

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-71417

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.

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

8. Lease Name and Well No.
BITTER CREEK 1122-6K

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

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

9. API Well No.
4304739762

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **NE/SW 1641'FSL, 1984'FWL** *39.886863*
At proposed prod. Zone **628363X 4416069Y** *-109.498760*

10. Field and Pool, or Exploratory
~~UNIDENTIFIED~~ *Bitter Creek*

11. Sec., T., R., M., or Blk, and Survey or Area
SEC. 6, T11S, R22E

14. Distance in miles and direction from nearest town or post office*
40.1 +/- 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)
1641'

16. No. of Acres in lease
1520.00

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
8550'

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5567'GL

22. Approximate date work will start*

23. Estimated duration

24. Attachments

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

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

25. Signature: *[Signature]* Name (Printed/Typed) **SHEILA UPCHEGO** Date **10/30/2007**

Title **SENIOR LAND ADMIN SPECIALIST**

Approved by: *[Signature]* Name (Printed/Typed) **BRADLEY G HILL** Date **11-07-07**

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

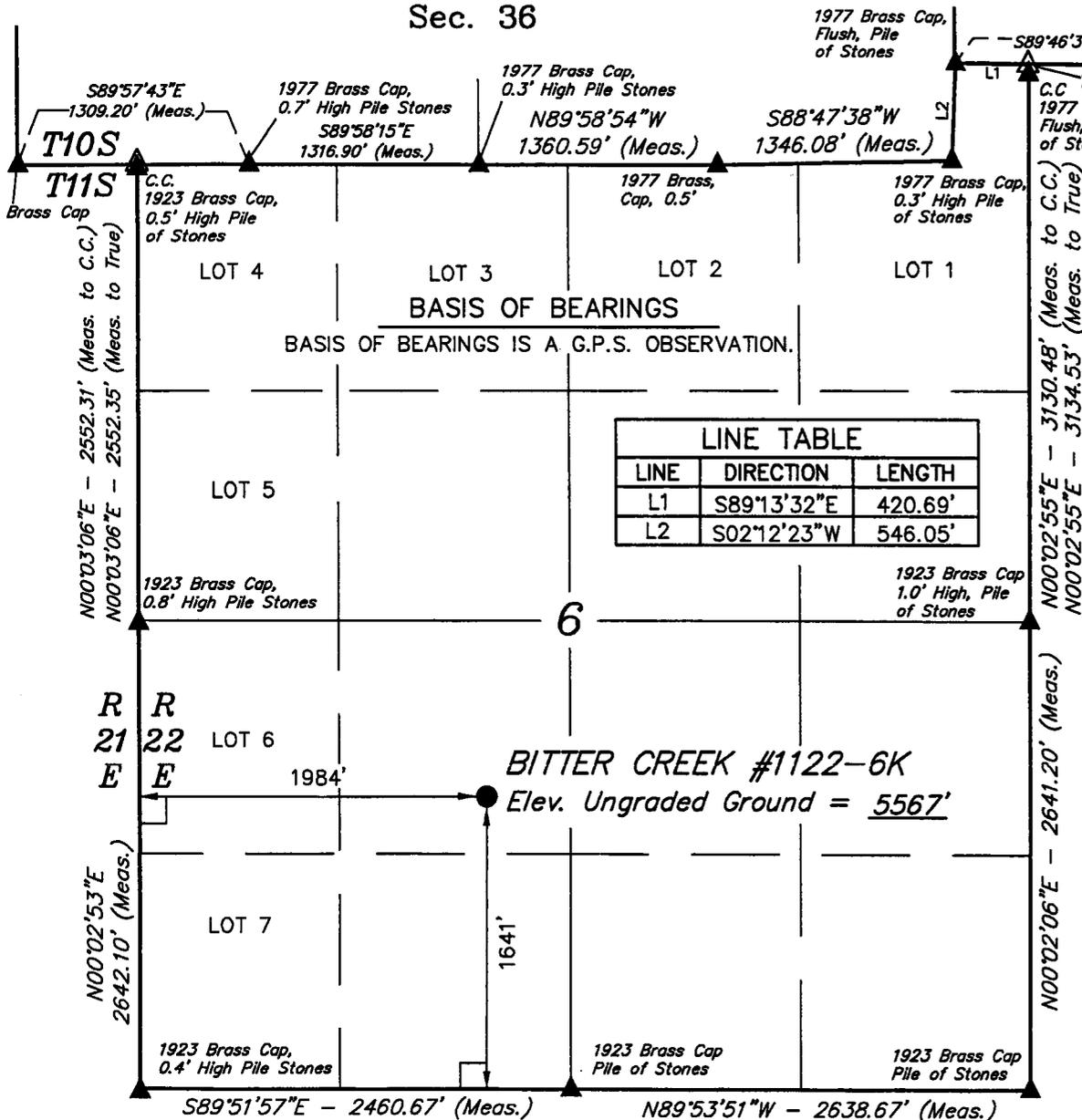
DIV. OF OIL, GAS & MINING

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

Sec. 36

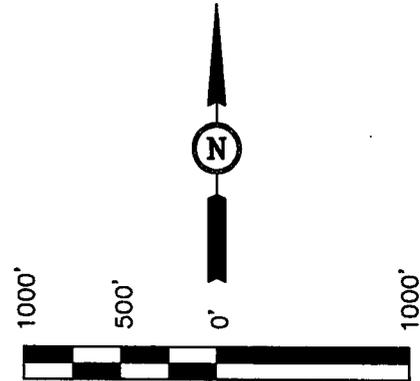
Kerr-McGee Oil & Gas Onshore LP

Well location, BITTER CREEK #1122-6K, located as shown in the NE 1/4 SW 1/4 of Section 6, T11S, R22E, S.L.B.&M. Uintah County, Utah.



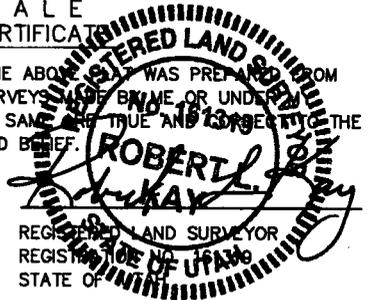
N 1/4 Sec. 5
1991 Alum. Cap,
0.2' High Pile
of Stones
BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, 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.



SCALE CERTIFICATE

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



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

(NAD 83)
 LATITUDE = 39°53'12.68" (39.886856)
 LONGITUDE = 109°29'58.14" (109.499483)
 (NAD 27)
 LATITUDE = 39°53'12.80" (39.886889)
 LONGITUDE = 109°29'55.68" (109.498800)

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

SCALE 1" = 1000'	DATE SURVEYED: 05-18-07	DATE DRAWN: 06-01-07
PARTY L.D.K. J.R. L.A.K.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	

**BITTER CREEK 1122-6K
NE/SW SEC. 6, T11S, R22E
UINTAH COUNTY, UTAH
UTU-71417**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	929'
Top of Birds Nest Water	1182'
Mahogany	1542'
Wasatch	3976'
Mesaverde	6474'
MVU2	7493'
MVL1	8118'
TD	8550'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	929'
	Top of Birds Nest Water	1182'
	Mahogany	1542'
Gas	Wasatch	3976'
	Mesaverde	6474'
Gas	MVU2	7493'
Gas	MVL1	8118'
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 8550' TD, approximately equals 5301 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3420 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.

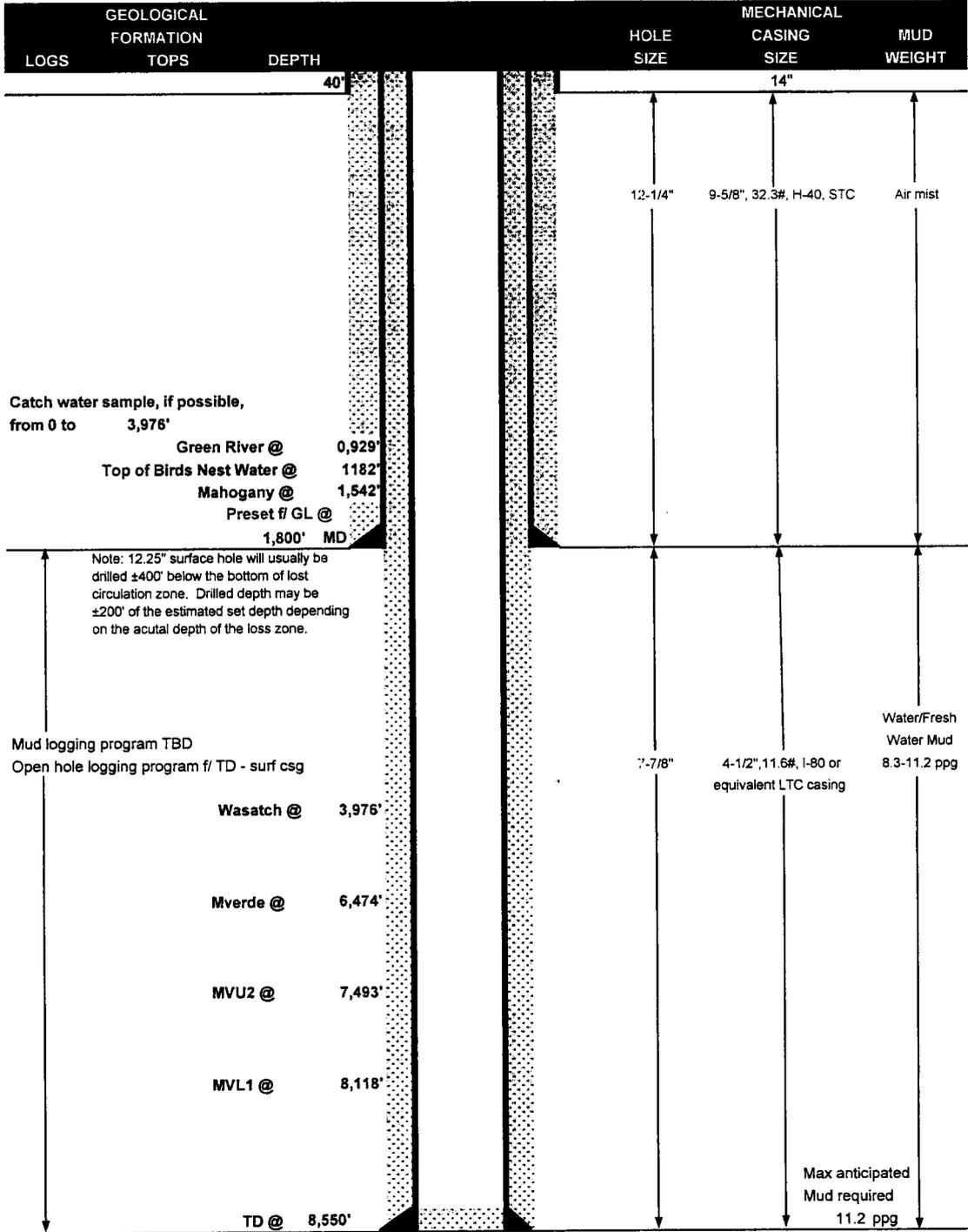
10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE October 30, 2007
 WELL NAME BITTER CREEK 1122-6K TD 8,550' MD/TVD
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,565' GL KB 5,580'
 SURFACE LOCATION NE/SW SEC. 6, T11S, R22E 1641'FSL, 1984'FWL BHL Straight Hole
 Latitude: 39.886856 Longitude: 109.499483
 OBJECTIVE ZONE(S) Wasatch/Mesaverde
 ADDITIONAL INFO Regulatory Agencies: BLM (SURF & MINERALS), UDGOM, Tri-County Health Dept.





KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1800	32.30	H-40	STC	7780	1.63	4.99
PRODUCTION	4-1/2"	0 to 8550	11.60	I-80	LTC	2.51	1.28	2.32

- 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 3099 psi

~~Burst SF is low but csg is much stronger than normal. Burst SF is 2000 for 2270 and 21.8 ppg. Burst SF is 13 ppg.~~

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD	
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18	
Option 1	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18	
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18	
SURFACE	Option 2	LEAD	NOTE: If well will circulate water to surface, option 2 will be utilized					
	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + 25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82	
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18	
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18	
PRODUCTION	LEAD	3,470'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	380	60%	11.00	3.38	
	TAIL	5,080'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1420	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

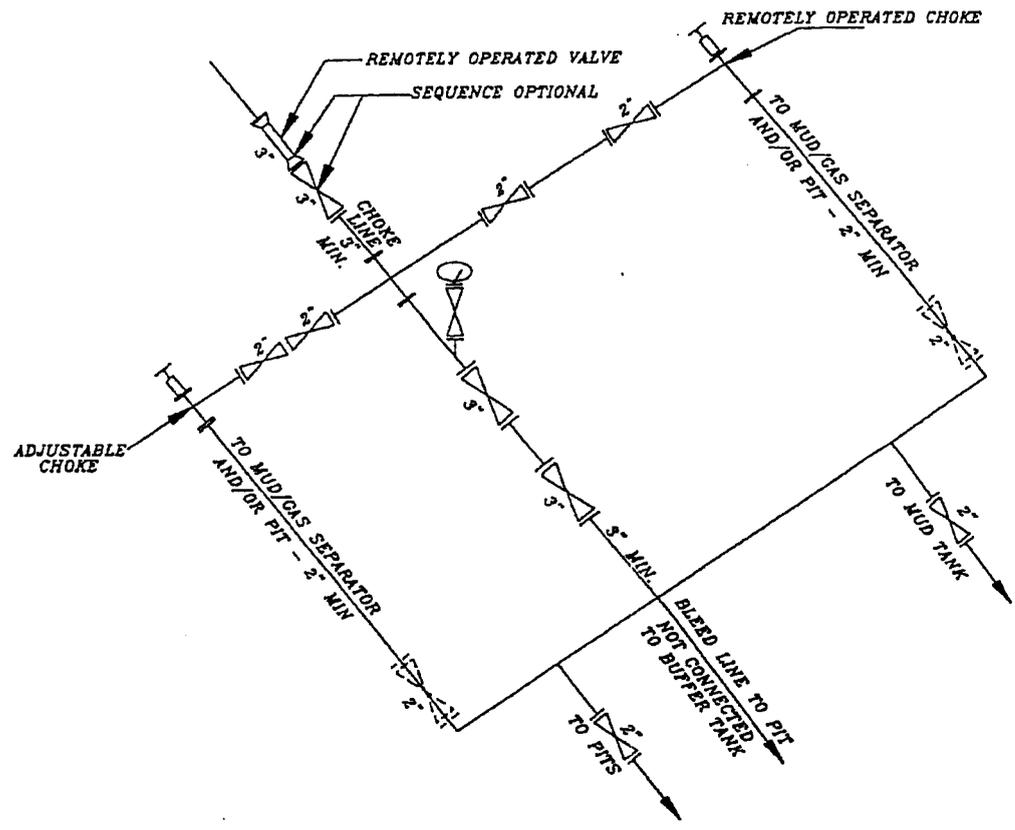
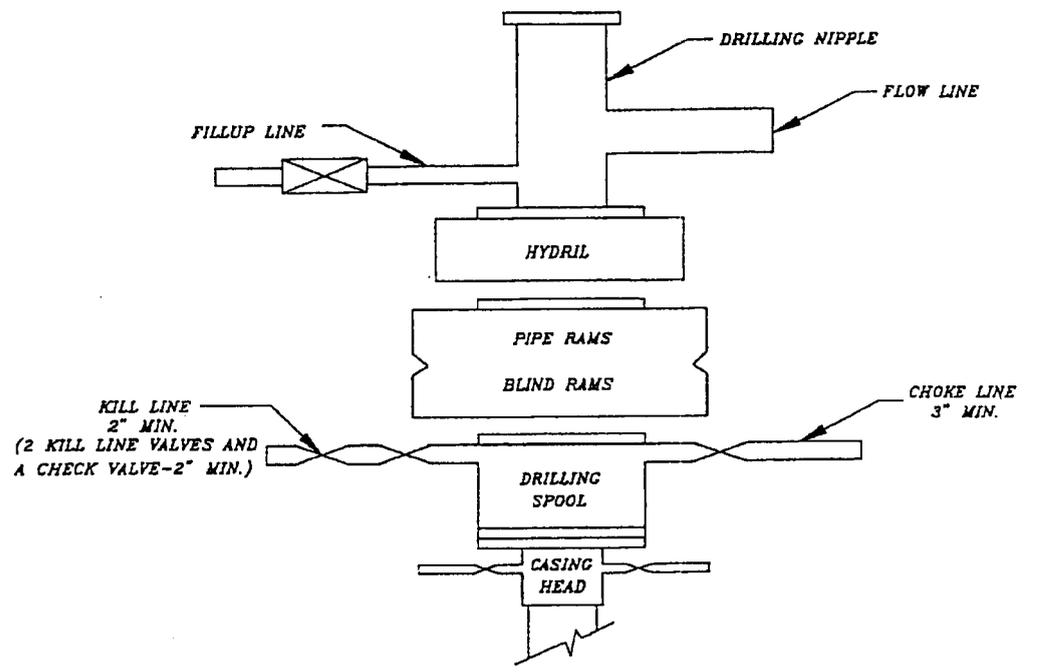
Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.
 BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & four sheet. Function test rams on each trip. Maintain safety valve & 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

DRILLING SUPERINTENDENT: _____
 Randy Bayne

DATE: _____
 DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**BITTER CREEK 1122-6K
NE/SW SEC. 6, T11S, R22E
UINTAH COUNTY, UTAH
UTU-71417**

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:

Approximately 180' +/- of access road is proposed. 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:

Approximately 2300' +/- of 6" steel pipeline shall be installed to the proposed location from the Tie-in point shall be installed to the proposed well location. Refer to Topo Map D for pipeline placement.

Approximately 3850' +/- of 4" steel pipeline shall be installed to the proposed location from the Tie-in point shall be installed to the proposed well location. Refer to Topo Map D for pipeline placement.

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:

Galletta Grass	15 lbs.
Needle and Thread Grass	4 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.

GOLDEN EAGLE: No drilling or construction from February 1st – July 15th.

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 30, 2007

Date

Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-6K
SECTION 6, T11S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 10.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 3.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #1122-6F TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 180' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 57.0 MILES.

Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-6K
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 6, T11S, R22E, S.L.B.&M.

