

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-71417</b>
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>KERR MCGEE OIL &amp; GAS ONSHORE LP</b>		7. If Unit or CA Agreement, Name and No.
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7024</b>	8. Lease Name and Well No. <b>BITTER CREEK 1122-6N</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>SE/SW 571'FSL, 1990'FWL</b> At proposed prod. Zone <b>628370X 4415743Y</b>		9. API Well No. <b>43047-39763</b>
14. Distance in miles and direction from nearest town or post office* <b>39.8 +/- MILES SOUTHEAST OF OURAY, UTAH</b>		10. Field and Pool, or Exploratory <b>UNDESIGNATED Bitter Creek</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>571'</b>	16. No. of Acres in lease <b>1520.00</b>	11. Sec., T., R., M., or Blk, and Survey or Area <b>SEC. 6, T11S, R22E</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	19. Proposed Depth <b>8530'</b>	12. County or Parish <b>UINTAH</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5590'GL</b>	20. BLM/BIA Bond No. on file <b>BOND NO. WYB000291</b>	13. State <b>UTAH</b>
22. Approximate date work will start*		17. Spacing Unit dedicated to this well <b>40.00</b>
23. Estimated duration		

24. Attachments

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

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>1. Well plat certified by a registered surveyor.</li> <li>2. A Drilling Plan.</li> <li>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.</li> </ul> | <ul style="list-style-type: none"> <li>4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).</li> <li>5. Operator certification.</li> <li>6. Such other site specific information and/or plans as may be required by the authorized office.</li> </ul> |
|---|--|

25. Signature 	Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Date <b>10/30/2007</b>
Title <b>SENIOR LAND ADMIN SPECIALIST</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL</b>	Date <b>11-07-07</b>
Title <b>ENVIRONMENTAL MANAGER</b>		

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

Conditions of approval, if any, are attached.

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

\*(Instructions on reverse)

Federal Approval of this  
Action is Necessary

RECEIVED

NOV 02 2007

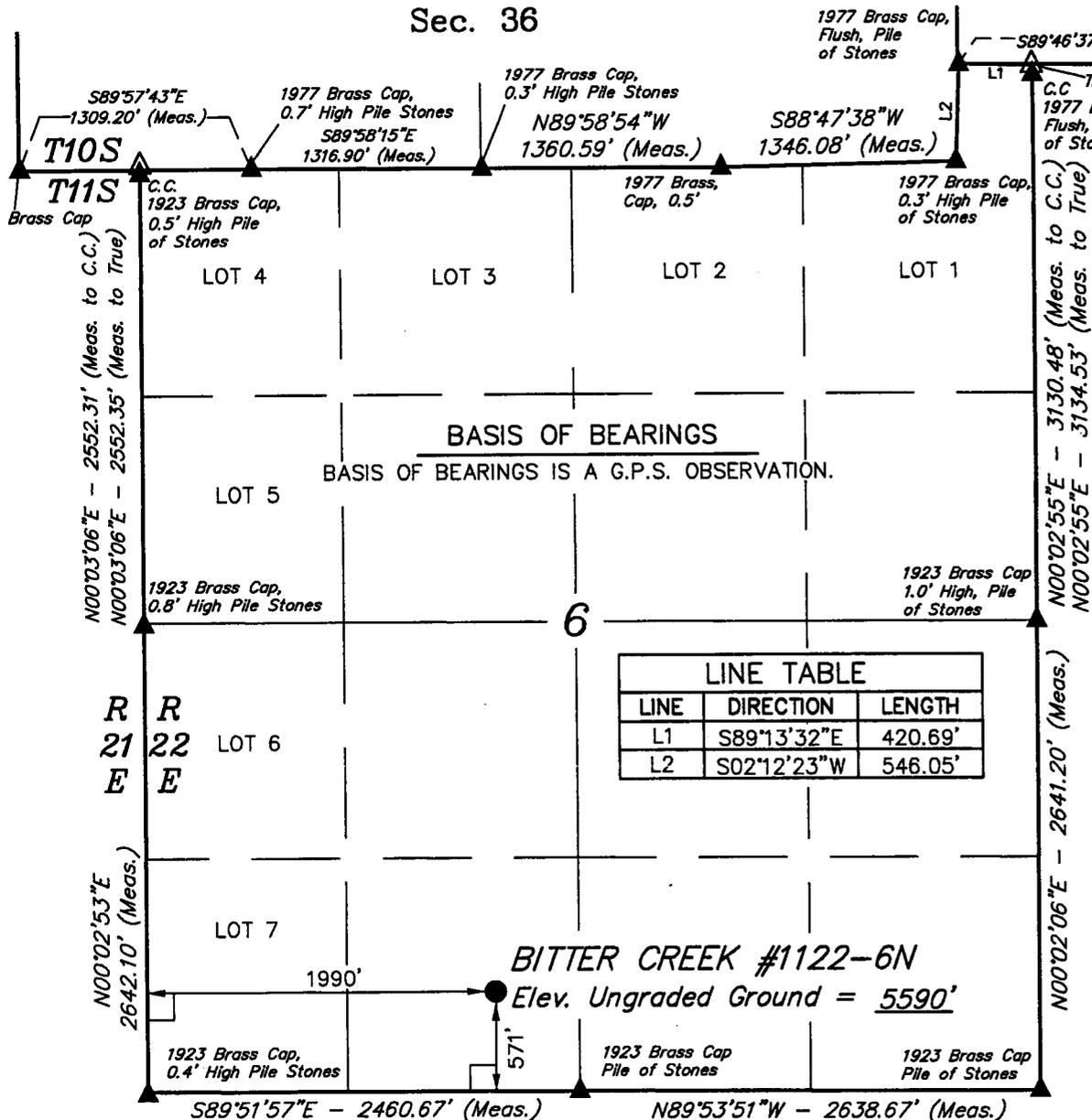
DIV. OF OIL, GAS & MINING

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

Sec. 36

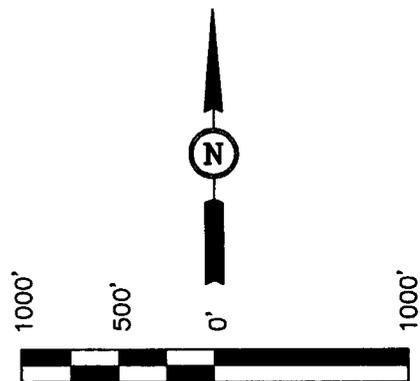
## Kerr-McGee Oil & Gas Onshore LP

Well location, BITTER CREEK #1122-6N, located as shown in the SE 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 SURVEY PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME UNDER MY SUPERVISION AND THAT THE SCALE AND THE CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

**ROBERT L. KAY**  
 REGISTERED LAND SURVEYOR  
 REGISTRATION No. 161319

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

(NAD 83)  
 LATITUDE = 39°53'02.10" (39.883917)  
 LONGITUDE = 109°29'58.08" (109.499467)

(NAD 27)  
 LATITUDE = 39°53'02.22" (39.883950)  
 LONGITUDE = 109°29'55.62" (109.498783)

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b> 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 1122-6N  
SE/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	933'
Top of Birds Nest Water	1177'
Mahogany	1539'
Wasatch	3968'
Mesaverde	6468'
MVU2	7479'
MVL1	8107'
TD	8530'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	933'
	Top of Birds Nest Water	1177'
	Mahogany	1539'
Gas	Wasatch	3968'
	Mesaverde	6468'
Gas	MVU2	7479'
Gas	MVL1	8107'
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 8530' TD, approximately equals 5289 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3412 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

