R.D.R.T. PREPARE TO MOVE TO THE BITTER CREEK - 1122-3M
	9:00 - 18:00	9.00	DRLPRO	01	A	P	BEGIN MOVE, DROP PUMP, R.URT. 30% RIG UP
	18:00 - 0:00	6.00	DRLPRO	07	B		WORK ON # 1 MUD PUMP
9/13/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 6:00	6.00	DRLPRO	07	B	Z	CHANGE HYDROLIC PUMP

	6:00 - 18:00	12.00	DRLPRO	01	A	P	MIRU
	18:00 - 0:00	6.00	DRLPRO	07	B	Z	INSPECT TEAR PUMP DOWN
9/14/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 18:00	18.00	DRLPRO	01	B	P	RURT WORK ON PUMP
	18:00 - 0:00	6.00	DRLPRO	07	B	Z	WAIT ON PUMP PARTS CUT AND SLIP DRLG LINE
9/15/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 6:00	6.00	DRLPRO	13	A	P	NIPPLE UP BOPE
	6:00 - 13:00	7.00	DRLPRO	13	C	P	PRESS TEST BOPE - BLIND RAMS, PIPE RAMS, CHOKE VALVES, CHOKE MANIFOLD, KILL LINE HIGH = 5000 PSI LOW = 250 PSI, ANULAR = 2500 PSI HIGH - LOW = 250 PSI, KELLY AND VALVES = 5000 PSI HIGH - 250 PSI LOW CSNG TO 1500 PSI
	13:00 - 17:30	4.50	DRLPRO	05	A	P	P/U BIT # 1 MM, BHA AND DRILL PIPE
	17:30 - 18:00	0.50	DRLPRO	06	A	P	LUBRICATE RIG
	18:00 - 0:00	6.00	DRLPRO	07	B	P	WAIT ON PUMP PARTS
9/16/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 0:00	24.00	DRLPRO	06	C	P	WAIT ON CROSS HEADS, INSPECT # 2 PUMP, MISC, MAINTANCE ON EQUIP
9/17/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 15:00	15.00	DRLPRO	06	B	P	WAIT ON CROSS HEADS ON LOC AT 15:00 HRS CHANGED OIL IN EQUIP, MISC RIG MAINTANCE
	15:00 - 0:00	9.00	DRLPRO	06	C	P	INSTALL CENTER CROSS HEAD
9/18/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 17:00	17.00	DRLPRO	06	C	P	FINISH INSTALLING BULL WHELL SIDE CROSS HED, INSTALL OIL SLIDES, INSTALL GAURDS AND INSPECTION PLATES, REPAIR FUEL LINE, INSTALL AIR ROTARY SEAL, FILL GEAR END WITH OIL
	17:00 - 17:30	0.50	DRLPRO	06	C	P	RUN PUMP F/ 30 MIN TO CHECK FOR BEARING HEAT
	17:30 - 20:30	3.00	DRLPRO	02	F	P	KELLY UP, DRILL CMNT, FLOAT, AND SHOE
	20:30 - 22:00	1.50	DRLPRO	02	A	P	DRILG FORMATION F/ 1864' TO 1958' = 94' - 62' HR MUD WT = 8.7 VIS = 27
	22:00 - 22:30	0.50	DRLPRO	09	A	P	SURVEY @ 1881' = 1.99 DEGREE
	22:30 - 0:00	1.50	DRLPRO	02	A	P	DRLG F/ 1958' TO 2060' = 102' - 68' HR MUD WT = 8.7 VIS = 27
9/19/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 7:00	7.00	DRLPRO	02	A	P	DRLG F/ 2060' TO 2465' = 405' - 58' HR MUD WT = 8.4 VIS = 27
	7:00 - 7:30	0.50	DRLPRO	09	A	P	SURVEY @ 2395 = 1.82 DEGREE
	7:30 - 14:30	7.00	DRLPRO	02	A	P	DRLG F/ 2465' TO 2921' = 456' - 65' HR MUD WT = 8.6 VIS = 32
	14:30 - 20:00	5.50	DRLPRO	16	B	X	WORK STUCK PIPE @ 2894' WAIT ON FOAM UNIT

	20:00 - 21:30	1.50	DRLPRO	04	H	X	HELD SAFETY MTNG W/ WEATHERFORD AND RIG CREW R/U AND PUMP FOAM PILL UNLOAD SAME PIPE CAME FREE
	21:30 - 0:00	2.50	DRLPRO	04	B	P	CIRC FOAMED UP MUD OUT, RAISE WT TO 9.1 #
9/20/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 14:00	14.00	DRLPRO	02	A	P	DRLG F/ 2921' TO 3730' = 809' - 58' HR MUD WT = 9.3 VIS = 39
	14:00 - 14:30	0.50	DRLPRO	06	A	P	LUBRICATE RIG
	14:30 - 0:00	9.50	DRLPRO	02	A	P	DRLG F/ 3730' TO 4357' = 627' - 66' HR MUD WT = 9.7 VIS = 41
9/21/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 14:00	14.00	DRLPRO	02	A	P	DRLG F/ 4357' TO 5091' = 734' - 52' HR MUD WT = 10 # VIS = 41
	14:00 - 14:30	0.50	DRLPRO	06	A	P	LUBRICATE RIG
	14:30 - 0:00	9.50	DRLPRO	02	A	P	DRLG F/ 5091' TO 5520' = 429' - 45' HR MUD WT = 10.3 VIS = 41
9/22/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 1:30	1.50	DRLPRO	02	A	P	DRLG F/ 5520' TO 5575' = 55' - 37' HR MUD WT = 10.3 VIS 41
	1:30 - 3:00	1.50	DRLPRO	07	B	Z	WORK ON PUMPS, FAN MTR AND ROD OILERS
	3:00 - 17:00	14.00	DRLPRO	02	A	P	DRLG F/ 5575' TO 6038' = 463' - 33' HR MUD WT = 10.6 VIS = 45
	17:00 - 17:30	0.50	DRLPRO	06	A	P	LUBRICATE RIG
	17:30 - 0:00	6.50	DRLPRO	02	A	P	DRLG F/ 6038' TO 6379' = 341' - 52' HR MUD WT = 10.8 VIS = 45
9/23/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 15:00	15.00	DRLPRO	02	A	P	DRLG F/ 6379' TO 6957' = 578' - 39' HR MUD WT = 11.0 VIS 46
	15:00 - 15:30	0.50	DRLPRO	06		P	LUBRICATE RIG
	15:30 - 0:00	8.50	DRLPRO	02	A	P	DRLG F/ 6957' TO 7209' = 252' - 30' HR MUD WT = 11.1 VIS = 50
9/24/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 4:00	4.00	DRLPRO	07	B	Z	VIBERATING HOSE RUPTURED, WAIT ON AND REPLACE SAME (CIRC TOP OF HOLE, WORK PIPE)
	4:00 - 12:00	8.00	DRLPRO	02	A	P	DRLG F/ 7209' TO 7400' = 191' - 24' HR MUD WT = 11.3 VIS = 43
	12:00 - 13:00	1.00	DRLPRO	04	C	P	CIRC,BUILD AND PUMP SLUG
	13:00 - 19:30	6.50	DRLPRO	05	A	P	DROP SURVEY, TRIP F/ BIT # 1 TIGHT F/ 6500' TO 2400' BIT AND MTR BALLED UP L/D BIT AND MM (SURVEY = 2.93 DEGREE)
	19:30 - 0:00	4.50	DRLPRO	05	A	P	P/U BIT # 2 & MM, TRIP IN HOLE, FILL @ 2000' HIT BRIDGE @ 4500' KELLY UP START CIRCULATING, ROTARY TABLE MOTOR FAILED, WORK PIPE, WAIT ON ELECTRICIAN TO REPAIR MTR
9/25/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 4:00	4.00	DRLPRO	07	A	Z	WORK ON ROTARTY TABLE MTR, ELECTRICAL PROBLEMS
	4:00 - 6:30	2.50	DRLPRO	03	A	X	WASH AND REAM F/ 6400' TO 6544'
	6:30 - 7:00	0.50	DRLPRO	05	A	P	TIH TO 7000' HIT BRIDGE