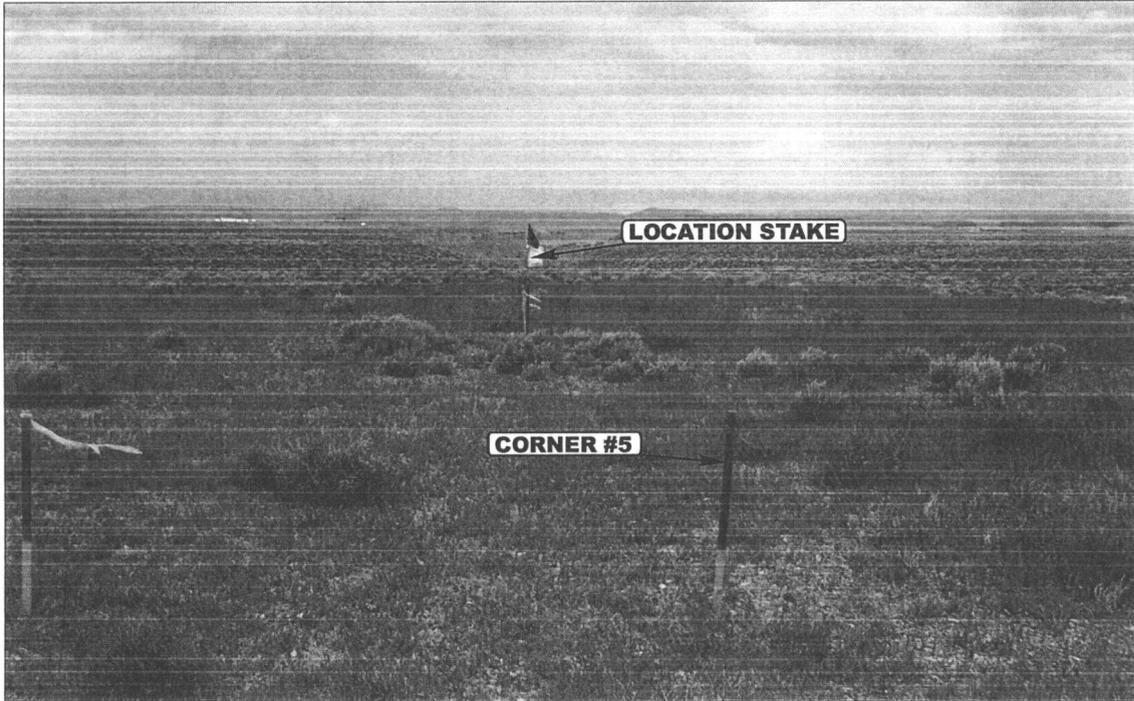


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

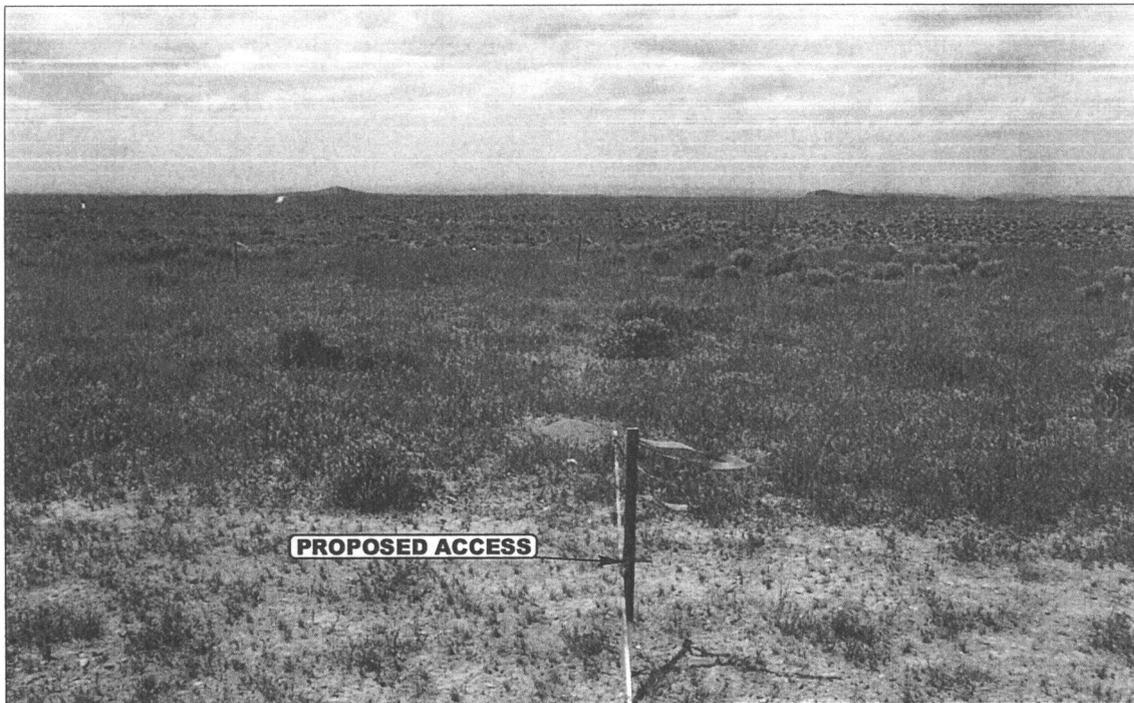


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

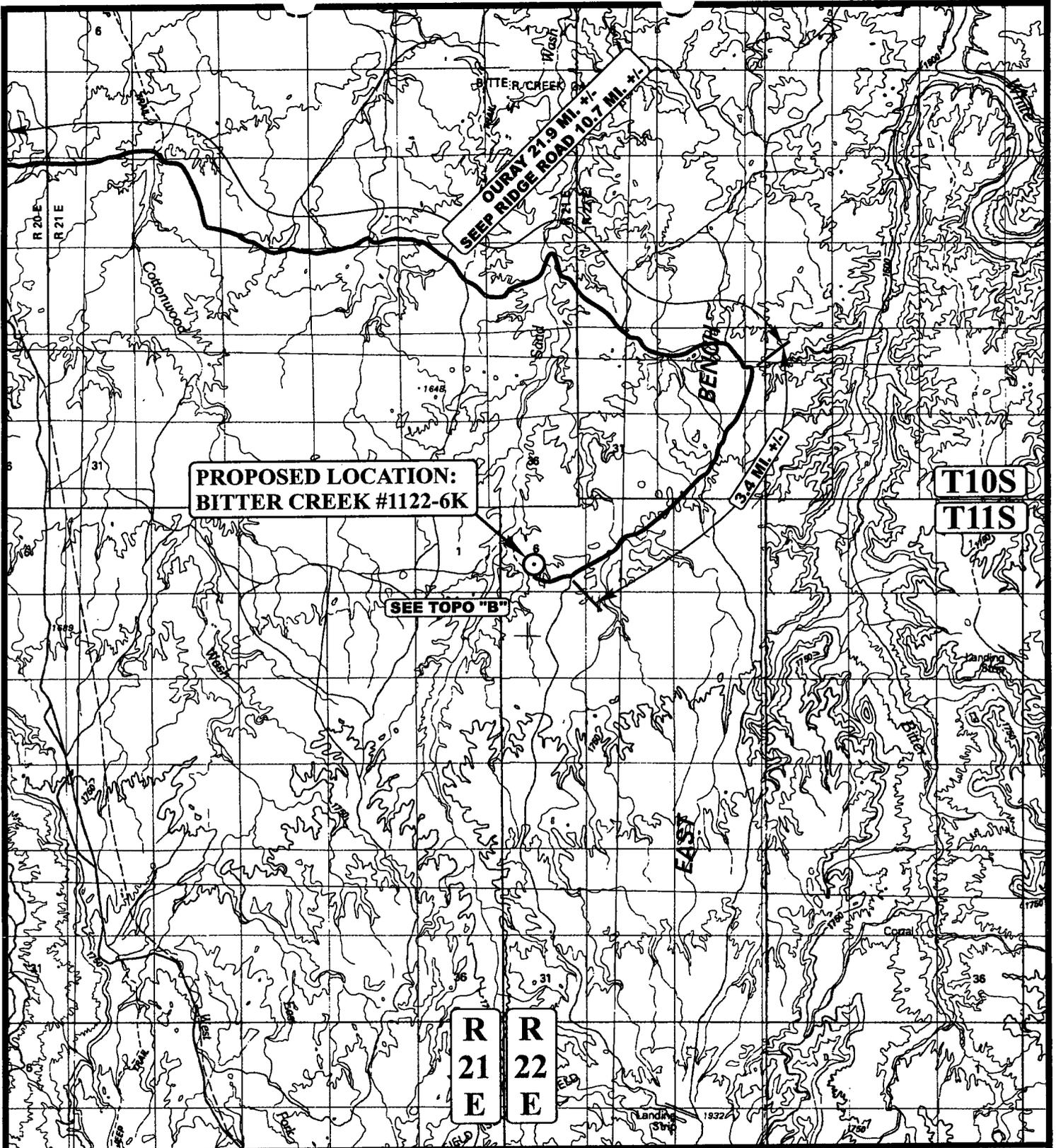
CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS			05	23	07	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: C.P.	REVISED: 00-00-00				



**PROPOSED LOCATION:
BITTER CREEK #1122-6K**

SEE TOPO "B"

T10S

T11S

**R
21
E**

**R
22
E**

LEGEND:

⊙ PROPOSED LOCATION



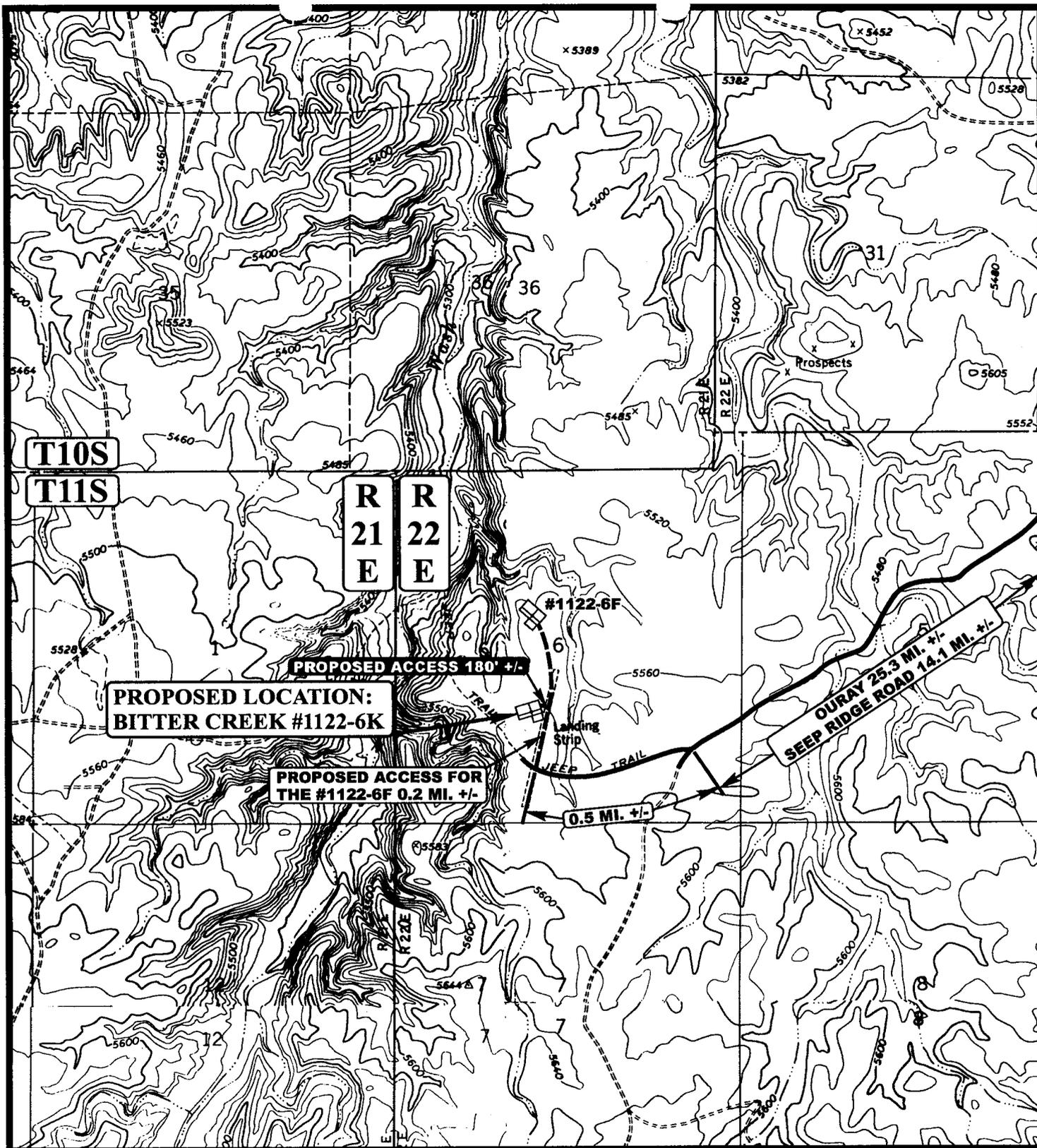
Kerr-McGee Oil & Gas Onshore LP

**BITTER CREEK #1122-6K
SECTION 6, T11S, R22E, S.L.B.&M.
1641' FSL 1984' FWL**

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

TOPOGRAPHIC 05 23 07
MAP MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: C.P. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