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

9. **Variances:**

*Please refer to the attached Drilling Program.*

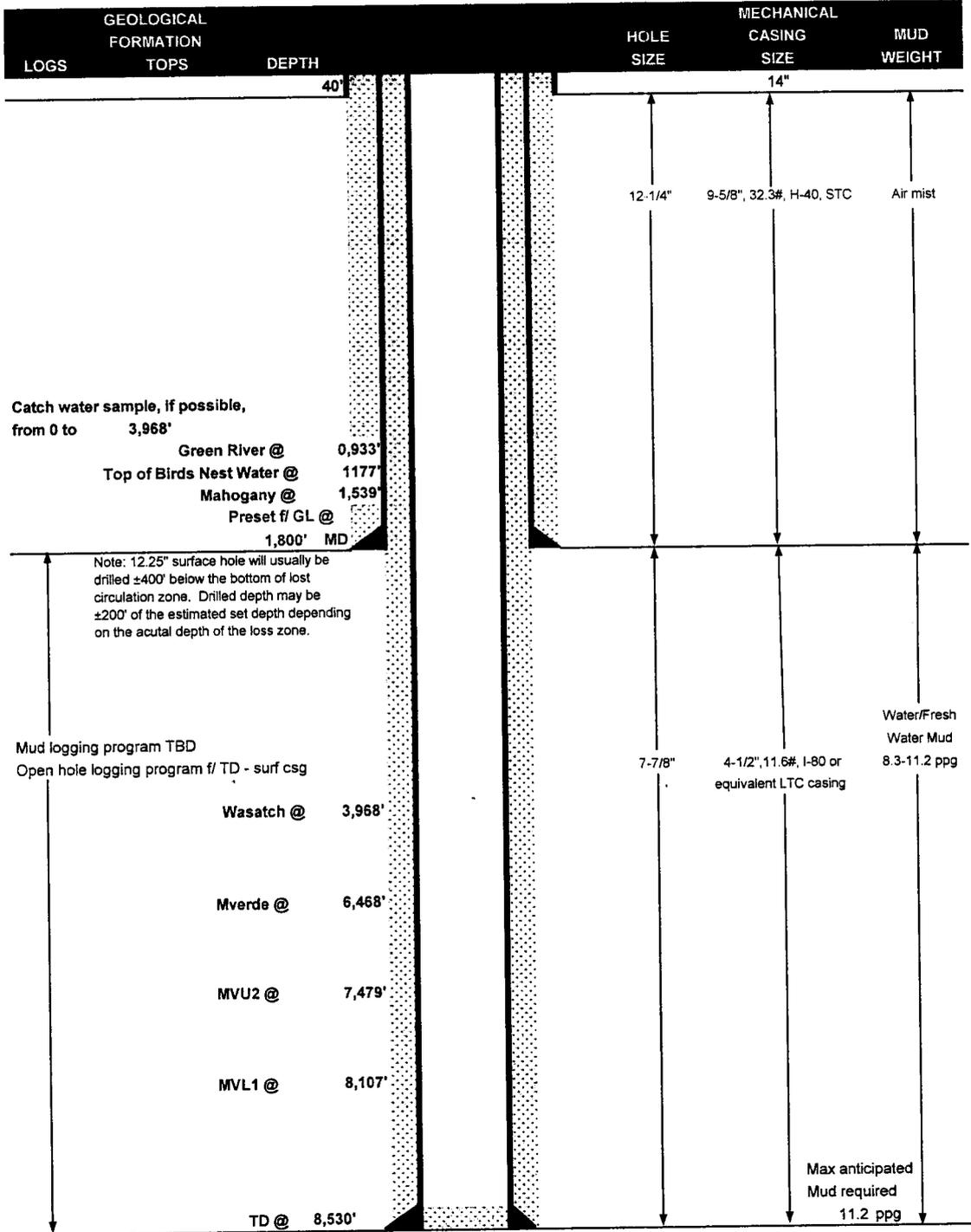
10. **Other Information:**

*Please refer to the attached Drilling Program.*



# KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE October 30, 2007  
 WELL NAME BITTER CREEK 1122-6N TD 8,530' MD/TVD  
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,589' GL KB 5,604'  
 SURFACE LOCATION SE/SW SEC. 6, T11S, R22E 571'FSL, 1990'FWL BHL Straight Hole  
 Latitude: 39.883917 Longitude: 109.499467  
 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	S <sup>TC</sup>	7780	1.63	4.99
						2520	6350	201000
PRODUCTION	4-1/2"	0 to 8530	11.60	I-80	L <sup>TC</sup>	2.52	1.28	2.33

- 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 3091 psi

## CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	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	1500	NOTE: If well will circulate water to surface, option 2 will be utilized Prem cmt + 16% Gel + 10 pps gilsonite + 25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	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	3,460'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	380	60%	11.00	3.38
	TAIL	5,070'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	420	60%	14.30	1.31

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

## FLOAT EQUIPMENT & CENTRALIZERS

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

## ADDITIONAL INFORMATION

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

DRILLING ENGINEER: \_\_\_\_\_

Brad Laney

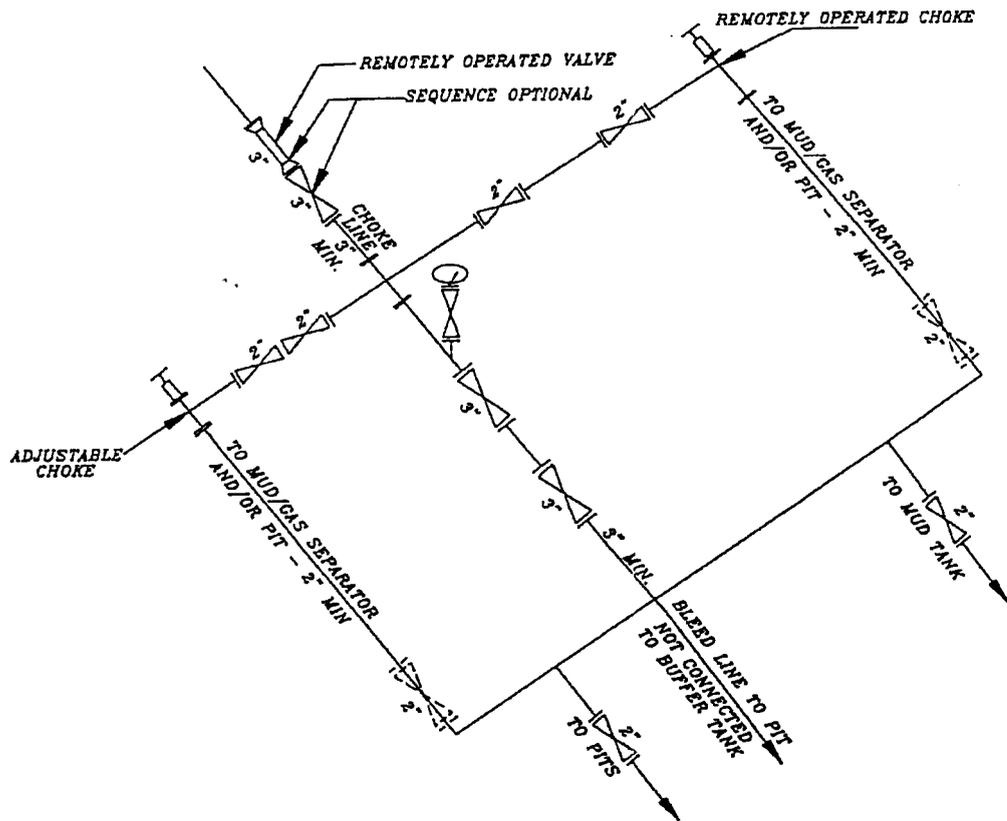
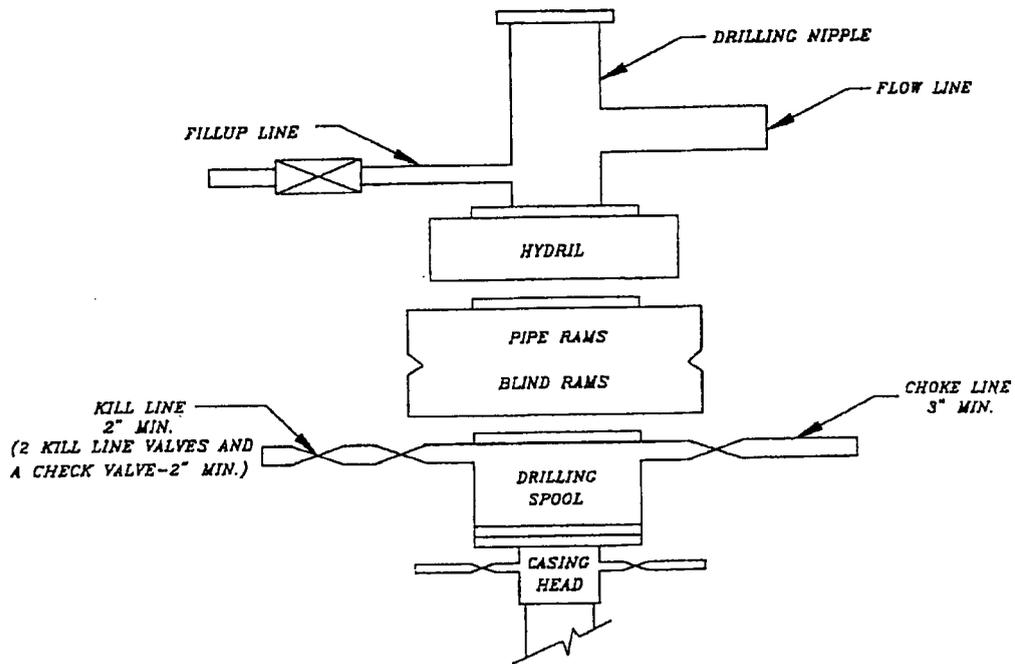
DATE: \_\_\_\_\_

DRILLING SUPERINTENDENT: \_\_\_\_\_

Randy Bayne

DATE: \_\_\_\_\_

# 5M BOP STACK and CHOKE MANIFOLD SYSTEM



**BITTER CREEK 1122-6N  
SE/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 50' +/- 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 2800' +/- 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.

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	10 lbs

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

**11. Surface Ownership:**

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

**12. STIPULATIONS:**

**WILDLIFE STIPULATIONS:**

- ANTELOPE:** No drilling or construction from May 15<sup>th</sup> – June 20<sup>th</sup>.
- SAGE GROUSE:** No drilling or construction from March 1<sup>st</sup> – June 30<sup>th</sup>.
- GOLDEN EAGLE:** No drilling or construction from February 1<sup>st</sup> – July 15<sup>th</sup>.

**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 #1122-6N**  
**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 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 50' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 56.7 MILES.

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

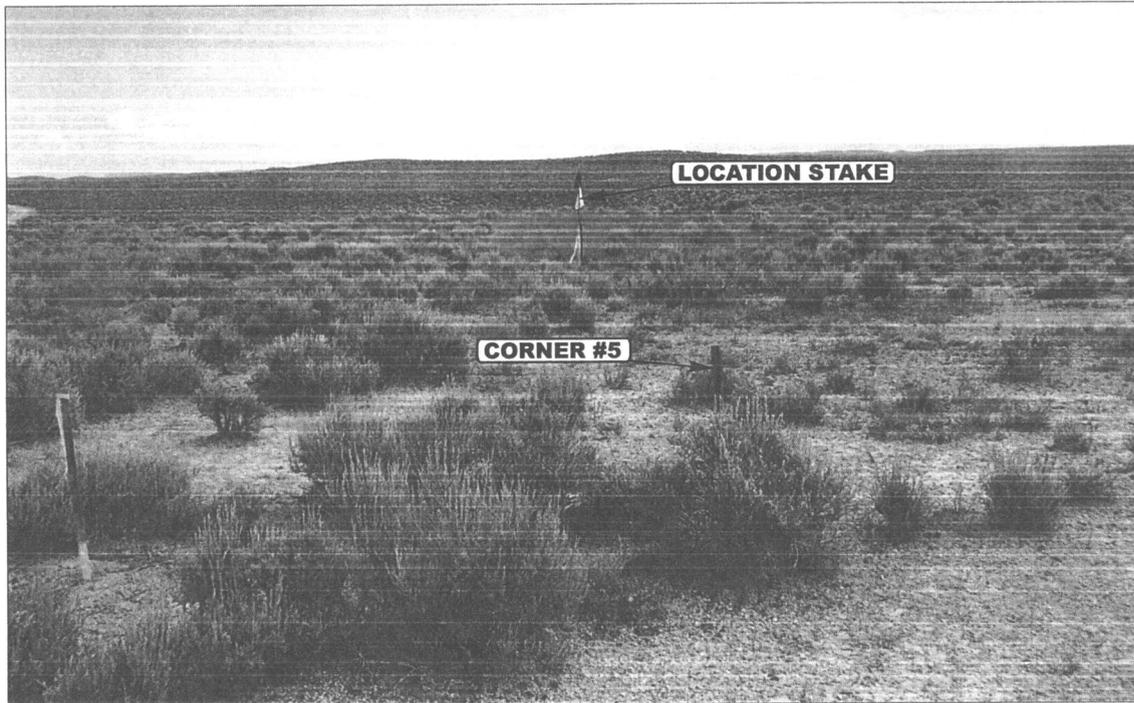


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: EASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