	6:30 - 7:00	0.50	DRLPRO	05	A	P	TIH TO 7000' HIT BRIDGE
	7:00 - 9:00	2.00	DRLPRO	04	B	X	CIRC, BUILD WT TO 11.7 (CLEAN HOLE)
	9:00 - 11:30	2.50	DRLPRO	03	A	X	WASH AND REAM F/ 7000' TO 7404'
	11:30 - 15:30	4.00	DRLPRO	02	A	P	DRLG F/ 7404' TO 7558' = 154' - 39' HR MUD WT = 11.4 VIS = 45
	15:30 - 16:00	0.50	DRLPRO	06	A	P	LUBRICATE RIG
	16:00 - 0:00	8.00	DRLPRO	02	A	P	DRLG F/ 7558' TO 7874' = 316' - 40' HR MUD WT = 11.7 VIS = 45
9/26/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 9:00	9.00	DRLPRO	02	A	P	DRLG F/ 7874' TO T.D.@ 8282' = 408' - 45' HR MUD WT = 11.7+ VIS = 45
	9:00 - 11:00	2.00	DRLPRO	04	C	P	CIRC F/ WIPER TRIP
	11:00 - 14:00	3.00	DRLPRO	05	E	P	TRIP TO 2300' 10-12000 DRAG F/ 6400' TO 5400' AND 3800' TO 2420'
	14:00 - 15:30	1.50	DRLPRO	05	E	P	TRIP IN TO 5900' HIT BRIDGE
	15:30 - 16:00	0.50	DRLPRO	03	E	P	WASH AND REAM THROUGH BRIDGE F/ 5900' TO 6050'
	16:00 - 18:00	2.00	DRLPRO	05	E	P	FINISH TRIP TO BTM, NO PROBLEMS
	18:00 - 19:30	1.50	DRLPRO	04	C	P	CIRC F/ LOGS
	19:30 - 0:00	4.50	DRLPRO	05	B	P	PUMP SLUG & TRIP F/ LOGS L/D BIT # 2 & MM
9/27/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 0:30	0.50	DRLPRO	06	A	P	LUBRICATE RIG
	0:30 - 9:30	9.00	DRLPRO	10	C	P	HELD SAFETY MTNG W/ LOGGERS & RIG CREW R/U AND RUN TRIPLE COMBO LOGS, 8298' LOGGERS DEPTH) RIG DOWN LOGGERS
	9:30 - 11:30	2.00	DRLPRO	05	D	P	TRIP IN TO 4015'
	11:30 - 14:00	2.50	DRLPRO	05	D	P	HELD SAFETY MTNG W/ TESCO & RIG CREW R/U & L/D D.P. TO BHA
	14:00 - 20:30	6.50	DRLPRO	05	D	P	TIH, LDDP - BRK KELLY AND VALVES, L/D BHA
	20:30 - 21:30	1.00	DRLPRO	11	A	P	HELD SAFETY MTNG W/ CASERS & RIG CREW R/U SAME
	21:30 - 0:00	2.50	DRLPRO	11	B	P	RUN 4 1/2 CSNG
9/28/2008	<u>SUPERVISOR:</u> TIM HEINS						
	0:00 - 4:00	4.00	DRLPRO	11	B	P	RUN 4 1/2 CSNG (195) TOTAL P / U LANDING JOINT INSTALL ROTATING HEAD
	4:00 - 6:00	2.00	DRLPRO	04	A	P	HELD SAFETY MTNG W/ BJ AND RIG CREW, R / U CMNT HEAD CIRC F/ CMNT
	6:00 - 9:00	3.00	DRLPRO	15	A	P	CMNT 4 1/2 - 20SX SCAV, LEAD CMNT = 286SX PL2+10%GEL+3%KCL+5#KOL+0.5%SMS+0.25#CF - TAIL CMNT = 1200SX 50/50 POS+10%NaCL+0.2%R-3+0.05#SF+0.002FP-6L BUMP PLUG 500 PSI OVER FLOATS HELD, 12BBLs BACK TO PIT

Wins No.: 95707

BITTER CREEK 1122-3M

API No.: 4304739750

9:00 - 15:00

6.00

DRLPRO

13

A

P

LAND CSNG, TEST, NIPPLE DOWN BOPE, CLEAN TANKS
RELEASE RIG @ 15:00 HRS ON 9-28-2008

EVENT INFORMATION:	EVENT ACTIVITY: COMPLETION	START DATE: 10/13/2008	AFE NO.: 2011010
	OBJECTIVE: DEVELOPMENT	END DATE:	
	OBJECTIVE 2: ORIGINAL	DATE WELL STARTED PROD.: 9/6/2008	
	REASON: MV	Event End Status:	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
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MILES-GRAY 1 / 1