Kerr-McGee Oil & Gas Onshore LP

**BITTER CREEK #1122-6K
SECTION 6, T11S, R22E, S.L.B.&M.
1641' FSL 1984' FWL**



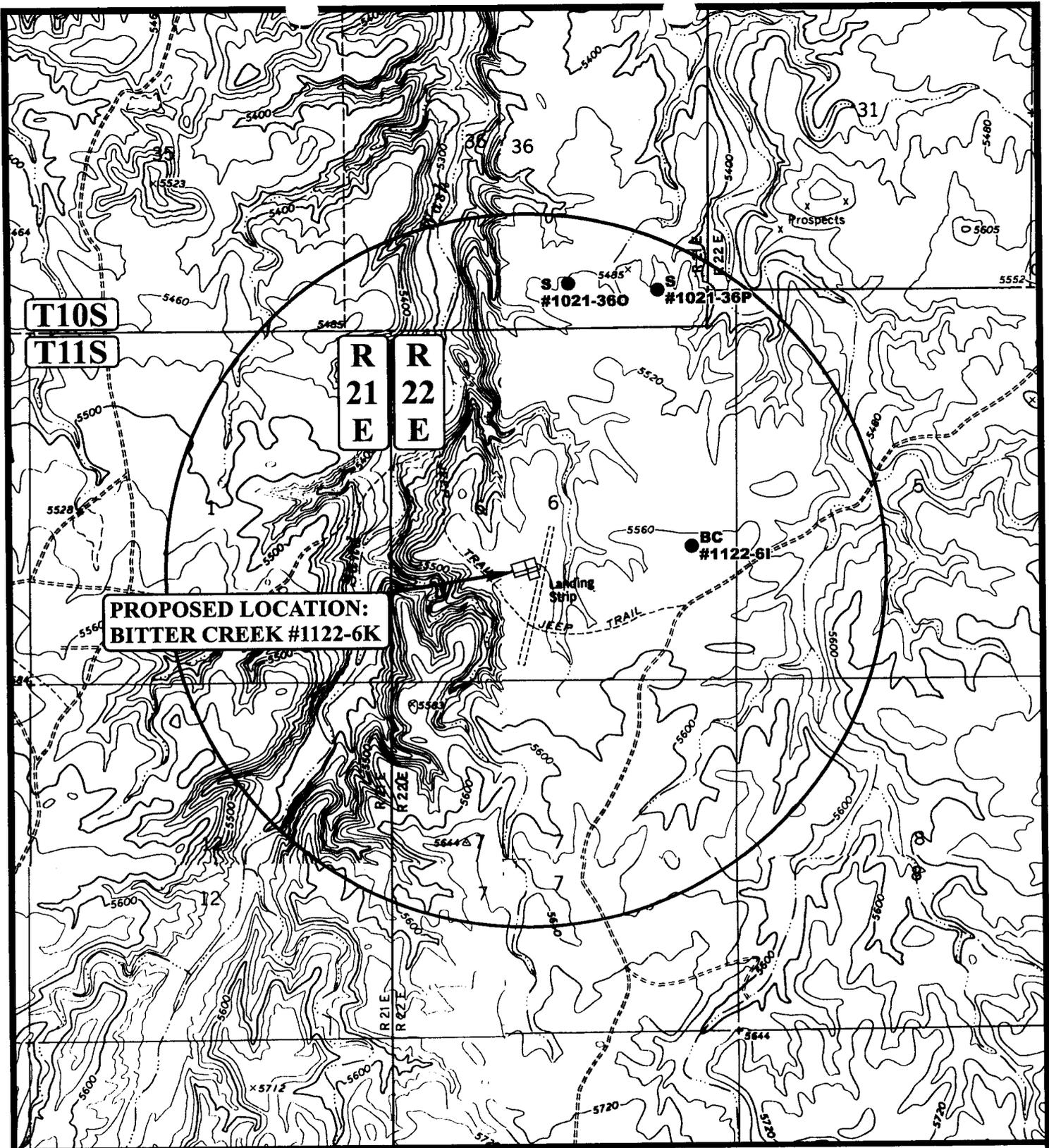
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

05	23	07
MONTH	DAY	YEAR



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



**PROPOSED LOCATION:
BITTER CREEK #1122-6K**

LEGEND:

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



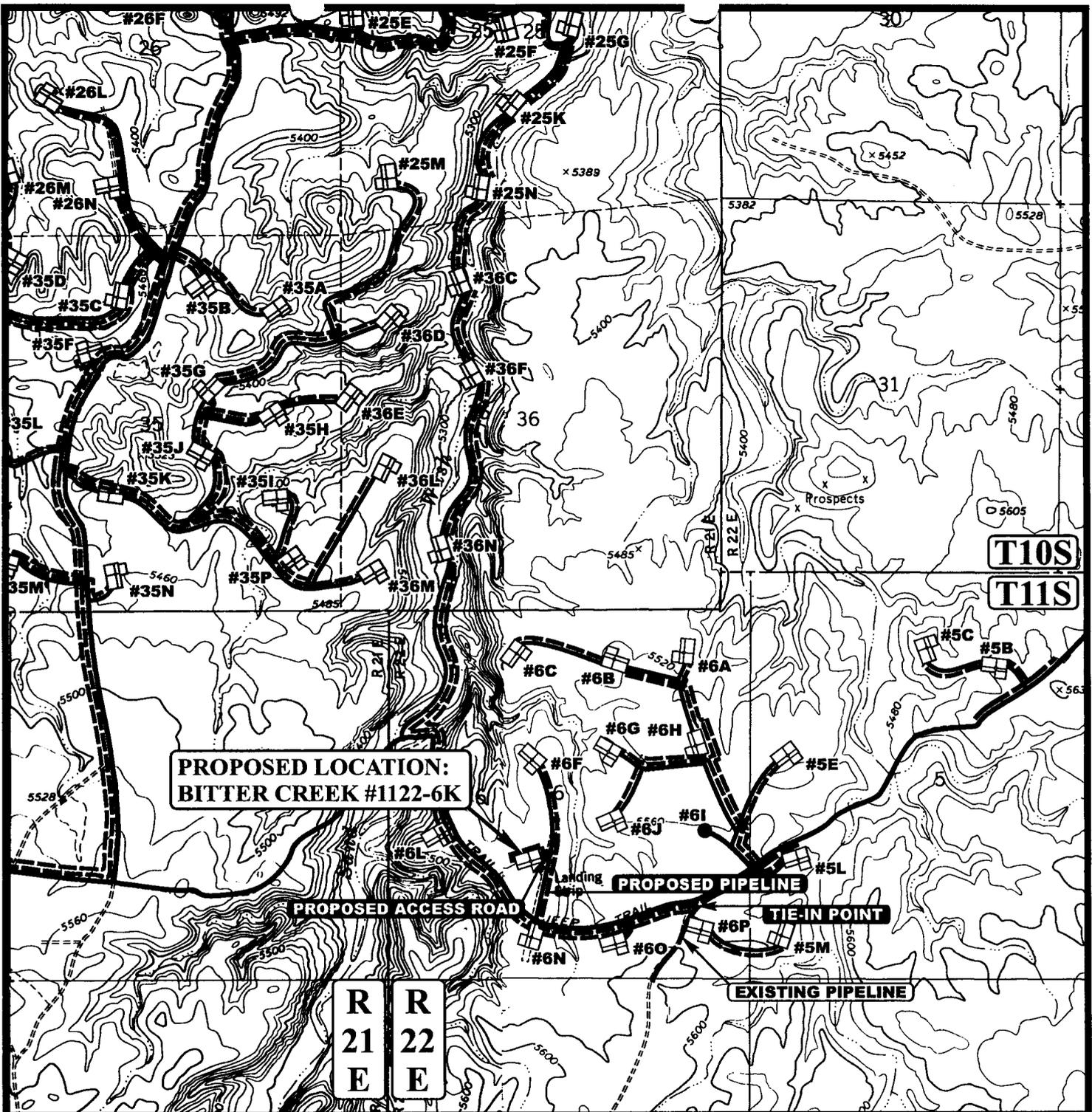
Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-6K
SECTION 6, T11S, R22E, S.L.B.&M.
1641' FSL 1984' FWL



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

TOPOGRAPHIC 05 23 07
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL 6" PIPELINE DISTANCE = 2,300' +/-
 APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 3,850' +/-

LEGEND:

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



Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-6K
SECTION 6, T11S, R22E, S.L.B.&M.
1641' FSL 1984' FWL



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

TOPOGRAPHIC 05 23 07
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 10-10-07



Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-6K
 PIPELINE ALIGNMENT
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 6, T11S, R22E, S.L.B.&M.

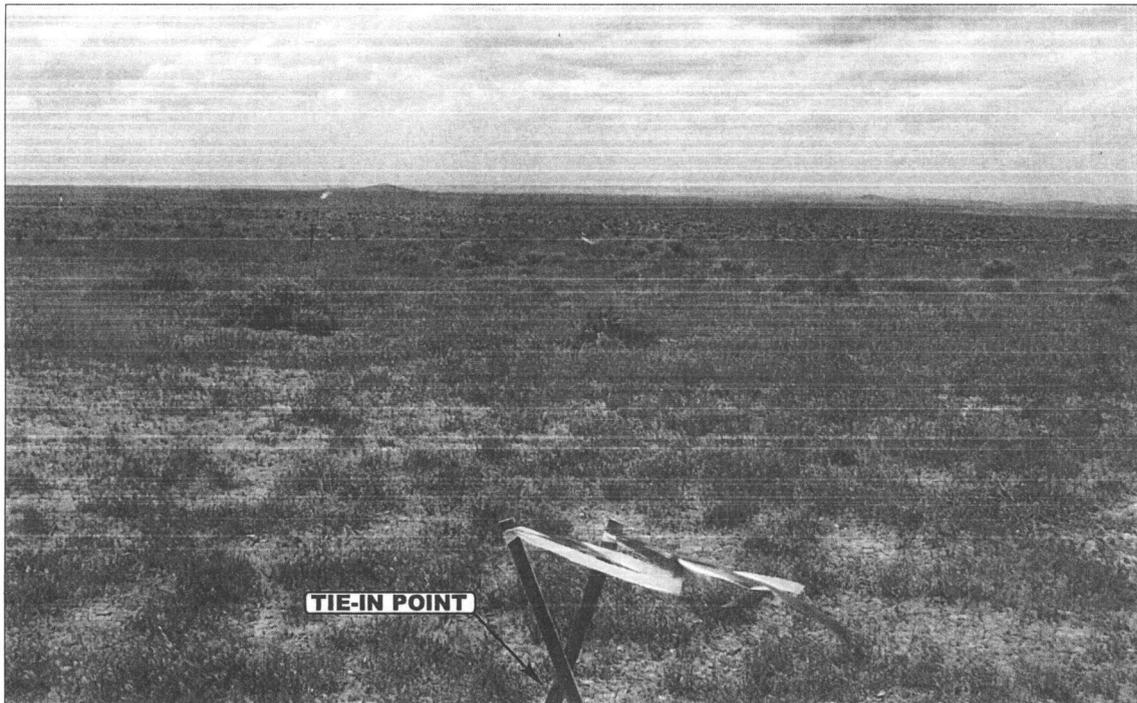


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

PIPELINE PHOTOS	05	23	07	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: C.P.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