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

- Since 1964 -

LOCATION PHOTOS

05	23	07
MONTH	DAY	YEAR

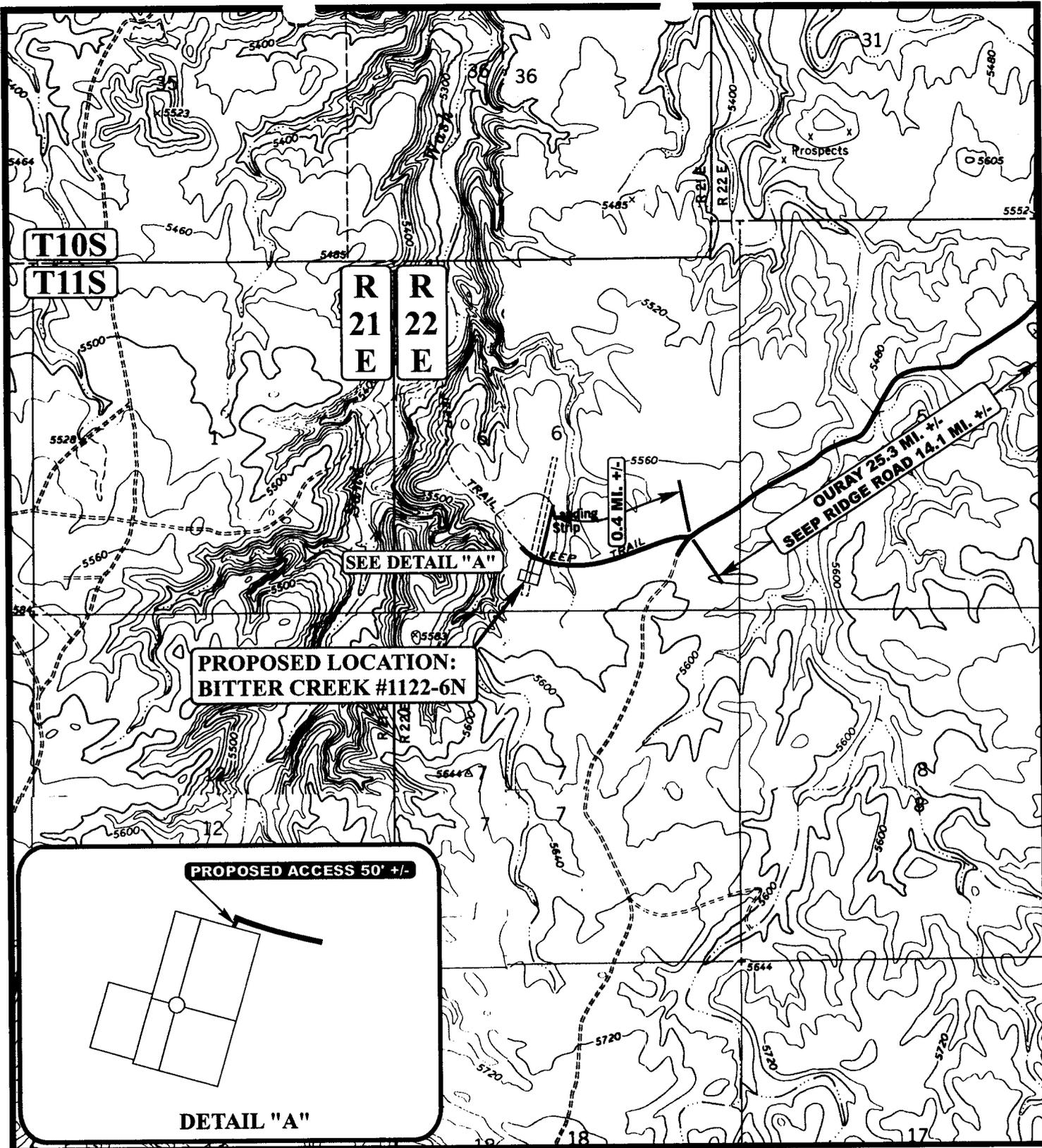
PHOTO

TAKEN BY: L.K.

DRAWN BY: C.P.

REVISED: 00-00-00





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

**SEE DETAIL "A"**

**OURAY 25.3 MI. +/-  
SEEP RIDGE ROAD 14.1 MI. +/-**

**PROPOSED ACCESS 50' +/-**

**DETAIL "A"**

**LEGEND:**

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



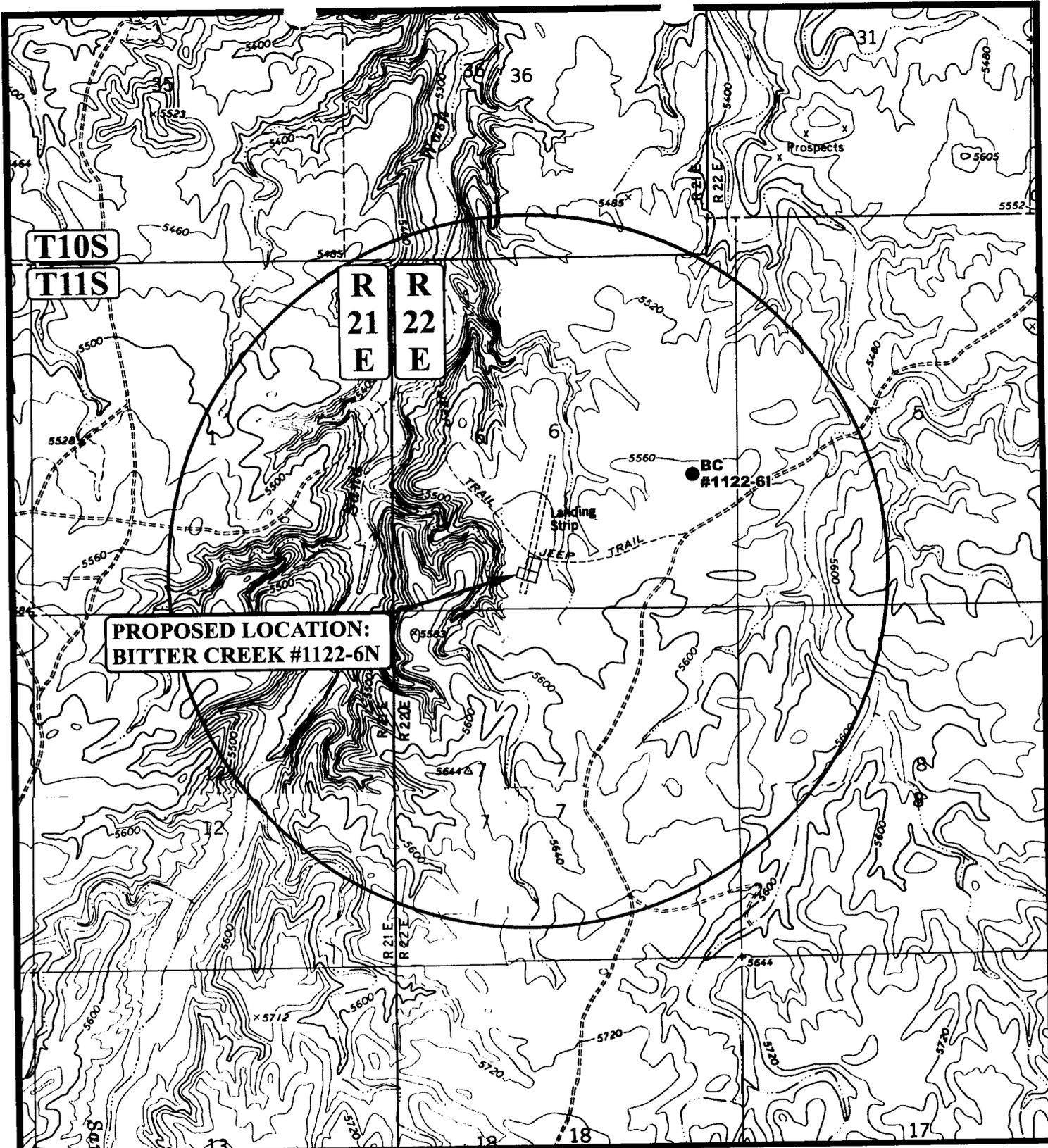
**Kerr-McGee Oil & Gas Onshore LP  
BITTER CREEK #1122-6N  
SECTION 6, T11S, R22E, S.L.B.&M.  
571' FSL 1990' FWL**



**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



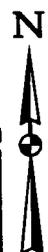


**PROPOSED LOCATION:  
BITTER CREEK #1122-6N**

**BC  
#1122-61**

**LEGEND:**

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



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

**BITTER CREEK #1122-6N  
SECTION 6, T11S, R22E, S.L.B.&M.  
571' FSL 1990' FWL**



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

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



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



PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: SOUTHERLY



- Since 1964 -

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

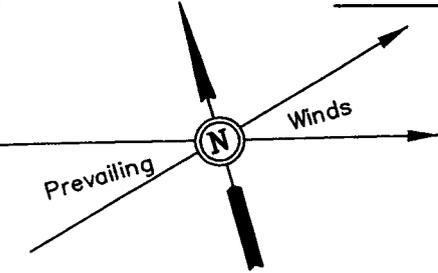
PIPELINE PHOTOS	05	23	07	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: C.P.	REVISED: 00-00-00		

# Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

## LOCATION LAYOUT FOR

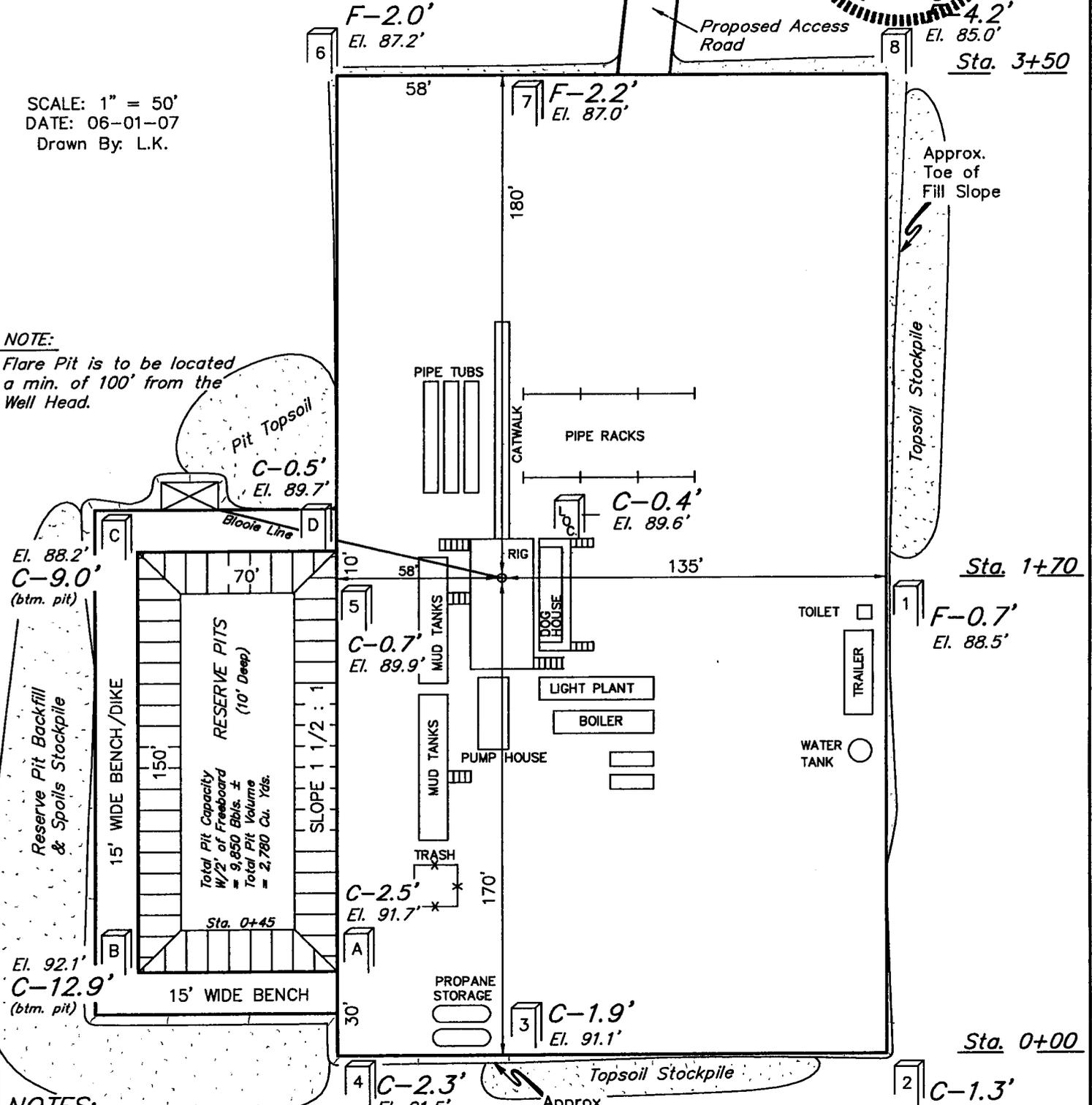
BITTER CREEK #1122-6N  
SECTION 6, T11S, R22E, S.L.B.&M.  
571' FSL 1990' FWL



SCALE: 1" = 50'  
DATE: 06-01-07  
Drawn By: L.K.

**NOTE:**

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



**NOTES:**

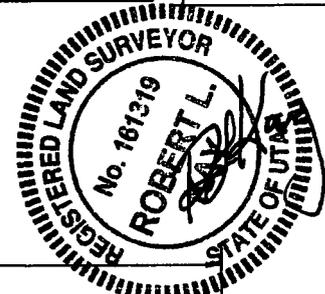
Elev. Ungraded Ground At Loc. Stake = 5589.6'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5589.2'

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

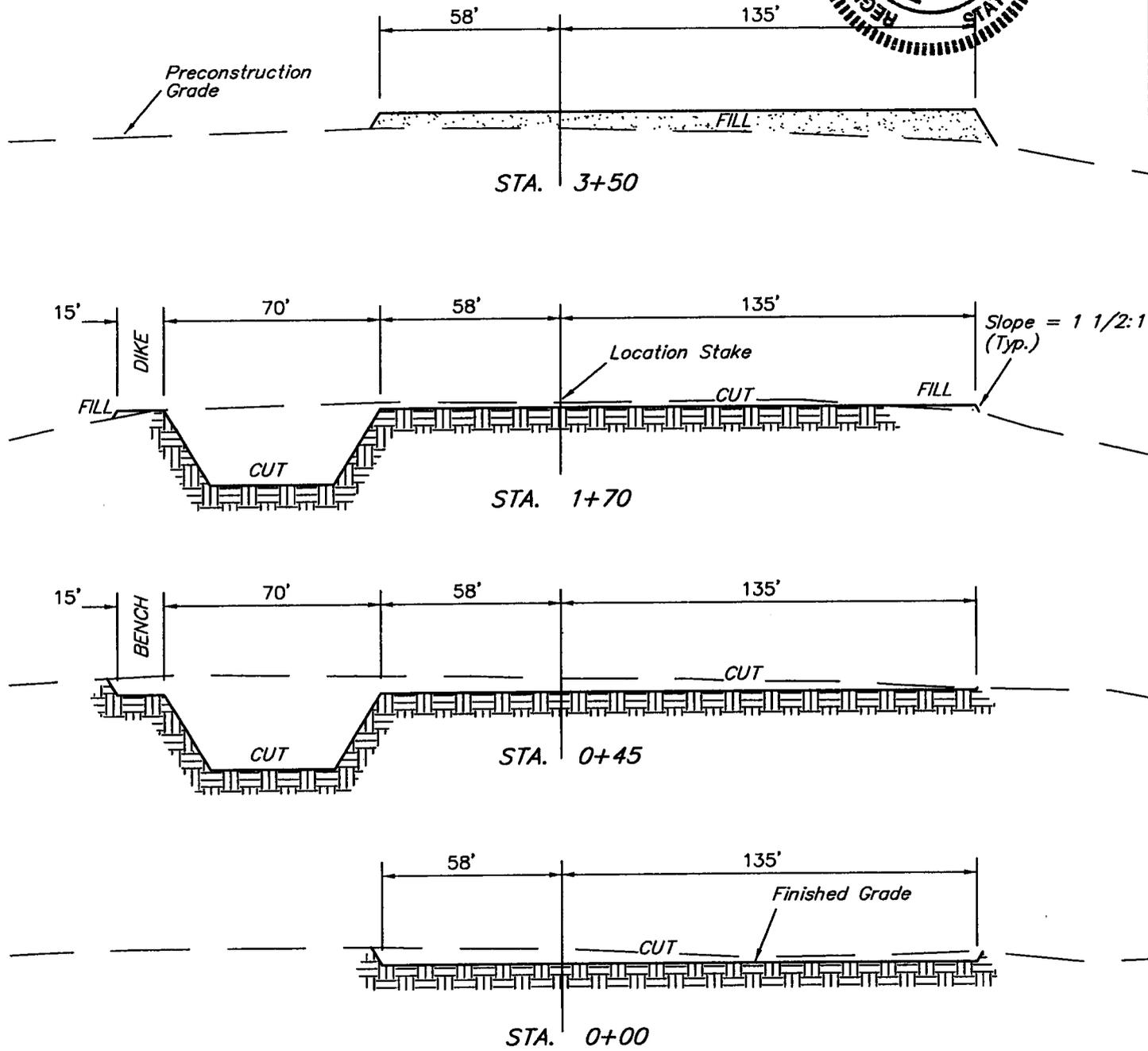
# Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 BITTER CREEK #1122-6N  
 SECTION 6, T11S, R22E, S.L.B.&M.  
 571' FSL 1990' FWL



1" = 20'  
 X-Section  
 Scale  
 1" = 50'  
 DATE: 06-01-07  
 Drawn By: L.K.



### APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	1,640 Cu. Yds.
Remaining Location	=	4,100 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>5,740 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>2,710 CU.YDS.</b>

EXCESS MATERIAL	=	3,030 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,030 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: 43-047-39763

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

PHONE NUMBER: 435-781-7024

PROPOSED LOCATION:

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

SESW 06 110S 220E  
 SURFACE: 0571 FSL 1990 FWL  
 BOTTOM: 0571 FSL 1990 FWL  
 COUNTY: UINTAH  
 LATITUDE: 39.88393 LONGITUDE: -109.4987  
 UTM SURF EASTINGS: 628370 NORTHINGS: 4415743  
 FIELD NAME: BITTER CREEK ( 547 )