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
10/16/2008	SUPERVISOR: JD FOREMAN						
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 18:00	10.50	COMP	31		P	MIRU TALLY & PICK UP 262 JTS 2,3/8 J-55 TBG TAG @ 8190' CLEAN OUT TO 8230' CIRC CLEAN POOH SDFN
10/17/2008	SUPERVISOR: JD FOREMAN						
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 15:00	7.50	COMP	37		P	MIRU QUICK TEST TEST CSG & FRAC VALVES TO 7500# GOOD TEST RIG UP CUTTERS RIH W/ 3,3/8 GUNS 23 GM .36 HOLES PERF @ 8147'-52' 4 SPF 8185'-90' 4 SPF NO BLOW SDFWE
10/18/2008	SUPERVISOR: JD FOREMAN						
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 15:00	7.50	COMP	31		P	ROLL FAAC TK CHECK WATER F/ H2S NO H2S FOUND SDFN
10/20/2008	SUPERVISOR: JD FOREMAN						
	7:00 - 18:00	11.00	COMP	48		P	SAFETY MEETING
	18:00 - 7:30		COMP	36		P	MIRU WEATHERFORD & CUTTERS FRAC STAGE #1 BRK PERF @ 3037# INJ RT 51.8 BPM INJ PSI 4400# ISIP 2531# FG .75 FRAC W/ 36739# 30/50 SAND + 5000# RESIN COATED SAND + 1120 BBL SLICKWATER MP 6800# MR 52.5 BPM AP 4186# AR 51.8 BPM ISIP 2607# FG .76 NPI 76# STAGE #2 RIH SET 8K CBP @ 7872' PERF @ 7714'-16' 3 SPF 7732'-36' 3 SPF 7836'-42' 4 SPF BRK PERF @ 3139# INJ RT 51 BPM INJ PSI 4600# ISIP 2505# FG .76 FRAC W/ 120386# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 3011 BBL SLICKWATER MP 4804# MR 51.5 BPM AP 4062# AR 51.2 BPM ISIP 2728# FG .79 NPI 223# PUMPED 125 BBL SWEEP AT END OF 1.5# RAMP STAGE #3 RIH SET 8K CBP @ 7560' PERF @ 7375'-80' 3 SPF 7520'-30' 3 SPF BRK PERF @ 2919# INJ RT 51.6 BPM INJ PSI 4250# ISIP 2286# FG .75 FRAC W/ 79241# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 2218 BBL SLICKWATER MP 4621# MR 52.9 BP AP 3553# AR 51 BPM ISIP 2292# FG .75 NPI 6# PUMPED 150 BBL SWEEP AT END OF 1.5 RAMP STAGE #4 RIH SET 8K CBP @ 7338# PERF @ 7180'-83' 3 SPF 7244'-48' 3 SPF 7304'-08' 3 SPF BRK PERF @ 3790# inj rt 51.8 BPM INJ PSI 4275# ISIP 1951# FG .71 FRAC W/ 99831# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 2650 BBL SLICKWATER MP 5309# MR 52.4 BPM AP 3864# MR 51.8 BPM ISIP 2453# FG .78 NPI 502# PUMPED 150 BBL SWEEP AT END OF 1.5 RAMP RIH SET 8K CBP @ 7130' RIG DOWN WATHERFORD & CUTTERS SDFN
10/21/2008	SUPERVISOR: JD FOREMAN						
7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING	

	7:30 - 18:00	10.50	COMP	31	P	NIPPLE DOWN FRAC VALVES NIPPLE UP BOP TEST BOP TO 2500# GOOD TEST MAKE UP POBS & BIT RIH TAG @ 7130' RIG UP DRILG EQUIP DRILL OUT CBP 500# KICK RIH TAG @ 6970' 68' SAND ON CBP DRILL OUT SAND & CBP @ 7338' 200# KICK RIH TAG @ 7530' 30' SAND ON CBP DRILL OUT SAND & CBP @ 7560' 400# KICK RIH TAG @ 7840' 32' SAND ON CBP DRILL OUT SAND & CBP @ 7872' 300# KICK RIH TAG @ 8200' CLEAN OUT 30' FILL TO 8230' CIRC CLEAN PULL & LAY DOWN 18 JTS LAND ON WELL HEAD W/ 244 JTS 2,3/8 J-55 TBG EOT 7688.23' NIPPLE DOWN BOP NIPPLE UP TREE PUMP OFF BIT TRUN WELL TO FLOWBACK CREW SDFN
						TBG DETAIL KB HANGER 244 JTS 2,3/8 J-55 TBG XN-NIPPLE EOT 26 JTS BACK TO YARD
10/22/2008	<u>SUPERVISOR:</u> - 7:00 -			33	A	7 AM FLBK REPORT: CP 950#, TP 950#, 20/64" CK, 50 BWPH, TRACE SAND, - GAS TTL BBLs RECOVERED: 2035 BBLs LEFT TO RECOVER: 6965
10/23/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL 7:00 -			33	A	7 AM FLBK REPORT: CP 900#, TP 1000#, 20/64" CK, 40 BWPH, TRACE SAND, - GAS TTL BBLs RECOVERED: 3120 BBLs LEFT TO RECOVER: 5880
10/24/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL 7:00 -			33	A	7 AM FLBK REPORT: CP 2450#, TP 1125#, 20/64" CK, 35 BWPH, TRACE SAND, - GAS TTL BBLs RECOVERED: 4045 BBLs LEFT TO RECOVER: 4955
	10:00 -		PROD			WELL TURNED TO SALES @ 1000 HR ON 10/24/2008 - FTP 850#, CP 2250#, CK 20/64", 350 MCFD, 720 BWPD
10/25/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL 7:00 -			33	A	7 AM FLBK REPORT: CP 2250#, TP 1225#, 20/64" CK, 27 BWPH, TRACE SAND, 1.2 GAS TTL BBLs RECOVERED: 4717 BBLs LEFT TO RECOVER: 4283
10/26/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL 7:00 -			33	A	7 AM FLBK REPORT: CP 2075#, TP 1200#, 20/64" CK, 20 BWPH, TRACE SAND, - GAS TTL BBLs RECOVERED: 5267 BBLs LEFT TO RECOVER: 3168
10/27/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL 7:00 -			33	A	7 AM FLBK REPORT: CP 1875#, TP 1100#, 22/64" CK, 20 BWPH, TRACE SAND, 1.5 GAS TTL BBLs RECOVERED: 5832 BBLs LEFT TO RECOVER: 3168
10/28/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL 7:00 -			33	A	7 AM FLBK REPORT: CP 1600#, TP 975#, 22/64" CK, 15 BWPH, TRACE SAND, 1.5 GAS TTL BBLs RECOVERED: 6249 BBLs LEFT TO RECOVER: 2751
10/29/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL 7:00 -			33	A	7 AM FLBK REPORT: CP 1600#, TP 875#, 22/64" CK, 15 BWPH, TRACE SAND, 1.3 GAS TTL BBLs RECOVERED: 6609 BBLs LEFT TO RECOVER: 2391