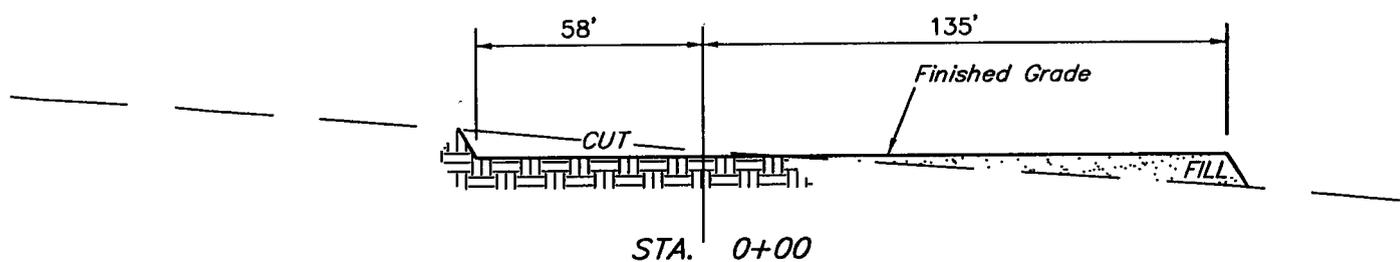
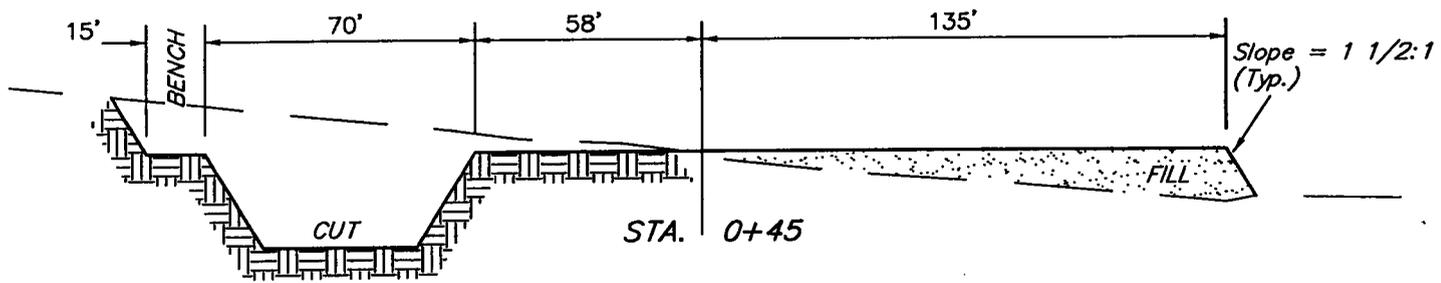
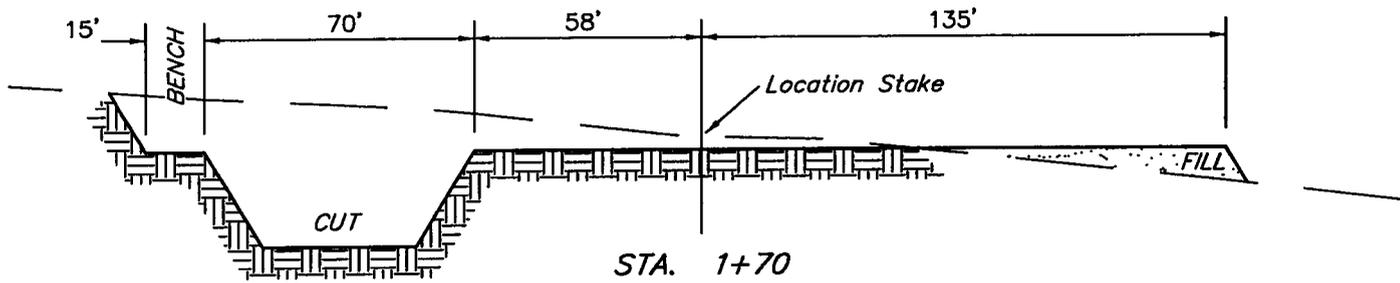
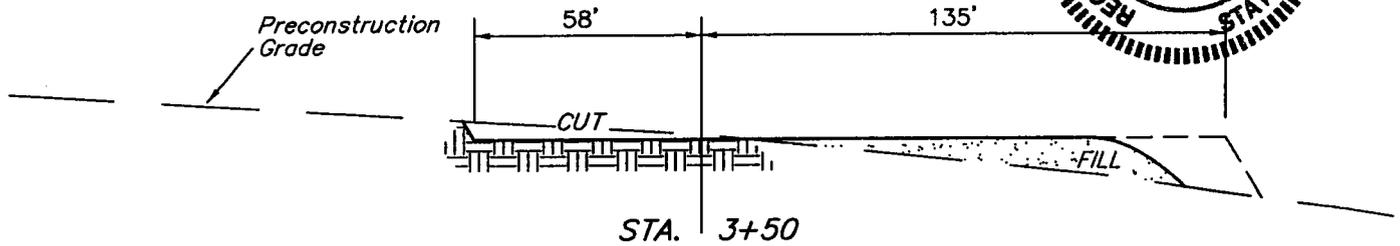
FIGURE #2

TYPICAL CROSS SECTIONS FOR BITTER CREEK #1122-6K SECTION 6, T11S, R22E, S.L.B.&M. 1641' FSL 1984' FWL



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

DATE: 06-01-07
Drawn By: L.K.



APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,720 Cu. Yds.
Remaining Location	= 6,320 Cu. Yds.
TOTAL CUT	= 8,040 CU.YDS.
FILL	= 4,930 CU.YDS.

EXCESS MATERIAL	= 3,110 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,110 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: 43-047-39762

WELL NAME: BITTER CREEK 1122-6K
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: SHEILA UPCHEGO

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

NESW 06 110S 220E
 SURFACE: 1641 FSL 1984 FWL
 BOTTOM: 1641 FSL 1984 FWL
 COUNTY: UINTAH
 LATITUDE: 39.88686 LONGITUDE: -109.4988
 UTM SURF EASTINGS: 628363 NORTHINGS: 4416069
 FIELD NAME: BITTER CREEK (547)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: UTU-71417
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

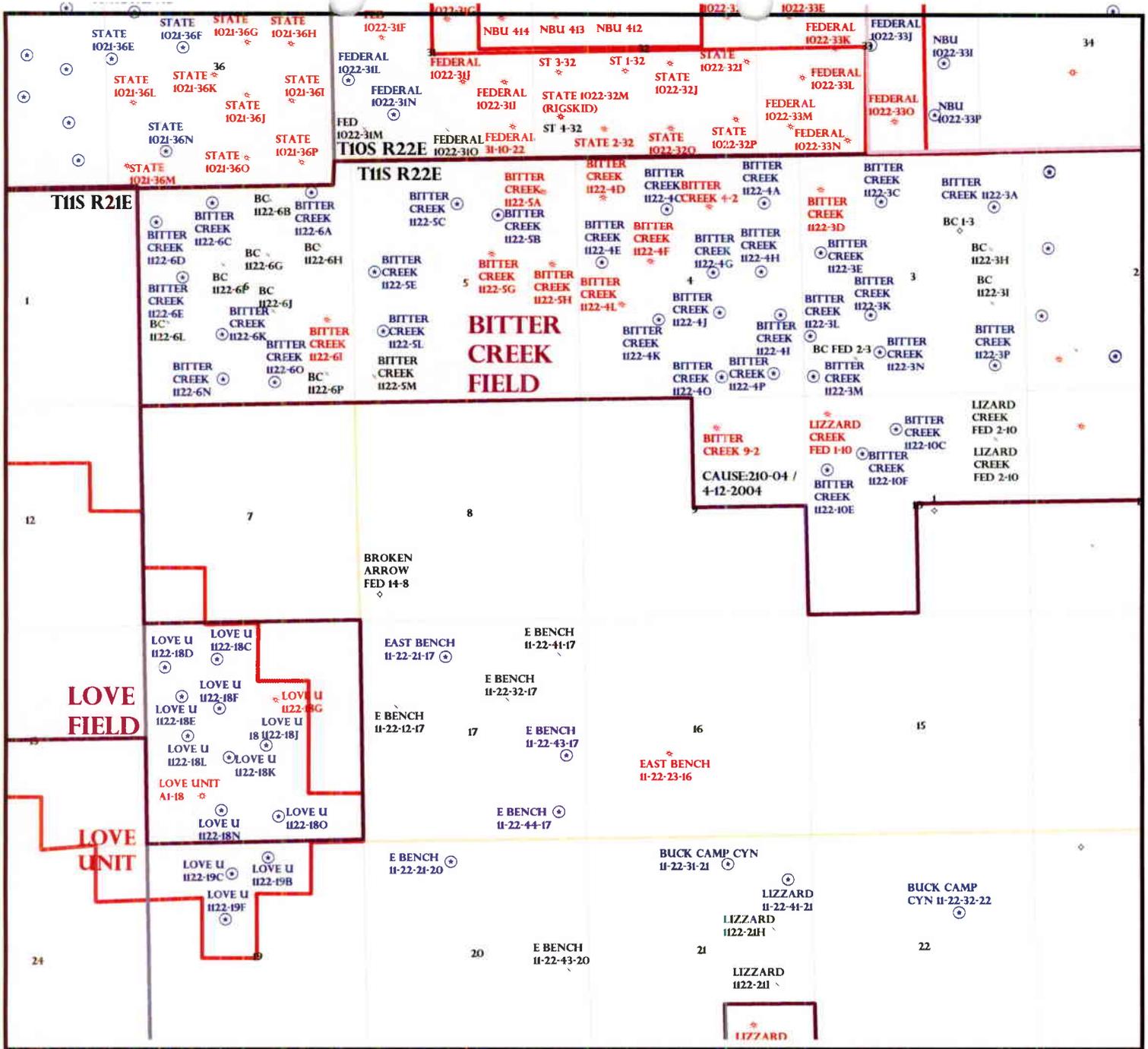
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WYB000291)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

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: 4-12-2004
Siting: 460' W. ext drilling of 126' other wells.
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-Board 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



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

November 7, 2007

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

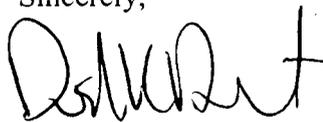
Re: Bitter Creek 1122-6K Well, 1641' FSL, 1984' FWL, NE SW, Sec. 6, T. 11 South,
R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39762.

Sincerely,

(for) 
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 1122-6K

API Number: 43-047-39762

Lease: UTU-71417

Location: NE SW Sec. 6 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.



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

June 5, 2008

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

43-047. 39762

Re: Request for Consent to Exception Well Location
BITTER CREEK 1122-6K Well
Township 11 South, Range 22 East
Section 6: NESW
1641' FSL, 1984' FWL
Uintah County, Utah

Dear Mrs. Muñoz:

Kerr-McGee Oil & Gas Onshore LP has staked and proposes to drill the Bitter Creek 1122-6K well, an 8,590' Wasatch/Mesaverde formation test, located 1641' FSL, 1984' FWL (NESW) of Section 6-T11S-R22E, SLM, Uintah County, Utah. Enclosed is a copy of the survey plat along with a copy of a topo map depicting the proposed location of the subject well.