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

PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

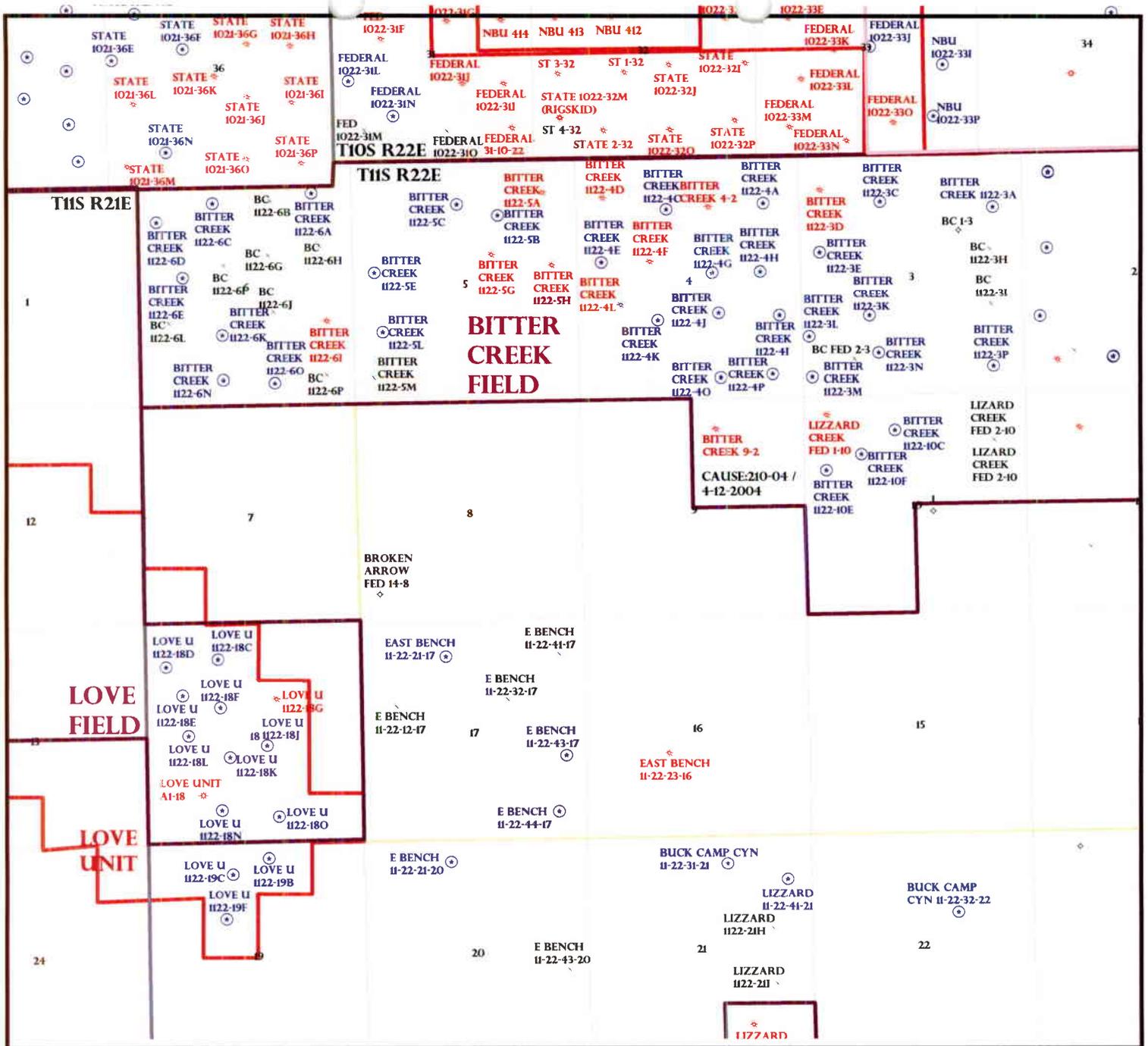
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. WYB000291 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 43-8496 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

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' from existing well 9120' from other wells.
- R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: 1- Federal Approval



OPERATOR: KERR MCGEE O&G (N2995)

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

FIELD: BITTER CREEK (547)

COUNTY: UINTAH

CAUSE:210-04 / 4-12-2004

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

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

**Wells Status**

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



OIL, GAS & MINING



PREPARED BY: DIANA MASON  
DATE: 07-NOVEMBER-2007



JON M. HUNTSMAN, JR.  
Governor

GARY R. HERBERT  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil Gas and Mining

JOHN R. BAZA  
Division Director

November 7, 2007

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

Re: Bitter Creek 1122-6N Well, 571' FSL, 1990' FWL, SE 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 43-047-39763.

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 1122-6N

**API Number:** 43-047-39763

**Lease:** UTU-71417

**Location:** SE 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.

RECEIVED  
VERNAL FIELD OFFICE  
2007 OCT 31 PM 3:13

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-71417</b>
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>KERR MCGEE OIL &amp; GAS ONSHORE LP</b>		7. If Unit or CA Agreement, Name and No.
3A. Address <b>1368 SOUTH 1200 EAST VERNAL, UT 84078</b>	3b. Phone No. (include area code) <b>(435) 781-7024</b>	8. Lease Name and Well No. <b>BITTER CREEK 1122-6N</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>SE/SW 571'FSL, 1990'FWL</b> At proposed prod. Zone		9. API Well No. <b>43 047 39763</b>
14. Distance in miles and direction from nearest town or post office* <b>39.8 +/- MILES SOUTHEAST OF OURAY, UTAH</b>		10. Field and Pool, or Exploratory <b>UNDESIGNATED</b>
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) <b>571'</b>	16. No. of Acres in lease <b>1520.00</b>	11. Sec., T., R., M., or Bk, and Survey or Area <b>SEC. 6, T11S, R22E</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. <b>REFER TO TOPO C</b>	17. Spacing Unit dedicated to this well <b>40.00</b>	12. County or Parish <b>UINTAH</b>
19. Proposed Depth <b>8530'</b>	20. BLM/BIA Bond No. on file <b>BOND NO. WYB000291</b>	13. State <b>UTAH</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5590'GL</b>	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.  | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).   |
| 2. A Drilling Plan.   | 5. Operator certification.  |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 	Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Date <b>10/30/2007</b>
Title <b>SENIOR LAND ADMIN SPECIALIST</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>JERKY KEWEKA</b>	Date <b>6-24-2008</b>
Title <b>Assistant Field Manager Lands &amp; Mineral Resources</b>		
Office <b>VERNAL FIELD OFFICE</b>		

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

Conditions of approval, if any, are attached. **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: 0710-2007  
67PP2376A



**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**

<b>Company:</b>	<b>Kerr-McGee Oil &amp; Gas Onshore, LP</b>	<b>Location:</b>	<b>SESW, Sec. 6, T11S, R22E</b>
<b>Well No:</b>	<b>Bitter Creek 1122-6N</b>	<b>Lease No:</b>	<b>UTU-71417</b>
<b>API No:</b>	<b>43-047-39763</b>	<b>Agreement:</b>	<b>N/A</b>

<b>Title</b>	<b>Name</b>	<b>Office Phone Number</b>	<b>Cell Phone Number</b>
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
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 ( $\frac{1}{4}$  $\frac{1}{4}$ , Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - Unit agreement and/or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

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

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

**DIVISION OF OIL, GAS AND MINING**

**SPUDDING INFORMATION**

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

Well Name: BITTER CREEK 1122-6N

Api No: 43-047-39763 Lease Type: FEDERAL

Section 06 Township 11S Range 22E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

**SPUDDED:**

Date 07/25/08

Time 10:00 AM

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by LEW WELDON

Telephone # (435) 828-7035

Date 07/28/08 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
4304737904	NBU 920-27D		NWNW	27	9S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	7/24/2008			<u>7/31/08</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 07/24/2008 AT 2000 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304737910	NBU 1021-24I		NESE	24	10S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	7/25/2008			<u>7/31/08</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 07/25/2008 AT 0130 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739763	BITTER CREEK 1122-6N		SESW	6	11S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>A</u>	99999	<u>16986</u>	7/25/2008			<u>7/31/08</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 07/25/2008 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)

**RECEIVED**  
**JUL 28 2008**

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

Title

7/25/2008

Date

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 1122-6N**

9. API Well No.  
**4304739763**

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)  
**SE/SW SEC. 6, T11S, R22E 571'FSL, 1990'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 <b>WELL SPUD</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

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 07/25/2008 AT 1000 HRS.**

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>REGULATORY ANALYST</b>
Signature 	Date <b>July 25, 2008</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

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

**RECEIVED**  
**JUL 31 2008**  
DIV. OF OIL, GAS & MINING

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.

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 1122-6N**

9. API Well No.  
**4304739763**

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)  
**SE/SW SEC. 6, T11S, R22E 571'FSL, 1990'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 <b>SET SURFACE</b>
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <b>CSG</b>
	<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 08/09/2008. 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 17 +/- BBLS LEAD CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/50 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL. WORT.

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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

**AUG 13 2008**

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 1122-6N**

9. API Well No.  
**4304739763**

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)  
**571' FSL, 1990' FWL  
SESW, 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 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 1850' TO 8282' ON 10/20/2008 . RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/330 SX PREM LITE II @11.3 PPG 3.02 YIELD. TAILED CMT W/1250 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 10/20/2008 AT 1500 HRS

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

Name (Printed/Typed) <b>SHEILA UPCHEGO</b>	Title <b>REGULATORY ANALYST</b>
Signature <i>Sheila Upchego</i>	Date <b>October 21, 2008</b>

**THIS SPACE FOR FEDERAL OR STATE USE**

Approved by	Title	Date
-------------	-------	------

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

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 27 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 1122-6N**

9. API Well No.  
**4304739763**

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)  
**571' FSL, 1990' FWL  
SE/SW, SEC.6, T11S-R22E**

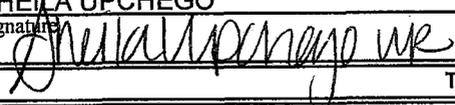
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

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 <b>PRODUCTION START-UP</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

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

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

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

THIS SPACE FOR FEDERAL OR STATE USE

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

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

(Instructions on reverse)

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

Wins No.: 95743

**BITTER CREEK 1122-6N**

**Well Operations Summary Long**

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 08/09/2008	GL 5,589	KB 5589	ROUTE V44
API 4304739763	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.88392 / -109.49947	Q-Q/Sect/Town/Range: SESW / 6 / 11S / 22E		Footages: 571.00' FSL 1,990.00' FWL		

**Wellbore: BITTER CREEK 1122-6N**

MTD 8,610	TVD 8,605	PBMD 8,527	PBTVD
EVENT INFORMATION:		EVENT ACTIVITY: DRILLING	START DATE: 7/25/2008
		OBJECTIVE: DEVELOPMENT	END DATE: 10/20/2008
		OBJECTIVE 2: VERTICAL WELL	DATE WELL STARTED PROD.: 8/9/2008
		REASON: DRILL PROD HOLE	Event End Status: COMPLETE
		AFE NO.: 2007656	

<b>RIG OPERATIONS:</b>	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 38 / 38	10/07/2008	10/07/2008	10/07/2008	10/09/2008	10/18/2008	10/20/2008	10/22/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
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7/25/2008	SUPERVISOR: LEW WELDON						
	10:00 - 17:00	7.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 1000 HR 7/25/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 38 BLM AND STATE NOTIFIED OF SPUD

8/9/2008	SUPERVISOR: LEW WELDON						
	3:00 - 12:00	9.00	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 0300-HR 8/9/08 DA AT REPORT TIME 690'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1080'

8/10/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1260'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG T/D @ 1860' CONDITION HOLE @ REPORT TIME

8/11/2008	SUPERVISOR: LEW WELDON						
	0:00 - 5:00	5.00	DRLSUR	05		P	TRIP DP OUT OF HOLE
	5:00 - 8:00	3.00	DRLSUR	11		P	RUN 1828' OF 9 5/8 CSG AND 200' OF 1" PIPE RIG DOWN AIR RIG
	8:00 - 9:00	1.00	DRLSUR	15		P	CEMENT 1ST STAGE WITH 150 SKS LEAD @ 11# 3.82 23 GAL/SK AND 200 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK GOOD RETURNS THRUOUT JOB + - 17 BBL LEAD CMT TO PIT
	9:00 - 9:30	0.50	DRLSUR	15		P	1ST TOP JOB 125 SKS DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK WOC