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.
UTU29797

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
 Other _____

6. If Indian, Allottee or Tribe Name
 7. Unit or CA Agreement Name and No.

2. Name of Operator **KERR-MCGEE OIL & GAS ONSHORE** Contact: SHEILA UPCHEGO
 Mail: sheila.upchegeo@anadarko.com

8. Lease Name and Well No.
BITTER CREEK 1122-3M

3. Address **1368 SOUTH 1200 EAST VERNAL, UT 84078** 3a. Phone No. (include area code)
 Ph: 435-781-7024

9. API Well No.
43-047-39750

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface **SWSW 448FSL 242FWL**
 At top prod interval reported below **SWSW 448FSL 242FWL**
 At total depth **SWSW 448FSL 242FWL**

10. Field and Pool, or Exploratory
UNDESIGNATED
 11. Sec., T., R., M., or Block and Survey
or Area **Sec 3 T11S R22E Mer SLB**
 12. County or Parish
UINTAH 13. State
UT

14. Date Spudded **09/05/2008** 15. Date T.D. Reached **09/26/2008** 16. Date Completed
 D & A Ready to Prod.
10/24/2008

17. Elevations (DF, KB, RT, GL)*
5686 GL

18. Total Depth: MD **8282** TVD **8230** 19. Plug Back T.D.: MD **8230** TVD **8230** 20. Depth Bridge Plug Set: MD **8230** TVD **8230**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CBL-CCL-GR, COMP 2, CN, CAL, HDI, CN, DACL

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

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
20.000	14.000 STEEL	36.7		40		28			
12.250	9.625 J-55	36.0		1850		525			
7.875	4.500 I-80	11.6		8282		1486			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7688							

25. Producing Intervals 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7180	8190	7180 TO 8190	0.360	163	OPEN
B)						
C)						
D)						

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

Depth Interval	Amount and Type of Material
7180 TO 8190	PMP 8,999 BBLs SLICK H2O & 356,197# 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
10/24/2008	10/29/2008	12	▶	0.0	1314.0	0.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
20/64	326 SI	195.0	▶	0	1314	0		PGW	

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.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		▶						

(See Instructions and spaces for additional data on reverse side)
 ELECTRONIC SUBMISSION #65403 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

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 DEC 18 2008

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 (Sold, 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.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	899				
MAHOGANY	1587				
WASATCH	3887	7160			
MESAVERDE	7169	8188			

32. Additional remarks (include plugging procedure):

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33. Circle enclosed attachments:

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

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

Electronic Submission #65403 Verified by the BLM Well Information System.
For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal

Name (please print) SHEILA UPCHEGO Title OPERATIONS

Signature  (Electronic Submission) Date 12/09/2008

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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU29797
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE		6. If Indian, Allottee or Tribe Name
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078		7. If Unit or CA/Agreement, Name and/or No.
3b. Phone No. (include area code) Ph: 435-781-7024		8. Well Name and No. BITTER CREEK 1122-3M
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T11S R22E SWSW 448FSL 242FWL		9. API Well No. 43-047-39750
		10. Field and Pool, or Exploratory UNDESIGNATED
		11. County or Parish, and State UINTAH, COUNTY, UT

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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO RECOMPLETE THE WASATCH FORMATION. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH FORMATION ALONG WITH THE EXISTING MESAVERDE FORMATIONS.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

COPY SENT TO OPERATOR

Date: 1-8-2009

Initials: KS

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DEC 18 2008

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.
**Electronic Submission #65358 verified by the BLM Well Information System
 For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal**

Name (Printed/Typed) SHEILA UPCHEGO	Title OPERATIONS
Signature <i>[Handwritten Signature]</i>	Date 12/09/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Handwritten Signature]</i>	Title <i>Act. Eng.</i>	Date <i>1/6/09</i>
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.		Federal Approval Of This Action Is Necessary
Office <i>DOGm</i>		

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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

* Cause 210-04

Name: BITTER CREEK 1122-3M
Location: SW SW Sec 3 T11S R22E
Uintah County, UT
Date: 11/25/2008

ELEVATIONS: 5684 GL 5702 KB

TOTAL DEPTH: 8298 **PBTD:** 8230
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 1814'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 8275'
 Marker Joint 4414-4435'

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:

899' Green River
 1587' Mahogany
 3887' Wasatch
 6199' Mesaverde
 Estimated T.O.C. from CBL @3000

GENERAL:

- A minimum of 4 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 9/26/2008
- 2 fracturing stages required for coverage.
- Procedure calls for 2 CBP's (8000 psi) and 1 Flow Through Plug
- 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). **DO NOT OVERDISPLACE.** Stage acid and scale inhibitor if necessary to cover the next perforated interval.

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- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40mesh **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~7688
- Originally completed on 10/20/2008

Existing Perforations:

MESAVERDE 7180	7183	3	9
MESAVERDE 7244	7248	3	16
MESAVERDE 7304	7308	3	16
MESAVERDE 7375	7380	3	15
MESAVERDE 7520	7530	3	30
MESAVERDE 7714	7716	3	6
MESAVERDE 7732	7736	3	12
MESAVERDE 7836	7842	4	24
MESAVERDE 8147	8152	4	20
MESAVERDE 8185	8190	4	20

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. RIH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~7688'). Visually inspect for scale and consider replacing if needed. TOOH Visually inspect for scale and consider replacing if needed
3. If tbg looks ok consider running a gauge ring to 5980 (50' below proposed CBP). Otherwise P/U a mill and C/O to 5980 (50' below proposed CBP).
4. Set 8000 psi Flow Through Plug at ~ 5910'. 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
WASATCH	5890	5900	4	40
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~5840' and trickle 250gal 15%HCL w/ scale inhibitor in flush . RATE IS 40 BPM
7. Set 8000 psi CBP at ~5514'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5410	5412	4	8
WASATCH	5476	5484	4	32
8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~5360' and flush only with recycled water. RATE IS 40 BPM

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9. Set 8000 psi CBP at ~5360'
10. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.
11. Mill plugs (DO NOT DRILL FLOW THROUGH PLUG @ 5910') and clean out to 5910. Land tubing at ±5380' and open sleeve unless indicated otherwise by the well's behavior. This well will be commingled at this time.
12. RDMO
13. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete. Return to production.
14. MIRU
15. Mill flow through plug and commingle well. Land tubing at ~7684'
16. RDMO

**For design questions, please call
Curtis Caile, Denver, CO
(406)-490-2742 (Cell)
(720)-929-6194 (Office)**

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

NOTES:

This design was changed from 3 to two stages after further review with Matt R. and looking at the production results from the BC 1122-4O which has high water production. The perf letter was updated to reflect these changes (eliminating stage 1)