The State of Utah Board of Oil, Gas and Mining's Order in Bitter Creek 210-04 provides for termination of 320-acre spacing for Sections 1-17-11S-22E (now under Rule 649-3-2) 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.

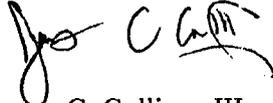
Since the location of the subject well is not in compliance with this well siting order due to 100 year floodplain of the Sand Wash, Kerr-McGee Oil & Gas Onshore LP will request the Bureau of Land Management's administrative approval of such location as an exception location in accordance with General 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 720-929-6698.

Sincerely,

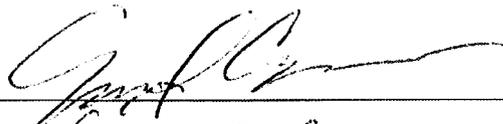
Kerr-McGee Oil & Gas Onshore LP



James C. Colligan III
Landman

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

26th day of June, 2008.

By: 

Name: George F. Coryell

Title: Geologist

RECEIVED
VERNAL FIELD OFFICE
2007 OCT 31 11:17

RECEIVED
VERNAL FIELD OFFICE
2007 OCT 31 11:17

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-71417
6. If Indian, Allottee or Tribe Name

1a. Type of Work: DRILL REENTER

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

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

8. Lease Name and Well No.
BITTER CREEK 1122-6K

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

9. API Well No.
43 047 39762

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

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

10. Field and Pool, or Exploratory
UNDESIGNATED

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **NE/SW 1641'FSL, 1984'FWL**
At proposed prod. Zone

11. Sec., T., R., M., or Blk, and Survey or Area
SEC. 6, T11S, R22E

14. Distance in miles and direction from nearest town or post office*
40.1 +/- 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)
1641'

16. No. of Acres in lease
1520.00

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
8550'

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5567'GL

22. Approximate date work will start*

23. Estimated duration

24. Attachments

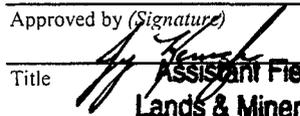
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

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

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

25. Signature 
Title
SENIOR LAND ADMIN SPECIALIST

Name (Printed/Typed)
SHEILA UPCHEGO Date
10/30/2007

Approved by (Signature) 
Title
**Assistant Field Manager
Lands & Mineral Resources**

Name (Printed/Typed)
JERRY KAVICKA Date
6-24-2008
Office
VERNAL FIELD OFFICE

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

CONDITIONS OF APPROVAL 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)

UDOGM

NOTICE OF APPROVAL

RECEIVED

JUN 26 2008

DIV. OF OIL, GAS & MINING

NOS: 6/27/2007
07PP2308A



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

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	Kerr-McGee Oil & Gas Onshore, LP	Location:	NESW, Sec. 6, T11S, R22E
Well No:	Bitter Creek 1122-6K	Lease No:	UTU-71417
API No:	43-047-39762	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)***

Surface COAs:

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

Site Specific COAs:

- 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 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	10 lbs. acre
Indian rice grass	Oryzopsis hymenoides	10 lbs. acre
Needle & Thread grass	Stipa comata	10 lbs. acre

All pounds are in pure live seed.

- Rates are set for drill seeding; double the rate if broadcasting.
 - Reseeding may be required if initial seeding is not successful.
- The operator will be responsible for treatment and control of invasive and noxious weeds 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
 - a. Avoid constructing above ground powerlines, or other tall structures within two (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 CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

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

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- 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.
- 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_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

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

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

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

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

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

Well Name: **BITTER CREEK 1122-6K**

Api No: **43-047-39762** Lease Type: **FEDERAL**

Section **06** Township **11S** Range **22E** County **UINTAH**

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

SPUDDED:

Date **08/04/08**

Time **10:00 AM**

How **DRY**

Drilling will Commence:

Reported by **LEW WELDON**

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

Date **08/04/08** Signed **CHD**

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738915	BONANZA 1023-10C-4		NENW	10	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A</i>	99999	<i>17015</i>	7/31/2008			<i>8/14/08</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 07/31/2008 AT 1000 HRS							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304738912	BONANZA 1023-7B-3		NWNE	7	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A</i>	99999	<i>17016</i>	8/1/2008			<i>8/14/08</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 08/01/2008 AT 1200 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739762	BITTER CREEK 1122-6K		NESW	6	11S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A</i>	99999	<i>17017</i>	8/4/2008			<i>8/14/08</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 08/04/2008 AT 1000 HRS.							

ACTION CODES:

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

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

Title

8/5/2008

Date

RECEIVED

AUG 05 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

Oil Well Gas Well Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

NE/SW SEC. 6, T11S, R22E 1641'FSL, 1984'FWL

5. Lease Serial No.

UTU-71417

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.

BITTER CREEK 1122-6K

9. API Well No.

4304739762

10. Field and Pool, or Exploratory Area

NATURAL BUTTES

11. County or Parish, State

UINTAH COUNTY, UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input 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 <u>WELL SPUD</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

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

SPUD WELL LOCATION ON 08/04/2008 AT 1000 HRS.

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

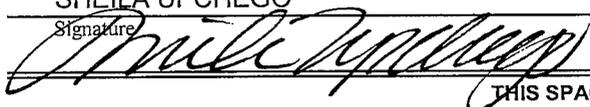
Name (Printed/Typed)

SHEILA UPCHEGO

Title

REGULATORY ANALYST

Signature



Date

August 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

(Instructions on reverse)

AUG 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-71417

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
BITTER CREEK 1122-6K

9. API Well No.
4304739762

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
KERR-McGEE OIL & GAS ONSHORE LP

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
NE/SW SEC. 6, T11S, R22E 1641'FSL, 1984'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 <u>SET SURFACE</u>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<u>CSG</u>
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

MIRU PROPETRO AIR RIG ON 08/06/2008. DRILLED 12 1/4" SURFACE HOLE TO 1860'. 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 THROUGHOUT JOB 20 +/- BBLS 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/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD CMT TO SURFACE HOLE STAYED FULL. WORT.

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

Name (Printed/Typed) SHEILA UPCHEGO	Title REGULATORY ANALYST
Signature 	Date August 13, 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 false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED

AUG 19 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-71417

6. If Indian, Allottee or Tribe Name _____

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

8. Well Name and No. **BITTER CREEK 1122-6K**

9. API Well No. **4304739762**

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)
NE/SW SEC. 6, T11S, R22E 1641' FSL, 1984' 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 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.

FINISHED DRILLING FROM 8004' TO 8620' ON 10/7/08. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/150 SX PREM LITE II @11.3 PPG 3.02 YIELD. TAILED CMT W/200 SX 50/50 POZ @ 14.3 PPG 1.31 YIELD. BUMP PLUG 500 PSI OVER FLOATS HELD. 12 BBLs BACK TO PIT. LAND CSG TEST NIPPLE DOWN BOPE CLEAN TANKS.

RELEASED PIONEER RIG 38 ON 10/7/08 AT 1500 HRS

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

Name (Printed/Typed) SHEILA UPCHEGO	Title REGULATORY ANALYST
Signature <i>Sheila Upchego UK</i>	Date October 10, 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 14 2008
DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

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

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

5. Lease Serial No.
UTU-71417

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
BITTER CREEK 1122-6K

9. API Well No.
4304739762

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)
**1641 FSL, 1984' FWL
NE/SW, SEC.6, 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 START-UP
	<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 recomplate in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 11/9/2008 AT 1200 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 <i>Sheila Upchego</i>	Date November 11, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
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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.: 95744

BITTER CREEK 1122-6K

Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 08/06/2008	GL 5,587	KB 5583	ROUTE V44
API 4304739762	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.88686 / -109.49948		Q-Q/Sect/Town/Range: NESW / 6 / 11S / 22E		Footages: 1,641.00' FSL 1,984.00' FWL	

Wellbore: BITTER CREEK 1122-6K

MTD 8,620	TVD 8,613	PBMD 8,450	PBTVD
EVENT INFORMATION:		EVENT ACTIVITY: DRILLING	START DATE: 8/4/2008
		OBJECTIVE: DEVELOPMENT	END DATE: 10/7/2008
		OBJECTIVE 2: VERTICAL WELL	DATE WELL STARTED PROD.: 8/6/2008
		REASON: DRILL PROD HOLE	Event End Status: COMPLETE
		AFE NO.: 2011017	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 38 / 38	09/25/2008	09/26/2008	09/24/2008	09/28/2008	10/05/2008	10/07/2008	10/07/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
8/4/2008	SUPERVISOR: LEW WELDON						
	10:00 - 17:00	7.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1000 HR 8/4/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 38 BLM AND STATE NOTIFIED OF SPUD
8/6/2008	SUPERVISOR: LEW WELDON						
	22:30 - 0:00	1.50	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 2230 HR 8/6/08 DA AT REPORT TIME 150'
8/7/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 950'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1260'
8/8/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1560'
	12:00 - 19:00	7.00	DRLSUR	02		P	RIG T/D @ 1860' CONDITION HOLE 1 HR
	19:00 - 22:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE

Wins No.: 95744

BITTER CREEK 1122-6K

API No.: 4304739762

	19:00 - 22:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE
	22:00 - 0:00	2.00	DRLSUR	11		P	RUN 1813' OF 9 5/8 CSG AND 200' OF 1" PIPE RIG DOWN AIR RIG
8/9/2008	<u>SUPERVISOR:</u> LEW WELDON						
	0:00 - 2:00	2.00	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 + - 20 BBL LEAD CMT TO PIT
	2:00 - 2:30	0.50	DRLSUR	15		P	1ST TOP JOB 100 SKS DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK WOC
	2:30 - 4:00	1.50	DRLSUR	15		P	2ND TOP JOB 125 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	4:00 - 4:00	0.00	DRLSUR				NO VISIBLE LEAKS PIT HAD 3 FEET IN IT WORT
9/24/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	18:00 - 0:00	6.00	RDMO	01	E	P	RDRT,F/ MOVE
9/25/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 7:00	7.00	RDMO	01	E	P	RIG DOWN OFF STATE 920-36M
	7:00 - 18:00	11.00	MIRU	01	A	P	MOVE RIG W/JONES 9TRUCKS-2 FORKLIFTS,SET SUB,PITS &PUMPS, & CARRIER
	18:00 - 22:00	4.00	MIRU	01	B	P	START RURT
	22:00 - 0:00	2.00	MIRU	01	A	P	SDFN