9:30 - 11:00	1.50	DRLSUR	15			P	2ND TOP JOB 50 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
11:00 - 11:00	0.00	DRLSUR					NO VISIBLE LEAKS PIT HAD 3 FEET WATER IN IT

10/7/2008 SUPERVISOR: KENNY MORRIS

3:00 - 7:00	4.00	RDMO	01	E		P	PREP F/MOVE TO BC 1122-6N
7:00 - 17:00	10.00	RDMO	01	A		P	MOVE W/RW JONES,6 TRUCKS & 2 FORKLIFTS
17:00 - 0:00	7.00	MIRU	01	B		P	RURT

10/8/2008 SUPERVISOR: KENNY MORRIS

0:00 - 12:00	12.00	MIRU	01	B		P	RURT W/NORMAL CREW #
12:00 - 14:00	2.00	PRSPD	13	A		P	NUBOP,FUNCTION TEST RAMS
14:00 - 15:00	1.00	PRSPD	06	D		P	CUT & SLIP DRLG LINE
15:00 - 21:00	6.00	PRSPD	13	C		P	TEST RAMS& CHOKE 5K,ANN 2500,CSG 1500
21:00 - 0:00	3.00	PRSPD	05	A		P	R/U & P/U BHA AND DRILL PIPE

10/9/2008 SUPERVISOR: KENNY MORRIS

0:00 - 2:00	2.00	PRSPD	05	A		P	P/U BHA
2:00 - 4:00	2.00	PRSPD	02	F		P	INSTALL ROT RUBBER,DRILL CEMENT & FE 1876'
4:00 - 5:00	1.00	DRLPRO	02	B		P	DRILL NEW 77/8 HOLE 1876 TO 1908'
5:00 - 5:30	0.50	DRLPRO	09	A		P	SURVEY @1838=2.75
5:30 - 13:00	7.50	DRLPRO	02	B		P	DRILL F/1908 TO 2416,AVG 68 WT 8.9/34
13:00 - 13:30	0.50	DRLPRO	06	A		P	RIG SERVICE
13:30 - 14:00	0.50	DRLPRO	09	A		P	SURVEY@2346=1.5
14:00 - 0:00	10.00	DRLPRO	02	B		P	DRILL F/2416 TO 2924,AVG51 WT 9.3/40

10/10/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 1:00	1.00	DRLPRO	02	B	P	DRILL F/2924 TO 2955,AVG 26 WT 9.3/41
	1:00 - 1:30	0.50	DRLPRO	09	A	P	SURVEY@2885=1.5
	1:30 - 8:00	6.50	DRLPRO	02	B	P	DRILL F/2955 TO 3465,AVG 73,WT9.6/42
	8:00 - 8:30	0.50	DRLPRO	09	A	P	SURVEY@3395=1.5
	8:30 - 9:00	0.50	DRLPRO	06	A	P	RIG SERVICE
	9:00 - 21:30	12.50	DRLPRO	02	B	P	DRILL F/3465 TO 4320,AVG 68,WT 9.7/41
	21:30 - 22:00	0.50	DRLPRO	09	A	P	SURVEY@4250=2.75
	22:00 - 0:00	2.00	DRLPRO	02	B	P	DRILL F/4320 TO 4480,AVG 27 WT 9.8 44
10/11/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 16:00	16.00	DRLPRO	02	B	P	DRILL F/4480 TO 5114,AVG 40 WT 10.1/44
	16:00 - 16:30	0.50	DRLPRO	06	A	P	RIG SERVICE
	16:30 - 17:00	0.50	DRLPRO	09	A	P	SURVEY@5044=2.5
	17:00 - 0:00	7.00	DRLPRO	02	B	P	DRILL F/5114 TO 5400,AVG 41 WT 10.1/42
10/12/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 16:30	16.50	DRLPRO	02	B	P	DRILL F/5400 TO 5877,AVG 29 WT 10.3/44
	16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE
	17:00 - 0:00	7.00	DRLPRO	02	B	P	DRILL F/5877 TO 6070,AVG 28 WT 10.5/42
10/13/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 2:30	2.50	DRLPRO	02	B	P	DRILL F 6070 TO 6121,AVG 20,WT10.6/44
	2:30 - 9:30	7.00	DRLPRO	05	A	P	DROPSURVEY,POOH,TIGHT HOLE 3700-2800
	9:30 - 14:30	5.00	DRLPRO	05	A	P	CHANGE BIT & MTR,TIH

9:30 - 14:30 5.00 DRLPRO 05 A P CHANGE BIT & MTR, TIH  
 14:30 - 15:00 0.50 DRLPRO 06 A P RIG SERVICE  
 15:00 - 0:00 9.00 DRLPRO 02 B P DRILL F/6121 TO ,AVG

10/14/2008 SUPERVISOR: KENNY MORRIS

0:00 - 4:30 4.50 DRLPRO 02 B P DRILL; F/6323 TO 6434,AVG 25 WT 10.7/44  
 4:30 - 10:00 5.50 DRLPRO 07 A S REPAIR #3 GENERATOR  
 10:00 - 16:30 6.50 DRLPRO 02 B P DRILL F/6434 TO 6577,AVG 24 1WT 10.8/42  
 16:30 - 17:00 0.50 DRLPRO 06 A P RIG SERVICE  
 17:00 - 0:00 7.00 DRLPRO 02 B P DRILL F/6577 TO 6768 ,AVG 24 WT 11/46

10/15/2008 SUPERVISOR: KENNY MORRIS

0:00 - 16:00 16.00 DRLPRO 02 B P DRILL F/6768 TO 7084,AVG 19 WT 11/46  
 16:00 - 16:30 0.50 DRLPRO 06 A P RIG SERVICE  
 16:30 - 0:00 7.50 DRLPRO 02 B P DRILL F/7084 TO 7308,AVG 32 WT 11.1/46

10/16/2008 SUPERVISOR: KENNY MORRIS

0:00 - 12:30 12.50 DRLPRO 02 B P DRILL F/7308 TO 7643,AVG 27 WT 11.3/47  
 12:30 - 14:00 1.50 DRLPRO 07 B Z REPLACE SWIVAL PACKING  
 14:00 - 16:30 2.50 DRLPRO 02 B P DRILL F/7643 TO 7689,AVG 18 WT 11.1/46  
 16:30 - 17:00 0.50 DRLPRO 06 A P DAILY SERVICE  
 17:00 - 0:00 7.00 DRLPRO 02 B P DRILL F/7689 TO 7890,AVG 28 WT 11.4/47

10/17/2008 SUPERVISOR: KENNY MORRIS

0:00 - 16:30 16.50 DRLPRO 02 B P DRILL F/7890 TO 8357,AVG 28 WT 11.6/46  
 16:30 - 17:00 0.50 DRLPRO 06 A P RIG SERVICE  
 17:00 - 0:00 7.00 DRLPRO 02 B P DRILL F/8357 TO 8540 ,AVG 26 WT 11.6/46

	17:00 - 0:00	7.00	DRLPRO	02	B	P	DRILL F/8357 TO 8540 ,AVG 26 WT 11.6/46
10/18/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 3:00	3.00	DRLPRO	02	B	P	DRILLF/8540 TO TD 8610,AVG23 WT 11.6/46
	3:00 - 3:30	0.50	DRLPRO	04	C	P	CIRC,PUMPPILL F/SHORTTRIP
	3:30 - 4:30	1.00	DRLPRO	05	E	P	SHORTTRIP 20 STNDS,NO PROBLEMS
	4:30 - 6:00	1.50	EVALPR	04	C	P	CIRCULATE & COND HOLE F/LOGS
	6:00 - 11:30	5.50	EVALPR	05	B	P	DROP SURVEY,POOH F/LOGS,STAND BACK
	11:30 - 19:00	7.50	EVALPR	08	A	P	R/U HALLIBURTON F/QUAD COMBO,LOGS BRIDGED@6150',LOG UP,TRY #2 W/BOOT,NO JOY,R/D SAME,PUT ON STAND BY F/ANOTHER TRY AFTER LDDP
	19:00 - 23:30	4.50	EVALPR	05	E	S	P/U CONE BIT & SUB TIH TO 6100'
	23:30 - 0:00	0.50	EVALPR	03	D	P	REAM SANDS F/6100-6175
10/19/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 6:30	6.50	EVALPR	03	E	P	WASH & REAM F/6175 TO 6800,RAISE WT 11.9
	6:30 - 7:30	1.00	EVALPR	05	B	P	TIH F/6800 TO 8570
	7:30 - 9:00	1.50	EVALPR	04	B	P	CIRC & CONDITION BTMS UP
	9:00 - 17:30	8.50	EVALPR	05	B	P	SAFETY MEET W/TESCO R/U,,LDDP & BHA F/LOG ATTEMPT,PULL WEARRING
	17:30 - 0:00	6.50	EVALPR	08	A	P	SM W/HALLIBURTON,R/U LOGGERS QUAD COMBO TO LOGGERS DEPTH(8616)
10/20/2008	<u>SUPERVISOR:</u> KENNY MORRIS						
	0:00 - 7:30	7.50	CSG	11	B	P	R/U TESCO,RUN 8596' 4.5 PROD CSG
	7:30 - 8:30	1.00	CSG	04	E	P	CIRC & COND F/CEMENT
	8:30 - 11:00	2.50	CSG	15	A	P	PUMP 330 SX LEAD,1250 SX TAIL,DISPLACE 134 BBLS CLAYFIX
	11:00 - 12:00	1.00	RDMO	13	A	P	SET CSG HANGER,NDBOP

Wins No.: 95743	BITTER CREEK 1122-6N					API No.: 4304739763
11:00 - 12:00	1.00	RDMO	13	A	P	SET CSG HANGER,NDBOP
12:00 - 15:00	3.00	RDMO	01	F	P	CLEAN PITS RELEASE RIG @ 15:00 10/20/08