RECEIVED
DEC 10 2013
DIV. OF OIL, GAS & MINING

BITTER CREEK 1122-3M Recompletion
 Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	WASATCH	5890	5900	4	40	5891.25	to	5898.75
	# of Perfs/stage				40	CBP DEPTH	5,514	
2	WASATCH	5410	5412	4	8	5402.5	to	5405.75
	WASATCH	5476	5484	4	32	5407	to	5413.5
	WASATCH		No Perfs			5439.75	to	5440.25
	WASATCH		No Perfs			5451.5	to	5456
	WASATCH		No Perfs			5476.5	to	5478.25
	WASATCH		No Perfs			5479	to	5484.5
	# of Perfs/stage				40	CBP DEPTH	5,360	
Totals					80			

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DEC 16 2011

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

5. Lease Serial No.
UTU29797

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

8. Well Name and No.
BITTER CREEK 1122-3M

2. Name of Operator
KERR-MCGEE OIL & GAS ONSHORE
Contact: SHEILA UPCHEGO
Email: sheila.upchego@anadarko.com

9. API Well No.
43-047-39750

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

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

10. Field and Pool, or Exploratory
UNDESIGNATED

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Sec 3 T11S R22E SWSW 448FSL 242FWL

11. County or Parish, and State
UINTAH, COUNTY, UT

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"/> 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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.)

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PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

COPY SENT TO OPERATOR

Date: 2.5.2009

Initials: KS

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #65358 verified by the BLM Well Information System
For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal

Name (Printed/Typed) SHEILA UPCHEGO Title OPERATIONS

Signature *[Signature]* Date 12/09/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By *[Signature]* Title Pet-Eng Date 2/4/09

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

Office DOG Federal Approval Of This Action Is Necessary

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.

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **
** Case 210-04*

RECEIVED
JAN 07 2009

Name: BITTER CREEK 1122-3M
Location: SW SW Sec 3 T11S R22E
Uintah County, UT
Date: 11/25/2008

ELEVATIONS: 5684 GL 5702 KB

TOTAL DEPTH: 8298 **PBTD:** 8230
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 1814'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 8275'
 Marker Joint 4414-4435'

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:

899' Green River
 1587' Mahogany
 3887' Wasatch
 6199' Mesaverde
 Estimated T.O.C. from CBL @3000

GENERAL:

- A minimum of 4 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 9/26/2008
- 2 fracturing stages required for coverage.
- Procedure calls for 2 CBP's (8000 psi) and 1 Flow Through Plug
- 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). **DO NOT OVERDISPLACE.** Stage acid and scale inhibitor if necessary to cover the next perforated interval.

- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40mesh **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~7688
- Originally completed on 10/20/2008

Existing Perforations:

MESAVERDE	7180	7183	3	9
MESAVERDE	7244	7248	3	16
MESAVERDE	7304	7308	3	16
MESAVERDE	7375	7380	3	15
MESAVERDE	7520	7530	3	30
MESAVERDE	7714	7716	3	6
MESAVERDE	7732	7736	3	12
MESAVERDE	7836	7842	4	24
MESAVERDE	8147	8152	4	20
MESAVERDE	8185	8190	4	20

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. RIH with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~7688'). Visually inspect for scale and consider replacing if needed. TOOH Visually inspect for scale and consider replacing if needed
3. If tbg looks ok consider running a gauge ring to 5980 (50' below proposed CBP). Otherwise P/U a mill and C/O to 5980 (50' below proposed CBP).
4. Set 8000 psi Flow Through Plug at ~ 5910'. 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
WASATCH	5890	5900	4	40
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~5840' and trickle 250gal 15%HCL w/ scale inhibitor in flush . RATE IS 40 BPM
7. Set 8000 psi CBP at ~5514'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5410	5412	4	8
WASATCH	5476	5484	4	32
8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~5360' and flush only with recycled water. RATE IS 40 BPM

9. Set 8000 psi CBP at ~5360'
10. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.
11. Mill plugs (DO NOT DRILL FLOW THROUGH PLUG @ 5910') and clean out to 5910.
Land tubing at ±5380' and open sleeve unless indicated otherwise by the well's behavior.
This well will be commingled at this time.
12. RDMO
13. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete. Return to production.
14. MIRU
15. Mill flow through plug and commingle well. Land tubing at ~7684'
16. RDMO

**For design questions, please call
Curtis Caile, Denver, CO
(406)-490-2742 (Cell)
(720)-929-6194 (Office)**

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

NOTES:

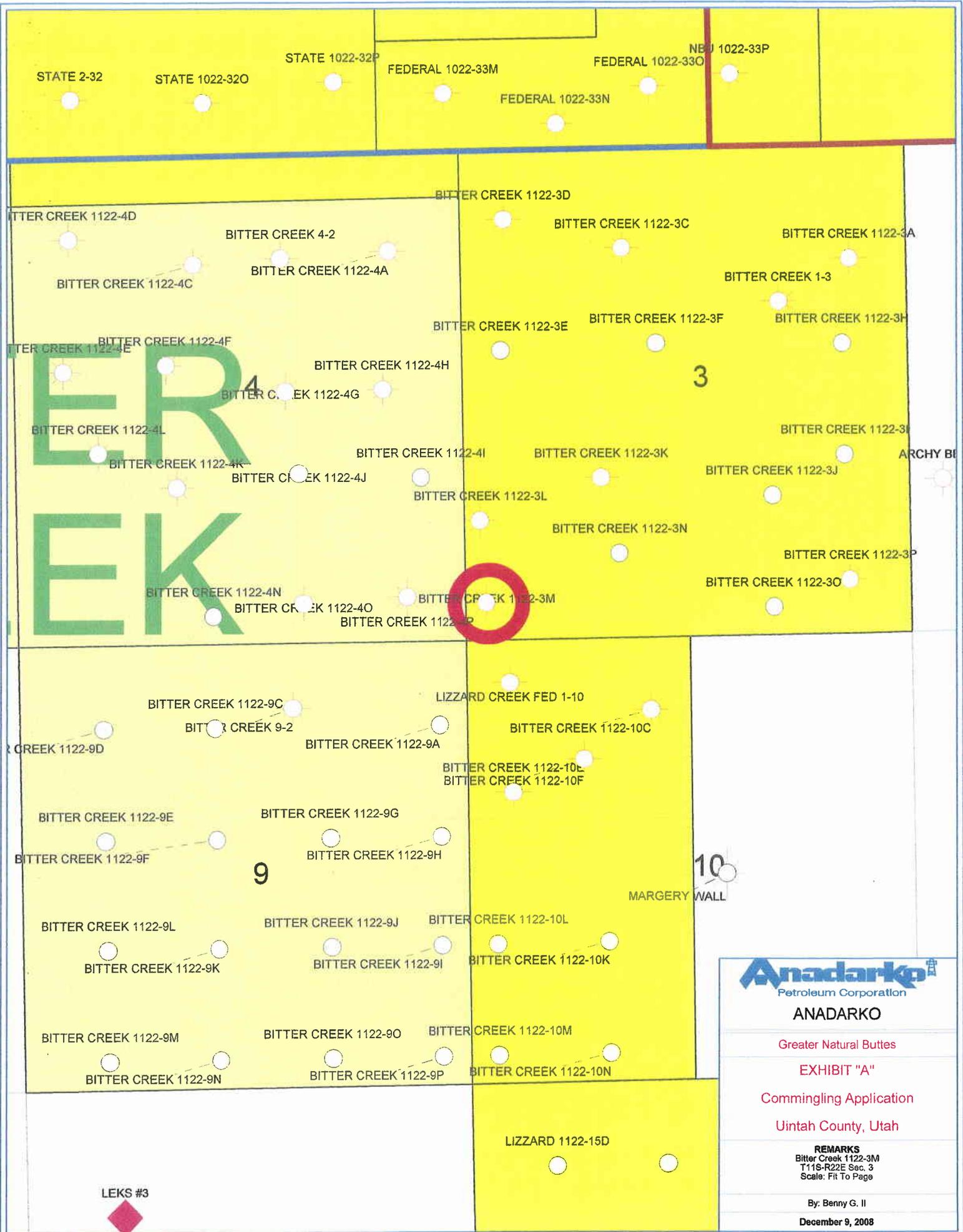
This design was changed from 3 to two stages after further review with Matt R. and looking at the production results from the BC 1122-4O which has high water production. The perf letter was updated to reflect these changes (eliminating stage 1)