22:00 - 0:00 2.00 MIRU 01 A P SDFN

9/26/2008

SUPERVISOR: KENNY MORRIS

0:00 - 6:00 6.00 MIRU 12 D P SDFN

6:00 - 21:00 15.00 MIRU 01 B P SET IN RIG,RURT,RELEASE TRUCKS@17:00

21:00 - 0:00 3.00 PRPSPD 07 A P REPAIR DW TRACTION MTR CHAIN

9/27/2008

SUPERVISOR: KENNY MORRIS

0:00 - 1:00 1.00 PRPSPD 07 A P REPAIR DW CHAIN

1:00 - 3:00 2.00 PRPSPD 06 D P CUT & SLIP LINE

3:00 - 9:00 6.00 PRPSPD 01 B P R/U FLOOR, KELLY,STRAP BHA,PASON

9:00 - 12:00 3.00 PRPSPD 13 A P CHANGE RAMS,FUNCTION TESTBOP,INSTALL FLARE IGNITOR

12:00 - 12:30 0.50 PRPSPD 17 P PRE-SPUD INSPECTION,TEST EQUIPMENT

12:30 - 18:00 5.50 PRPSPD 13 C P TEST BOP,RAMS&CHOKE 5K,2500 ANN,CSG 1500

18:00 - 22:00 4.00 PRPSPD 05 A P P/U BIT #1 & BHA AND DP

22:00 - 0:00 2.00 PRPSPD 02 F P DRILL CEMENT & FE F/1720 TO 1860'

	22:00 - 0:00	2.00	PRPSD	02	F	P	DRILL CEMENT & FE F/1720 TO 1860'
9/28/2008	SUPERVISOR: KENNY MORRIS						
	0:00 - 0:30	0.50	PRPSD	09	A	P	SURVEY@1810=2
	0:30 - 2:00	1.50	DRLPRO	02	B	P	DRILL NEW F/1860' TO 2002,WT 8.3 27 AVG 95
	2:00 - 2:30	0.50	DRLPRO	09	A	P	SURVEY@1932=2.25
	2:30 - 11:00	8.50	DRLPRO	02	B	P	DRILL F/2002 TO 2509,AVG 60 WT 8.6/28
	11:00 - 11:30	0.50	DRLPRO	06	A	P	RIG SERVICE
	11:30 - 12:00	0.50	DRLPRO	09	A	P	SURVEY@2439=1.5
	12:00 - 23:30	11.50	DRLPRO	02	B	P	DRILL F/2509 TO 3050,AVG 47 WT 9.0/42
	23:30 - 0:00	0.50	DRLPRO	09	A	P	SURVEY@2980=2
9/29/2008	SUPERVISOR: KENNY MORRIS						
	0:00 - 14:00	14.00	DRLPRO	02	B	P	DRILL F/3050 TO 4067,AVG 73 WT 9.4/48
	14:00 - 14:30	0.50	DRLPRO	06	A	P	RIG SERVICE
	14:30 - 15:00	0.50	DRLPRO	09	A	P	SURVEY@3997=2.75

Wins No.: 95744

BITTER CREEK 1122-6K

API No.: 4304739762

14:30 - 15:00	0.50	DRLPRO	09	A	P	SURVEY@3997=2.75
15:00 - 0:00	9.00	DRLPRO	02	B	P	DRILL F/4067 TO 4575,AVG 56 WT 9.5/42

9/30/2008

SUPERVISOR: KENNY MORRIS

0:00 - 9:00	9.00	DRLPRO	02	B	P	DRILL F/4575' TO 4955, AVG 42 WT 9.8/53
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9:00 - 9:30	0.50	DRLPRO	09	A	P	SURVEY@4885=3
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9:30 - 10:00	0.50	DRLPRO	06	A	P	RIG SERVICE
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10:00 - 16:00	6.00	DRLPRO	02	B	P	DRILL F/4955' TO 5269,AVG 52 WT 9.7/50
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16:00 - 0:00	8.00	DRLPRO	07	A	Z	POOH TO SHOE F/GENERATOR REPAIR,TIGHT @4450-4300 & 3308-2550',REPAIR GEN ,TIH
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10/1/2008

SUPERVISOR: KENNY MORRIS

0:00 - 1:00	1.00	DRLPRO	07	A	S	TIH AFTER GENERATOR REPAIR
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1:00 - 15:30	14.50	DRLPRO	02	B	P	DRILL F/5269 TO 5784,AVG 35 WT 10/48
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15:30 - 16:00	0.50	DRLPRO	06	A	P	RIG SERVICE
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16:00 - 0:00	8.00	DRLPRO	02	B	P	DRILL F/5784 TO 6000,AVG 27 WT 10.1/44
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10/2/2008

SUPERVISOR: KENNY MORRIS

0:00 - 16:00	16.00	DRLPRO	02	B	P	DRILL F/6000' TO 6389,AVG 24 WT 10.4/44
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Wins No.: 95744

BITTER CREEK 1122-6K

API No.: 4304739762

0:00 - 16:00	16.00	DRLPRO	02	B	P	DRILL F/6000' TO 6389,AVG 24 WT 10.4/44
16:00 - 16:30	0.50	DRLPRO	06	A	P	RIG SERVICE
16:30 - 22:30	6.00	DRLPRO	02	B	P	DRILL F/6389 TO 6517,AVG21 WT10.5/44
22:30 - 0:00	1.50	DRLPRO	05	A	S	DROP SURVEY,PUMPPILL,POOH

10/3/2008

SUPERVISOR: KENNY MORRIS

0:00 - 3:00	3.00	DRLPRO	05	A	P	POOH,CHANGE BIT & MTR
3:00 - 8:00	5.00	DRLPRO	05	A	P	TIH ,BREAK CIRC,TIH
8:00 - 16:30	8.50	DRLPRO	02	B	P	DRILL F/6517 TO 6832,AVG 37 WT 10.8/44
16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE
17:00 - 0:00	7.00	DRLPRO	02	B	P	DRILL F/6832 TO 7085',AVG 36 WT 10.8/42

10/4/2008

SUPERVISOR: KENNY MORRIS

0:00 - 16:00	16.00	DRLPRO	02	B	P	DRILL F/7085 TO 7720,AVG 39 WT 11.2/48
16:00 - 16:30	0.50	DRLPRO	06	A	P	RIG SERVICE
16:30 - 0:00	7.50	DRLPRO	02	B	P	DRILL F/7720 TO 8004,AVG 39 WT 11.4/45

Wins No.: 95744

BITTER CREEK 1122-6K

API No.: 4304739762

	16:30 - 0:00	7.50	DRLPRO	02	B	P	DRILL F/7720 TO 8004,AVG 39 WT 11.4/45
10/5/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 17:00	17.00	DRLPRO	02	B	P	DRILL F/8004 TO TD 8620,AVG 36 WT11.6/48
	17:00 - 17:30	0.50	DRLPRO	06	A	P	RIG SERVICE
	17:30 - 20:00	2.50	DRLPRO	05	E	P	SHORTTRIP BACK TO 6300',TIH,NO PROBLEMS
	20:00 - 21:30	1.50	DRLPRO	04	C	P	CIRC BTMS UP,DROP SURVEY,PUMPPILL
	21:30 - 0:00	2.50	DRLPRO	05	B	P	SAFETY MEET,LDDP WTESCO
10/6/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 6:00	6.00	DRLPRO	05	B	P	LDDP & BHA,PULL WEARRING,SURVEY 8550=2
	6:00 - 12:00	6.00	DRLPRO	08	A	P	SAFETY MEET W/SCHLUMBERGER,TRIPLE COMBO LOGS,HIT BRIDGE 6111',MADE SEVERAL ATTEMPS,NO PROGRESS,LOG UP
	12:00 - 20:00	8.00	CSG	11	B	P	R/U RUN 8592' CSG
	20:00 - 21:00	1.00	CSG	04	E	P	CIRC F/CEMENT
	21:00 - 23:00	2.00	CSG	15	A	P	PUMP 295SX LEAD,1200 SX TAIL,DISPLACE 133BBLS,FINAL CIRC PSI 2800,FLOATS HELD,13 BBLS LEAD BACK TO PIT
	23:00 - 0:00	1.00	CSG	13	A	P	LAND CSG ,NDBOP

Wins No.: 95744		BITTER CREEK 1122-6K				API No.: 4304739762	
	23:00 - 0:00	1.00	CSG	13	A	P	LAND CSG ,NDBOP
10/7/2008	SUPERVISOR: KENNY MORRIS						
	0:00 - 3:00	3.00	RDMO	01	E	P	CLEAN PITS RELEASE RIG@03:00AM 10/7/08

Wins No.: 95744		BITTER CREEK 1122-6K				API No.: 4304739762	
EVENT INFORMATION:		EVENT ACTIVITY: COMPLETION		START DATE: 10/30/2008		AFE NO.: 2011017	
		OBJECTIVE: DEVELOPMENT		END DATE: 11/6/2008			
		OBJECTIVE 2: COMPLETION		DATE WELL STARTED PROD.: 8/6/2008			
		REASON: MV		Event End Status: COMPLETE			
RIG OPERATIONS:		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release
MILES-GRAY 1 / 1		10/30/2008				11/06/2008	
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
10/20/2008	SUPERVISOR: GARTH MCCONKIE 7:00 - 17:30		10.50				7:00:00 AM - 07:15 AM. DAY 1 - JSA & SM #1. 07:15 ROAD RIG FROM BC 1122-4O TO BC 1122-4K. MIRU. SPOT EQUIP. AND STAND DERRICK. CHANGE IN ORDERS. R/D RIG & ROAD RIG TO BC 1122-6K. 09:30 MIRU. SPOT EQUIP. P/U 3 7/8" BIT & BIT SUB, P/U 274 JTS NEW 2 3/8" TBG. & RIH & C/O TO PBTD. EOT @ 8561'. PBTD @ 8577'. CIRC WELL CLEAN W/120 BBLs 2% KCL WTR. POOH & L/D 83 JTS TBG. EOT @ 5995'. 17:30 - SDFN. PREP WELL TO CONT. TO POOH & L/D TBG. IN AM.
10/21/2008	SUPERVISOR: GARTH MCCONKIE 7:00 -						07:00 AM. WHP = 0 PSI. EOT @ 5995'. CONT. POOH W/2 3/8" TBG & L/D ON FLOAT. L/D BIT & BIT SUB. NDBOP, NU WELL HEAD. RDMO SERVICE UNIT. ROAD RIG TO BC 1122-4K. 11:30 - SDFD.
10/30/2008	SUPERVISOR: JD FOREMAN 7:00 - 7:30		0.50	COMP	48	P	SAFETY MEETING
	7:30 - 17:00		9.50	COMP	31	P	MIRU NIPPLEUP BOP TALLY PICK UP 2,3/8 START OUT HOLE
10/31/2008	SUPERVISOR: JD FOREMAN 7:00 - 7:30		0.50	COMP	48	P	SAFETY MEETING
	7:30 - 15:00		7.50	COMP	31	P	POOH TEST CSG TO 7500# GOOD TEST SDFN
11/1/2008	SUPERVISOR: JD FOREMAN 7:00 - 7:30		0.50	COMP	48	P	SAFETY MEETING
	7:30 - 15:00		7.50	COMP	31	P	ROLL FRAC WATER 31 TK NO H2S FOUND SDFN
11/3/2008	SUPERVISOR: JD FOREMAN 7:00 - 7:30		0.50	COMP	48	P	SAFETY MEETING