EVENT INFORMATION: EVENT ACTIVITY: COMPLETION START DATE: 11/3/2008 AFE NO.: 2007656  
 OBJECTIVE: DEVELOPMENT END DATE: 11/7/2008  
 OBJECTIVE 2: ORIGINAL DATE WELL STARTED PROD.: 8/9/2008  
 REASON: Event End Status: COMPLETE

RIG OPERATIONS: Begin Mobilization Rig On Location Rig Charges Rig Operation Start Finish Drilling Rig Release Rig Off Location  
 GWS 1 / 1 11/03/2008 11/07/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
11/4/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 7:30	0.50	COMP	48		P	HSM
	7:30 - 15:00	7.50	COMP	33	D	P	OPEN WELL 0#. ND BOP, NUFRAC VALVES. RIG PUMP T/ CSG, FILL CSG W/ 13 BBLS TRW. MIRU B&C QUICK TEST, PSI TEST CSG & FRAC VALVES T/ 7500#. GOOD TEST. BLEED OFF PSI. RDMO B & C QUICK TEST. PREP T/ FRAC IN THE :AM.
11/5/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 7:30	0.50	COMP	48		P	HSM.
	7:30 - 17:00	9.50	COMP	36	B	P	MIRU WEATHERFORD FRAC SERV & CUTTERS W.L. STG 1) PU 3 3/8 EXP GUN, 23 GM, .36 HOLE. 90 & 180 DEG PHASING. OPEN WELL 0#. RIH PERF F/ 8167'-74', 4 SPF, 28 HOLES. 8116'-20', 2 SPF, 8 HOLES. 8092'-95', 2 SPF, 6 HOLES. POOH, X-OVER FOR FRAC CREW. PSI TEST LINES T/ 8500#. GOOD TEST. OPEN WELL 0#. BEG PUMPING. BRK @ 3249# @ 2.6 BPM. SD ISIP 2440#, FG .73. BEG FRAC. PUMP 110,884# 30/50 WHITE & TAIL IN W/ 5000# 20/40 TLC. SD ISIP 3084#, FG .81. X-OVER FOR W.L..  STG 2)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. RIH SET CBP @ 8058', P/U PERF F/ 8023'-28', 4 SPF, 20 HOLES. 7996'-98' 3 SPF, 6 HOLES. 7984'-86', 3 SPF, 6 HOLES. 7956'-69', 3 SPF, 12 HOLES. POOH, X-OVER FOR FRAC CREW. OPEN WELL 0#, BEG PUMP. BRK @ 4632# @ 4.6 BPM. SD ISIP 2958#, FG .81. BEG FRAC, PUMP 39,815#, 30/50 WHITE & TAIL IN W/ 5000#, 20/40 TLC. SD ISIP 2909#, FG .81. X-OVER FOR W.L..  STG 3)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. RIH SET CBP @ 7922', P/U PERF F/ 7884'-92', 3 SPF, 24 HOLES. 7791'-97', 3 SPF, 18 HOLES. POOH, X-OVER FOR FRAC CREW. OPEN WELL 2250#. BEG PUMP, BRK @ 3574# @ 4.6 BPM. SD ISIP 3064#, FG .82. BEG FRAC, PUMP 39,880# 30/50 WHITE, TAIL IN W/ 5000# TLC, 20/40. SD ISIP 2697#, FG .78. X-OVER FOR W.L..  STG 4)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. RIH SET CBP @ 7720', P/U PERF F/ 7683'-90', 4 SPF, 28 HOLES. 7676'-79', 2 SPF, 6 HOLES. 7654'-58', 2 SPF, 8 HOLES. POOH, X-OVER FOR FRAC CREW. OPEN WELL 0#. BEG PUMP, BRK @ 5134# @ 2.4 BPM. SD ISIP 3394#, FG .88. BEG FRAC, PUMP 89,789#, 30/50 WHITE & TAIL IN W/ 5000#, 20/40 TLC. SD ISIP 2632#, FG .78. X-OVER FOR W.L..  STG 5)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. RIH SET CBP @ 7300', P/U PERF F/ 7262'-70', 4 SPF, 32 HOLES. 7165'-71', 2 SPF, 12 HOLES. POOH, X-OVER FOR FRAC CREW. OPEN WELL 0#. BEG PUMP, BRK @ 2891# @ 2.6 BPM. SD ISIP 2155#, FG .73. BEG FRAC, PUMP 63,654#, 30/50 WHITE & TAIL IN W/ 5000#, 20/40 TLC. SD ISIP 2711#, FG .81.. WINTERIZE WH. X-OVER FOR W.L. IN THE :AM. SWI. SDFN.
11/6/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 7:30	0.50	COMP	48		P	HSM
							<u>DWC:</u> \$338,285.00 <u>CWC:</u> \$351,445.00 <u>MD:</u>

7:30 - 15:00 7.50 COMP 36 B P OPEN WELL 1000#.  
 STG 6)PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36  
 HOLE SIZE. RIH SET CBP @ 6992', P/U PERF F/ 6950'-62', 3 SPF,  
 36 HOLES.  
 6816'-19', 2 SPF, 6 HOLES.  
 POOH, X-OVER FOR FRAC CREW. OPEN WELL 300#, BEG  
 PUMP, BRK @ 3189# @ 2.7 BPM. SD ISIP 1986#, FG .73. BEG  
 FRAC PUMP 72,611#, 30/50 WHITE & TAIL IN W/ 5000#, 20/40 TLC.  
 SD ISIP 2733#, FG .84. X-OVER FOR W.L. PU 4 1/2, 8K BAKER  
 CBP. RIH SET CBP @ 6766'. POOH. RDMO CUTTERS W.L. &  
 WEATHERFORD FRAC SERV. ND FRAC VALVES, NUBOP. RU  
 TBG EQUIP. PU 3 7/8 BIT + X-DART + POBS + XN NIPPLE, RIH W/  
 2 3/8, J-55 TBG, TAG KILL PLUG @ 6766', P/U 30', RU DRL EQUIP.  
 PREP T/ DRL OUT IN THE :AM. EOT @ 6730', W/ 214JTS IN THE  
 WELL.

11/7/2008

SUPERVISOR: DAVID DANIELS

7:00 - 7:30 0.50 COMP 48 P HSM.  
 7:30 - 17:00 9.50 COMP 44 C P

OPEN WELL 0#. BRK CONV CIRC, BEG DRL OUT  
 CBP 1)TAG FILL @ 6756' = 10' FILL. DRL OUT CBP @ 6766' IN 8  
 MIN. 100 # INCR. CONT RIH.

CBP 2)TAG FILL @ 6962' = 30' FILL. DRL OUT CBP @ 6992' IN 8  
 MIN, 450# INCR. CONT RIH.

CBP 3)TAG FILL @ 7275' = 25' FILL. DRL OUT CBP @ 7300' IN 6  
 MIN, 500# INCR. CONT RIH.

CBP 4)TAG FILL @ 7690' = 30' FILL. DRL OUT CBP @ 7720' IN 8  
 MIN, 350# INCR. CONT RIH.

CBP 5)TAG FILL @ 7902' = 20' FILL. DRL OUT CBP @ 7922' IN 9  
 MIN, 100# INCR. CONT RIH.

CBP 6)TAG FILL @ 8028' = 30' FILL. DRL OUT CBP @ 8058' IN 10  
 MIN, 300# INDR. CONT RIH. TAG FILL @ 8368' C/O T/ 8527' PBTD.  
 CIRC WELL W/ 30 BBLS. RD DRL EQUIP, POOH LD 28 JTS 2 3/8,  
 J-55 TBG. PU 4 1/16 TBG HANGER. LAND TBG W/

KB  
 HNGR  
 253 JTS 2 3/8, J-55  
 BHA

EOT

ND BOP, NU WH. DROP BALL, PUMP BIT OFF W/ 20 BBLS 2%  
 KCL. SWI FOR 30 MIN FOR BIT T/ FALL. TURN WELL OVER T/  
 FBC. RACK OUT EQUIP, RDMO RIG.

11/8/2008

SUPERVISOR: TUCKER CALDWELL

7:00 - 33 A

7 AM FLBK REPORT: CP 1000#, TP 950#, 22/64" CK, 47 BWPH,  
 MEDIUM SAND, - GAS  
 TTL BBLS RECOVERED: 914  
 BBLS LEFT TO RECOVER: 10546

11/9/2008

SUPERVISOR: TUCKER CALDWELL

7:00 - 33 A

7 AM FLBK REPORT: CP 975#, TP 775#, 22/64" CK, 42 BWPH,  
 MEDIUM SAND, - GAS  
 TTL BBLS RECOVERED: 1977  
 BBLS LEFT TO RECOVER: 9483

11/10/2008

SUPERVISOR: TUCKER CALDWELL

7:00 - 33 A

7 AM FLBK REPORT: CP 1375#, TP 900#, 22/64" CK, 39 BWPH,  
 MEDIUM SAND, - GAS  
 TTL BBLS RECOVERED: 2931  
 BBLS LEFT TO RECOVER: 8529

11/11/2008

SUPERVISOR: TUCKER CALDWELL

7:00 - 33 A

7 AM FLBK REPORT: CP 1725#, TP 925#, 24/64" CK 38 BWPH,  
 MEDIUM SAND, - GAS  
 TTL BBLS RECOVERED: 3909  
 BBLS LEFT TO RECOVER: 7551

10:00 - PROD

WELL TURNED TO SALES @ 1000HR ON 11/11/2008 - FTP 350#,  
 CP 1700#, CK 24/64", 650 MCFD, 936 BWPD

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 \_\_\_\_\_

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

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

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface: SESW 571FNL 1990FWL  
 At top prod interval reported below: SESW 571FNL 1990FWL  
 At total depth: SESW 571FNL 1990FWL

6. If Indian, Allottee or Tribe Name  
 7. Unit or CA Agreement Name and No.  
 8. Lease Name and Well No.  
 BITTER CREEK 1122-6N  
 9. API Well No.  
 43-047-39763  
 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: 07/25/2008  
 15. Date T.D. Reached: 10/18/2008  
 16. Date Completed: 11/11/2008  
 D & A  Ready to Prod.  
 17. Elevations (DF, KB, RT, GL)\*  
 5590 GL  
 18. Total Depth: MD 8610 TVD  
 19. Plug Back T.D.: MD 8582 TVD  
 20. Depth Bridge Plug Set: MD TVD  
 21. Type Electric & Other Mechanical Logs Run (Submit copy of each)  
 CBL-CCL-GR  
 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		525			
7.875	4.500 I-80	11.6		8610		1580			