Fracturing Schedules
 BITTER CREEK 1122-3M Recompletion
 Slickwater Frac

Stage	Zone	Feet		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.	
		of Pay	Perfs Top, ft, Bot, ft																		
1	WASATCH	8	5880 5880	4	40	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	0				0	ISIP and 5 min ISIP														
	WASATCH	0				40	Slickwater Pad			Slickwater	3,206	3,206	76	76	16.0%	0.0%	0	0		10	
	WASATCH	0				40	Slickwater Ramp	0.25	1	Slickwater	6,056	9,263	144	221	28.3%	17.2%	3,785	3,785		9	
	WASATCH	0				40	SW Sweep	0	0	Slickwater	0	9,263	0	221	0.0%	0.0%	0	3,785		0	
	WASATCH	0				40	Slickwater Ramp	1	1.5	Slickwater	6,056	15,319	144	365	28.3%	34.5%	7,570	11,355		9	
	WASATCH	0				40	SW Sweep	0	0	Slickwater	0	15,319	0	365	0.0%	0.0%	0	11,355		0	
	WASATCH	0				40	Slickwater Ramp	0.5	1.5	Slickwater	0	15,319	0	365	0.0%	0.0%	0	11,355		0	
	WASATCH	0				40	Slickwater Ramp	1.5	2	Slickwater	6,056	21,375	144	509	28.3%	48.3%	10,598	21,954		0	
	WASATCH	0				40	Flush (4-1/2")				3,812	25,187	91	600				21,954		36	
	WASATCH	0					ISIP and 5 min ISIP					25,187								64	
	WASATCH	0																			
	WASATCH	0																			
	WASATCH	0																			
		8	# of Perfs/stage		40												gal/ft	2,850	2,927	lbs sand/ft	
						127	<< Above pump line (min)							Flush depth	5840			CBP depth	5,514	326	
2	WASATCH	3	5410 5412	4	8	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	7	5476 5484	4	32	0	ISIP and 5 min ISIP														
	WASATCH	1	No Perfs		40		Slickwater Pad			Slickwater	4,950	4,950	118	118	15.0%	0.0%	0	0		15	
	WASATCH	5	No Perfs		40		Slickwater Ramp	0.25	1	Slickwater	9,350	14,300	223	340	28.3%	17.2%	5,844	5,844		14	
	WASATCH	2	No Perfs		40		SW Sweep	0	0	Slickwater	0	14,300	0	340	0.0%	0.0%	0	5,844		0	
	WASATCH	6	No Perfs		40		Slickwater Ramp	1	1.5	Slickwater	9,350	23,650	223	563	28.3%	34.5%	11,688	17,531		14	
	WASATCH	0			40		SW Sweep	0	0	Slickwater	0	23,650	0	563	0.0%	0.0%	0	17,531		0	
	WASATCH	0			40		Slickwater Ramp	0.5	1.5	Slickwater	0	23,650	0	563	0.0%	0.0%	0	17,531		0	
	WASATCH	0			40		Slickwater Ramp	1.5	2	Slickwater	9,350	33,000	223	786	28.3%	48.3%	16,363	33,894		0	
	WASATCH	0			40		Flush (4-1/2")				3,499	36,499	83	889				33,894		0	
	WASATCH	0					ISIP and 5 min ISIP					36,499								43	
	WASATCH	0																			
	WASATCH	0																			
	WASATCH	0																			
	WASATCH	0																			
		22	# of Perfs/stage		40												gal/ft	1,500	1,541	lbs sand/ft	
						19.6	<< Above pump line (min)							Flush depth	5360			CBP depth	5,360	0	
Totals		30			80						Total Fluid	61,686	gals	1,469	bbls		Total Sand	55,848			
						0.5								3.3	tanks			Total Scale Inhib. =	184		

BITTER CREEK 1122-3M Recompletion
 Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	WASATCH	5890	5900	4	40	5891.25	to	5898.75
	# of Perfs/stage				40	CBP DEPTH	5,514	
2	WASATCH	5410	5412	4	8	5402.5	to	5405.75
	WASATCH	5476	5484	4	32	5407	to	5413.5
	WASATCH		No Perfs			5439.75	to	5440.25
	WASATCH		No Perfs			5451.5	to	5456
	WASATCH		No Perfs			5476.5	to	5478.25
	WASATCH		No Perfs			5479	to	5484.5
	# of Perfs/stage				40	CBP DEPTH	5,360	
Totals					80			



ANADARKO	
Greater Natural Buttes	
EXHIBIT "A"	
Commingling Application	
Uintah County, Utah	
REMARKS Bitter Creek 1122-3M T118-R22E Sec. 3 Scale: Fit To Page	
By: Benny G. II	
December 9, 2008	



Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
DENVER, CO 80217-3779

January 5, 2009

Robert L. Bayless, Producer LLC
621 17th St., Suite 2300
Denver, CO 80292

Attn: C. Jay Munoz

Re: Notice of Commingling
Bitter Creek 1122-3M
Section 3: SWSW
T11S-R22E
Uintah County, Utah

Dear Ms. Munoz:

Pursuant to DOGM Rule 649-3-22 "Completion into Two or More Pool," please find enclosed a copy of the sundry to be submitted to DOGM for approval.