7:30 - 18:00 10.50 COMP 36 P MIRU WEATHERFORD & CUTTERS STAGE #1 RIH W/ 2,3/8 GUNS
23 GM .36 HOLES PERF @ 8155'-58' 2 SPF 8199'-04' 4 SPF
8220'-26' 3 SPF BRK PERF @ 3603# INJ RT 49.8 BPM INJ PSI
4500# ISIP 2492# FG .74 FRAC W/ 96688# 30/50 SAND + 5000#
20/40 RESIN SAND + 2791 BBL SLICKWATER MP6164# 51.7 BPM
AP 4384# AR 51.2 BPM ISIP 3002# FG .80 NPI 510# PUMPED 125
BBL SWEEP AT END OF 1.5 RAMP

STAGE #2 RIH SET 8K CBP @ 8116' PERF @ 7899'-01' 3 SPF
7984'-87' 3 SPF 8045'-50' 4 SPF 8083'-86' 3 SPF BRK PERF @
4421# INJ RT 50.9 BPM INJ PSI 4771# ISIP 2948# FG .80 FRAC W/
100684# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 2777
BBL SLICKWATER MP 5133# MR 51 BPM AP 4661# ISIP 2809# FG
.78 NPI -139# PUMPED 125 BBL SWEEP AT END OF 1.5 RAMP

STAGE #3 RIH SET 8K CBP @ 7704' PERF @ 7543'-48' 3 SPF
7620'-26' 3 SPF 7671'-74' 3 SPF BRK PERF @ 2267# INJ RT 49.9
BPM INJ PSI 3750# ISIP 2054# FG .70 FRAC W/ 54698# 30/50
SAND + 5000# 20/40 RESIN COATED SAND + 1546 BBL SLICK
WATER MP 3899# MR 50.2 BPM AP 3474# AR 49.9 BPM ISIP
2199# FG .72 NPI 145#

STAGE #4 RIH SET 8K CBP @ 7364' PERF @ 7320'-34' 3 SPF BRK
PERF @ 2574# INJ RT 49.9 BPM INJ PSI 3693# ISIP 1803# FG .88
FRAC W/ 54026# 30/50 SAND + 5000# 20/40 RESIN COATED
SAND + 1530 BBL SLICKWATER MP 3899# MR 50.2 BPM AP
3750# AR 49.9 BPM ISIP 2658# FG .80 NPI 855#

STAGE #5 RIH SET 8K CBP @ 6900' PERF @ 6828'-34' 3 SPF
6852'-55' 3 SPF 6865'-70' 3 SPF BRK PERF @ 3287# INJ RT 49.8
BPM INJ PSI 3854# ISIP 1845# FG .70 FRAC W/ 25703# 30/50
SAND + 5000# 20/40 RESIN COATED SAND + 848 BBL
SLICKWATER MP 3912# MR 50.2 BPM AP 3628# AR 49.9 BPM ISIP
2501# FG .80 NPI 656#

STAGE #6 RIH SET 8K CBP @ 6379' PERF @ 6280'-86' 3 SPF
6331'-6334' 2 SPF 6344'-49' 4 SPF SWISDFN

11/4/2008

SUPERVISOR: JD FOREMAN

7:00 - 7:30 0.50 COMP 48 P
7:30 - 17:00 9.50 COMP 36 P

SAFETY MEETING

STAGE #6 BRK PERF @ 2116# INJ RT 49.9 BPM INJ PSI 3922#
ISIP 1496# FG .87 FRAC W/ 46464# 30/50 SAND + 5000# 20/40
RESIN COATED SAND + 1307 BBL SLICKWATER MP 4380 MR 50
BPM AP 4616# AR 49.7 BPM ISIP 3047# FG .92 NPI 1551#

STAGE #7 RIH SET 8K CBP @ 6128' PERF @ 6084'-6098' 3 SPF
BRK PERF @ 1962# INJ RT 46.9 BPM INJ PSI 3683# ISIP 1331# FG
.85 FRAC W/17567# 30/50 SAND + 5000# 20/40 RESIN COATED
SAND + 651 BBL SLICKWATER MP 4178# MR 51.6 BPM AP 3794#
AR 51.4 BPM ISIP 2743# FG .88 NPI 1405#

STAGE # 8 RIH SET 8K CBP @ 5912' PERF @ 5840'-44' 3 SPF
5866'-70' 3 SPF 5876'-82' 3 SPF BRK PERF @ 3816# INJ RT 50.7
BPM INJ PSI 4375# ISIP 2815# FG .91 FRAC W/ 21630# 30/50
SAND + 5000# 20/40 RESIN COATED SAND + 744 BBL
SLICKWATER MP 4393# MR 51 BPM AP 3997# AR 50.8 BPM ISIP
2665# FG .89 NPI -150#

STAGE #9 RIH SET 8K CBP @ 5638' PERF @ 5532'-37' 3 SPF
5581'-83' 3 SPF 5601'-08' 3 SPF BRK PERF @ 2032# INJ RT 51.2
BPM INJ PSI 3416# ISIP 1726# FG .74 FRAC W/ 74254# 30/50
SAND + 5000# 20/40 RESIN COATED SAND + 2004 BBL
SLICKWATER MP 3628# MR 55.8 BPM AP 3365# AR 51.9 BPM ISIP
2383# FG .86 NPI 657#

RIH SET 8K CBP @ 5482' RIG DOWN WEATHERFORD &
CUTTERS
NIPPLE DOWN FRAC VALVES NIPPLE UP BOP TSET BOP TO
2500# GOOD TEST RIH W/ POBS_MILL TAG CBP RIG UP
DRILLING EQUIP SDFN

11/5/2008

SUPERVISOR: JD FOREMAN

7:00 - 7:30 0.50 COMP 48

P SAFETY MEETING

	7:30 - 19:30	12.00	COMP	31	P	BRCK CIRC DRILL OUT CBP @ 5482' 100# KICK RIH TAG @ 5806' 30' SAND ON CBP DRILL OUT SAND & CBP @ 5638' 100# KICK RIH TAG @ 5880' 30' SAND ON CBP DRILL OUT SAND & CBP @ 5912' 500# KICK RIH TAG @ 6100' 30' SAND ON CBP DRILL OUT SAND & CBP @ 6128' 100# KICK RIH TAG @ 6349' 30' SAND ON CBP DRILL OUT SAND & CBP @ 6379' 1003 KICK RIH TAG @ 6870' 30' SAND ON CBP DRILL OUT SAND & CBP @ 6900' 300# KICK RIH TAG @ 7334' 30' SAND ON CBP DRILL OUT SAND & CBP @ 7364' 400# KICK RIH TAG @ 7670' 30' SAND ON CBP DRILL OUT SAND & CBP @ 7704' 300# KICK RIH TAG @ 8085' 30' SAND ON CBP DRILL OUT SAND & CBP @ 8116' 500# KICK CLEAN OUT TO 8450' PULL & LAY DOWN 20 JTS SWISDFN
						TBG DETAIL KB HANGER 172 JTS 2,3/8 J-55 TBG XN-NIPPLE EOT BACK TO YARD 113 JTS
11/6/2008	<u>SUPERVISOR:</u> JD FOREMAN					
	7:00 - 7:30	0.50	COMP	48	P	SAFETY MEETING
	7:30 - 12:00	4.50	COMP	31	P	PULL & LAY DOWN 92 JTS 2,3/8 TBG LAND ON WELL HEAD W/ 172 JTS 2,3/8 J-55 TBG EOT 5391.94' NIPPLE DOWN BOP NIPPLE UP TREE PUPM OFF MILL TRUN WELL TO FLOWBACK CREW RDMO
11/7/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL					
	7:00 -			33	A	7 AM FLBK REPORT: CP 1700#, TP 800#, 28/64" CK, 45 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 3163 BBLS LEFT TO RECOVER: 11035
11/8/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL					
	7:00 -			33	A	7 AM FLBK REPORT: CP 1850#, TP 850#, 28/64" CK, 40 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 4123 BBLS LEFT TO RECOVER: 10075
11/9/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL					
	7:00 -			33	A	7 AM FLBK REPORT: CP 1500#, TP 800#, 28/64" CK, 35 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 4971 BBLS LEFT TO RECOVER: 9227
	12:00 -		PROD			WELL TURNED TO SALES @ 1200 HR ON 11/09/2008 - FTP 350#, CP 1500#, CK 28/64", 1200 MCFD, 840 BWPD
11/10/2008	<u>SUPERVISOR:</u> TUCKER CALDWELL					
				33	A	7 AM FLBK REPORT: CP 1400#, TP 750#, 28/64" CK, 35 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 5811 BBLS LEFT TO RECOVER: 8387

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.
UTU71417

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
 KERR-MCGEE OIL & GAS ONSHORE-Mail: sheila.upchegeo@anadarko.com

8. Lease Name and Well No.
BITTER CREEK 1122-8K

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

9. API Well No.
43-047-39762

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface **NESW 1641FSL 1984FWL**
 At top prod interval reported below **NESW 1641FSL 1984FWL**
 At total depth **NESW 1641FSL 1984FWL**

10. Field and Pool, or Exploratory
UNDESIGNATED

11. Sec., T., R., M., or Block and Survey
or Area **Sec 6 T11S R22E Mer SLB**

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded **08/04/2008** 15. Date T.D. Reached **10/07/2008** 16. Date Completed
 D & A Ready to Prod.
11/09/2008

17. Elevations (DF, KB, RT, GL)*
5567 GL

18. Total Depth: MD **8620** TVD **8620** 19. Plug Back T.D.: MD **8450** TVD **8450** 20. Depth Bridge Plug Set: MD **8450** TVD **8450**

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
CBL-CCL-GR, CN, Pex, LD, ANT.

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		1860		575			
7.875	4.500 11.6	11.6		8620		1495			

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	5391							

25. Producing Intervals 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5532	6349	5532 TO 6349	0.360	152	OPEN
B) MESAVERDE	6828	8226	6828 TO 8226	0.360	190	OPEN
C)						
D)						

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

Depth Interval	Amount and Type of Material
5532 TO 6349	PMP 4706 BBLs SLICK H2O & 179,915# 30/50 SD
6828 TO 8226	PMP 9492 BBLs SLICK H2O & 356,799# 30/50 SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
11/09/2008	11/15/2008	24	→	0.0	2008.0	126.0			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	589 SI	1062.0	→	0	2008	126		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 #65420 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED

DEC 10 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	1494				
WASATCH	4002	6520			
MESAVERDE	6542	8524			

32. Additional remarks (include plugging procedure):

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DIV. OF OIL, GAS & MINING

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 #65420 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 12/10/2008

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.

** ORIGINAL **