Unless you have objection to the commingling plan, no action is required on your part. If you do wish to object to the commingling plan, comments should be directed to:

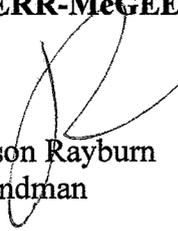
DOGM
Attn: Dustin Doucet
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Objections will be accepted up to 15 days after Kerr-McGee's application is filed with the Division (R649-3-22.3.1).

Should you have any questions or concerns, please contact the undersigned at 720-929-6262.

Sincerely,

KERR-McGEE OIL & GAS ONSHORE LP



Jason Rayburn
Landman

enclosures



Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
DENVER, CO 80217-3779

January 5, 2009

Mr. Dustin Doucet
Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Notice of Commingling
Bitter Creek 1122-3M
SWSW, Sec. 3, T11S-R22E
API Well No. 4304739750
Uintah County, Utah

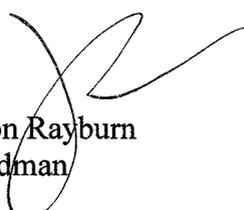
Dear Dustin,

In accordance with R649-3-22, "Completion Into Two or More Pools", please be advised that notices were sent to all contiguous owners on January 5, 2009 (copy of letter attached). Also, enclosed is an affidavit regarding the mailing of the notices together with the plat showing the location of the Bitter Creek 1122-3M well. Robert L. Bayless, Producer LLC holds interest sections contiguous to the subject well section location.

Please let me know if anything further is required in order to approve the sundry previously submitted to you regarding the recompletion of the Bitter Creek 1122-3M. I have enclosed a copy of the sundry notice.

Thank you for your attention to our request.

Sincerely,
KERR-McGEE OIL & GAS ONSHORE LP


Jason Rayburn
Landman

enclosures

RECEIVED

JAN 07 2009

DIV. OF OIL, GAS & MINING

STATE OF UTAH)

) ss

COUNTY OF UINTAH)

AFFIDAVIT

Jason Rayburn, of lawful age, and being first duly sworn upon oath, deposes and says:

He is a Landman of Kerr-McGee Oil & Gas Onshore LP, of Denver, Colorado. Kerr-McGee Oil & Gas Onshore LP is the operator of the following described well:

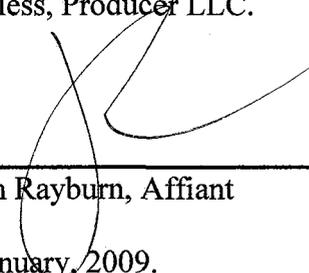
**BITTER CREEK 1122-3M
448' FSL, 242' FWL (NWSW)
SECTION 3, T11S- R22E
UINTAH COUNTY, UTAH**

Kerr-McGee Oil & Gas Onshore LP and Robert L. Bayless, Producer LLC., are the only owners in the well and/or of all the contiguous oil and gas leases or drilling units overlying the pool.

On the 5th day of January, 2009, he placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling into two or more pools (formations) in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining and Robert L. Bayless, Producer LLC.

Further affiant saith not.

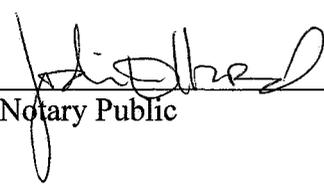


Jason Rayburn, Affiant

Subscribed and sworn before me this 5th day of January, 2009.



My Commission Expires Aug. 16, 2009



Notary Public

My Commission Expires:

Aug. 16, 2009

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU29797
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE		6. If Indian, Allottee or Tribe Name
Contact: SHEILA UPCHEGO Email: sheila.upchego@anadarko.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-7024	8. Well Name and No. BITTER CREEK 1122-3M
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 3 T11S R22E SWSW 448FSL 242FWL		9. API Well No. 43-047-39750
		10. Field and Pool, or Exploratory UNDESIGNATED
		11. County or Parish, and State UINTAH COUNTY, UT

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"/> 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 checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 OPERATOR HAS PERFORMED A RECOMPLETION ON THE SUBJECT WELL LOCATION. THE OPERATOR HAS COMPLETED THE WASATCH FORMATION. THE OPERATOR HAS COMMINGLED THE NEWLY WASATCH FORMATION ALONG WITH THE EXISTING MESAVERDE FORMATION. THE OPERATOR HAS PLACED THE SUBJECT WELL LOCATION ON PRODUCTION ON 01/22/2008 AT 2:00 PM.

PLEASE REFER TO THE ATTACHED RECOMPLETION CHRONOLOGICAL WELL HISTORY.

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

**Electronic Submission #66591 verified by the BLM Well Information System
For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal**

Name (Printed/Typed) SHEILA UPCHEGO	Title OPERATIONS
Signature 	Date 01/23/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, 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.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
JAN 26 2009

DIV. OF OIL, GAS & MINING

WINS No.: 95707

BITTER CREEK 1122-3M

Start Date: 1/15/2009

AFE No.: 2029004

Operation Summary Report

End Date:

Operator KERR MCGEE OIL & GAS ONSHORE LP		FIELD NAME NATURAL BUTTES	SPUD DATE 9/6/08	GL 5,684	KB 5684	ROUTE V44
API 4304739750	STATE UTAH	COUNTY UINTAH		DIVISION ROCKIES		
Lat./Long.: Lat./Long.: 39.88352 / -109.44972		Q-Q/Sect/Town/Range: SWSW / 3 / 11S / 22E		Footages: 448.00' FSL 242.00' FWL		
MTD 8282	TVD 8280	LOG MD	PBMD 8230	PBTVD		

EVENT INFORMATION: EVENT ACTIVITY: RECOMPLETION REASON: WAS RECOMLETE AFE NO.: 2029004
 OBJECTIVE: DEVELOPMENT DATE WELL STARTED/RESUMED: 9/6/2008
 OBJECTIVE2: RE FRAC Event End Status:

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

MILES-GRAY 1 / 1 01/21/2009

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
1/15/2009	<u>SUPERVISOR: JD FOREMAN</u> <u>MD:</u>						
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 18:00	10.50	COMP	31		P	RIG UP NIPPLE DOWN TREE NIPPLE UP BOP UNLAND TBG. TBG SCALE UP BAD INSIDE POOH & LAY DOWN 244 JTS SEND TO PRS VERNAL SDFN
1/16/2009	<u>SUPERVISOR: JD FOREMAN</u> <u>MD:</u>						
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 17:00	9.50	COMP	37		P	MIRU SCHLUMBERGER RIH W/ G R TO 5980' POOH RIH W/ 8K FLOW THROUGH PLUG SET @ 5910' POOH FILL CSG W/REC WATER TEST CSG TO 6500# W/ B&C QUICK TEST GOOD TEST PICK UP 3,3/8 GUNS 23 GM .36 HOLE RIH PERF @ 5890'-5900' 4 SPF NO BLOW SDFWE
1/19/2009	<u>SUPERVISOR: JD FOREMAN</u> <u>MD:</u>						
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 17:00	9.50	COMP	36		P	MIRU WEATHERFORD & SCHLUMBERGER TO FRAC BRK PERF @ 2582# INJ RT 39 BPM INJ PSI 4436# ISIP 2082# FG .80 FRAC W/ 16486# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 675 BBL SLICKWATER MP 4853# MR 39.4 BPM AP 3236# AR 31.2 BPM ISIP 2294# FG .83 NPI 212# STAGE #2 RIH SET 8K CBP @ 5514' PERF @ 5410'-12' 4 SPF 5476'-84' 4 SPF BRK PERF @ 3319# INJ RT 40.8 BPM INJ PSI 2860# ISIP 1392# FG .70 FRAC W/ 38664# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 1026 BBL SLICKWATER MP 3187# MR 42.4 BPM AP 27263 AR 40.9 BPM ISIP 1959# FG .80 NPI 567# RIH SET 8K CBP @ 5360' RIH DOWN WEATRERFORD & SCHLUMBERGER NIPPLE DOWN FRAC VALVES SDFN
1/20/2009	<u>SUPERVISOR: JD FOREMAN</u> <u>MD:</u>						
	7:00 - 7:30	0.50	COMP	48		P	SEAFETY MEETING
	7:30 - 17:00	9.50	COMP	31		P	TALLY & PICK UP 2,3/8 TBG RIH W/ SLIDING SLEEVE BIT SUB & 3,7/8 BIT TAG @ 5360' RIG UP DRILG EQUIP DRILL OUT CBP 200# KICK RIH TAG @ 5484' 30' SAND ON CBP DRILL OUT SAND & CBP 5514' 100# KICK CLEAN OUT TO 5910' CIRC CLEAN PULL & LAY DOWN 18 JTS 2,3/8 LAND ON WELL HEAD w 171 JTS 2,3/8 J-55 TBG NIPPLE DOWN BOP NIPPLE UP TREE PUMP OPEN SLIDING SLEEVE TRUN WELL TO FLOWBACK CREW SDFN
	TBG DETAIL						
	KB						18.00
	HANGER						.83
	171 JTS 2,3/8 J-55						5343.50
	XN-NIPPLE						2.20
	EOT						5366.37
	30 JTS BACK TO YARD						

Wins No.: 95707

BITTER CREEK 1122-3M

API No.: 4304739750

EVENT INFORMATION:	EVENT ACTIVITY: RECOMPLETION	REASON: WAS RECOMPLETE	AFE NO.: 2029004
	OBJECTIVE: DEVELOPMENT	DATE WELL STARTED/RESUMED: (
	OBJECTIVE2: RE FRAC	Event End Status:	

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

MILES-GRAY 1 / 1

01/21/2009

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
1/21/2009	<u>SUPERVISOR: JD FOREMAN</u> <u>MD:</u>						
	7:00 - 7:30	0.50	COMP	48		P	SAFETY MEETING
	7:30 - 7:30	0.00	COMP	31		P	RDMO
1/21/2009	<u>SUPERVISOR: JD FOREMAN</u> <u>MD:</u>						
	7:00 -			33	A		7 AM FLBK REPORT: CP 650#, TP 300#, 20/64" CK, 25 BWPH, trace SAND, - GAS TTL BBLs RECOVERED: 1214 BBLs LEFT TO RECOVER: 491
1/22/2009	<u>SUPERVISOR: KEN</u> <u>MD:</u>						
	7:00 -			33	A		7 AM FLBK REPORT: CP 800#, TP 800#, 20/64" CK, 25 BWPH, TRACE SAND, - GAS TTL BBLs RECOVERED: 1814 BBLs LEFT TO RECOVER: -109

amended

Form 3160-4
(August 2007)

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.
UTU29797

1a. Type of Well Oil Well Gas Well Dry Other
b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator
KERR-MCGEE OIL & GAS ONSHORE
Contact: SHEILA UPCHEGO
Mail: sheila.upchego@anadarko.com

8. Lease Name and Well No.
BITTER CREEK 1122-3M

3. Address 1368 SOUTH 1200 EAST
VERNAL, UT 84078

3a. Phone No. (include area code)
Ph: 435-781-7024

9. API Well No.
43-047-39750

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
At surface SWSW 448FSL 242FWL
At top prod interval reported below SWSW 448FSL 242FWL
At total depth SWSW 448FSL 242FWL

10. Field and Pool, or Exploratory
UNDESIGNATED

11. Sec., T., R., M., or Block and Survey
or Area Sec 3 T11S R22E Mer SLB

12. County or Parish
UINTAH
13. State
UT

14. Date Spudded
09/05/2008

15. Date T.D. Reached
09/26/2008

16. Date Completed
 D & A Ready to Prod.
01/22/2009

17. Elevations (DF, KB, RT, GL)*
5686 GL

18. Total Depth: MD 8282
TVD

19. Plug Back T.D.: MD 5910
TVD

20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
N/A

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

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 Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20.000	14.000 STEEL	36.7		40		28			
12.250	9.625 J-55	36.0		1850		525			
7.875	4.500 I-80	11.6		8282		1486			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375		5366						

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5410	5900	5410 TO 5900	0.360	66	OPEN
B)						
C)						
D)						

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

Depth Interval	Amount and Type of Material
5410 TO 5900	PMP 1701 BBLs SLICK H2O & 65,150# 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
01/22/2009	02/01/2009	24	→	0.0	1660.0	90.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
22/64	SI 1053	1360.0	→	0	1660	90		PGW	

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.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #67583 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED

MAR 02 2009

DIV. OF OIL, GAS & MINING

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(Sold, 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.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	899				
MAHOGANY	1587				
WASATCH	3887	6171			
MESAVERDE	6199	8188			

32. Additional remarks (include plugging procedure):

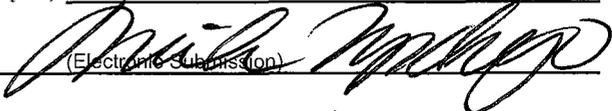
33. Circle enclosed attachments:

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

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

Electronic Submission #67583 Verified by the BLM Well Information System.
For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal

Name (please print) SHEILA UPCHEGO Title OPERATIONS

Signature  (Electronic Submission) Date 02/25/2009

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.