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	7909							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	6816	8174	6816 TO 8174	0.360	256	OPEN
B)						
C)						
D)						

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

Depth Interval	Amount and Type of Material
6816 TO 8174	PMP 11,460 BBLs SLICK H2O & 446,633# 30/50 OTTOWA 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
11/11/2008	11/16/2008	24	→	0.0	1272.0	0.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
26/64	SI 525	1325.0	→	0	1272	0		PGW	

28a. Production - Interval B

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

(See Instructions and spaces for additional data on reverse side)  
 ELECTRONIC SUBMISSION #65538 VERIFIED BY THE BLM WELL INFORMATION SYSTEM  
 \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED \*\* OPERATOR-SUBMITTED

RECEIVED  
 DEC 18 2008

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	908				
MAHOGANY	1478				
WASATCH	3994	6466			
MESAVERDE	6541	8475			

32. Additional remarks (include plugging procedure):

RECEIVED

DEC 18 2008

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 #65538 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  Date 12/12/2008

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

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU71417
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE		6. If Indian, Allottee or Tribe Name
Contact: SHEILA UPCHEGO Email: sheila.upchego@anadarko.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-7024	8. Well Name and No. BITTER CREEK 1122-6N
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 6 T11S R22E SESW 571FSL 1990FWL		9. API Well No. 43-047-39763
		10. Field and Pool, or Exploratory UNDESIGNATED
		11. County or Parish, and State UINTAH COUNTY, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL. THE OPERATOR PROPOSES TO COMPLETE THE WASATCH FORMATION. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH FORMATION ALONG WITH THE EXISTING MESAVERDE FORMATION.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

**COPY SENT TO OPERATOR**

Date: 3.5.2009

Initials: KS

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

Electronic Submission #67552 verified by the BLM Well Information System  
For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal

Name (Printed/Typed) SHEILA UPCHEGO	Title OPERATIONS
Signature <i>[Handwritten Signature]</i>	Date 02/24/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By <i>[Handwritten Signature]</i>	Title <i>Pet Eng.</i>	Date <i>3/3/09</i>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Federal Approval Of This Action Is Necessary
Office <i>DOG m</i>		

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

**RECEIVED**

MAR 02 2009

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

**Name:** Bitter Creek 1122-6N  
**Location:** SESW-Section 6-T11S-R22E  
**Uintah County, UT**  
**Date:** **February 19, 2009**

**ELEVATIONS:** 5589' GL 5605' KB

**TOTAL DEPTH:** 8610' **PBTD:** 8582'  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 1846'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 8595'  
 Marker Joint **3963'-3982'**

**TUBULAR PROPERTIES:**

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

**TOPS:**

908" Green River  
 1168" Birds Nest  
 1478" Mahogany  
 3994" Wasatch  
 6541" Mesaverde

Estimated T.O.C. from CBL @3150'

**GENERAL:**

- A minimum of **6** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 10/19/2008.
- **3** fracturing stages required for coverage.
- Procedure calls for 4 CBP's (**8000** psi) .
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac**.
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). **DO NOT OVERDISPLACE**. Stage acid and scale inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.

- Pump 20/40mesh resin coated sand last 5,000# of all frac stages
- Tubing Currently Landed @~7928
- Originally completed on 11/07/2008

**Existing Perforations:**

Zones	Perforations		SPF	Hdes
	Top, ft	Bottom, ft		
MESAVERDE	6816	6819	2	6
MESAVERDE	6950	6962	3	36
MESAVERDE	7165	7171	2	12
MESAVERDE	7262	7270	4	32
MESAVERDE	7654	7658	2	8
MESAVERDE	7676	7679	2	6
MESAVERDE	7683	7690	4	28
MESAVERDE	7791	7797	3	18
MESAVERDE	7884	7892	3	24
MESAVERDE	7956	7960	3	12
MESAVERDE	7984	7986	3	6
MESAVERDE	7996	7998	3	6
MESAVERDE	8023	8028	4	20
MESAVERDE	8092	8095	2	6
MESAVERDE	8116	8120	2	8
MESAVERDE	8167	8174	4	28

**PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 tubing (currently landed at ~7928'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 6262' (50' below proposed CBP). Otherwise P/U a mill and C/O to 6262' (50' below proposed CBP).
4. Set 8000 psi CBP at ~ 6212'. Pressure test BOP and casing to 6000 psi. .
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	6172	6182	4	40
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6122' and trickle 250gal 15%HCL w/ scale inhibitor in flush .

7. Set 8000 psi CBP at ~5649'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5554	5557	2	6
WASATCH	5573	5576	2	6
WASATCH	5611	5619	4	32

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~5504' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

9. Set 8000 psi CBP at ~5326'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5286	5296	4	40

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~5236' and flush only with recycled water.

11. Set 8000 psi CBP at~5236'.

12. TIH with 3 7/8" mill, pump off sub, SN and tubing.

13. Drill plugs and clean out to PBSD. Shear off bit and land tubing at +/- 7926' unless indicated by the well's behavior.

14. RDMO.

15. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

16. RDMO

**For design questions, please call  
David Cocciolone, Denver, CO  
(832)-453-2043 (Cell)  
(720)-929-6716 (Office)**

**For field implementation questions, please call  
Robert Miller, Vernal, UT  
(435)-781-7041 (Office)**

**NOTES:**

Some water concerns - tried to avoid. Not impressive looking Wasatch on the log.





UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU71417

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

9. API Well No.  
43-047-39763

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

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

10. Field and Pool, or Exploratory  
UNDESIGNATED

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 6 T11S R22E SESW 571FSL 1990FWL

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

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

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

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PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

**COPY SENT TO OPERATOR**

Date: 4.14.2009

Initials: KS

14. I hereby certify that the foregoing is true and correct.  
Electronic Submission #67552 verified by the BLM Well Information System  
For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal

Name (Printed Type) SHEILA UPCHEGO Title OPERATIONS

Signature *[Signature]* Date 02/24/2009

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved By *[Signature]* Title Pet-Eng. Date 4/13/09

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.  
Office: DOG m Federal Approval Of This Action Is Necessary

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**RECEIVED**

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

MAR 23 2009

**Name:** Bitter Creek 1122-6N  
**Location:** SESW-Section 6-T11S-R22E  
 Uintah County, UT  
**Date:** February 19, 2009

**ELEVATIONS:** 5589' GL 5605' KB

**TOTAL DEPTH:** 8610' **PBTD:** 8582'  
**SURFACE CASING:** 9 5/8", 36# J-55 ST&C @ 1846'  
**PRODUCTION CASING:** 4 1/2", 11.6#, I-80 LT&C @ 8595'  
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				(bbl/ft)	(gal/ft)
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2 3/8" by 4 1/2" Annulus				0.0101	0.4227

**TOPS:**

908" Green River  
 1168" Birds Nest  
 1478" Mahogany  
 3994" Wasatch  
 6541" Mesaverde

Estimated T.O.C. from CBL @3150'

**GENERAL:**

- A minimum of 6 tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburton's Induction-Density-Neutron log dated 10/19/2008.
- 3 fracturing stages required for coverage.
- Procedure calls for 1 CBP's (8000 psi).
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, Slickwater frac.
- Maximum surface pressure 6200 psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). DO NOT OVERDISPLACE. Stage acid and scale-inhibitor if necessary to cover the next perforated interval.
- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.

- Pump 20/40mesh resin coated sand last 5,000# of all frac stages
- Tubing Currently Landed @~7928
- Originally completed on 11/07/2008

**Existing Perforations:**

Zones	Perforations		SPF	Holes
	Top, ft	Bottom, ft		
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MESAVERDE	7262	7270	4	32
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**PROCEDURE:**

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOOH with 2-3/8", 4.7#, J-55 tubing (currently landed at ~7928"). Visually inspect for scale and consider replacing if needed.
3. If lbg looks ok consider running a gauge ring to 6262' (50' below proposed CBP). Otherwise P/U a mill and C/O to 6262' (50' below proposed CBP).
4. Set 8000 psi CBP at ~ 6212'. Pressure test BOP and casing to 6000 psi.
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	6172	6182	4	40
6. Breakdown perfs and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCl, and let soak 5-10 min. Fracture as outlined in Stage I on attached listing. Under-displace to ~6122' and trickle 250gal 15%HCl, w/ scale inhibitor in flush.

7. Set 8000 psi CBP at ~5649'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5554	5557	2	6
WASATCH	5573	5576	2	6
WASATCH	5611	5619	4	32

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~5504' and trickle 250gal 15%HCL w/ scale inhibitor in flush.

9. Set 8000 psi CBP at ~5326'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
WASATCH	5286	5296	4	40

10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~5236' and flush only with recycled water.

11. Set 8000 psi CBP at ~5236'.

12. TIH with 3 7/8" mill, pump off sub, SN and tubing.

13. Drill plugs and clean out to PBTID. Shear off bit and land tubing at +/- 7926' unless indicated by the well's behavior.

14. RDMO.

15. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete.

16. RDMO

**For design questions, please call  
David Cocciolone, Denver, CO  
(832)-453-2043 (Cell)  
(720)-929-6716 (Office)**

**For field implementation questions, please call  
Robert Miller, Vernal, UT  
(435)-781-7041 (Office)**

**NOTES:**

Some water concerns - tried to avoid. Not impressive looking Wasatch on the log.

**Bitter Creek 1122-6N  
Perforation and CBP Summary**

Stage	Zones	Perforations		SPF	Holes	Fracture Coverage		
		Top, ft	Bottom, ft					
1	WASATCH	6172	6182	4	40	6172	to	6188
	# of Perfs/stage				40	CBP DEPTH	5649	
2	WASATCH	5554	5557	2	6	5554	to	5559
	WASATCH	5573	5576	2	6	5573	to	5577
	WASATCH	5611	5619	4	32	5609	to	5620
	WASATCH		No Perfs			5622	to	5623
	WASATCH		No Perfs			5625	to	5627
	WASATCH		No Perfs			5631	to	5631
	# of Perfs/stage				44	CBP DEPTH	5326	
3	WASATCH	5286	5296	4	40	5281	to	5283
	WASATCH		No Perfs			5288	to	5296
	# of Perfs/stage				40	CBP DEPTH	5236	
<b>Totals</b>					<b>124</b>			

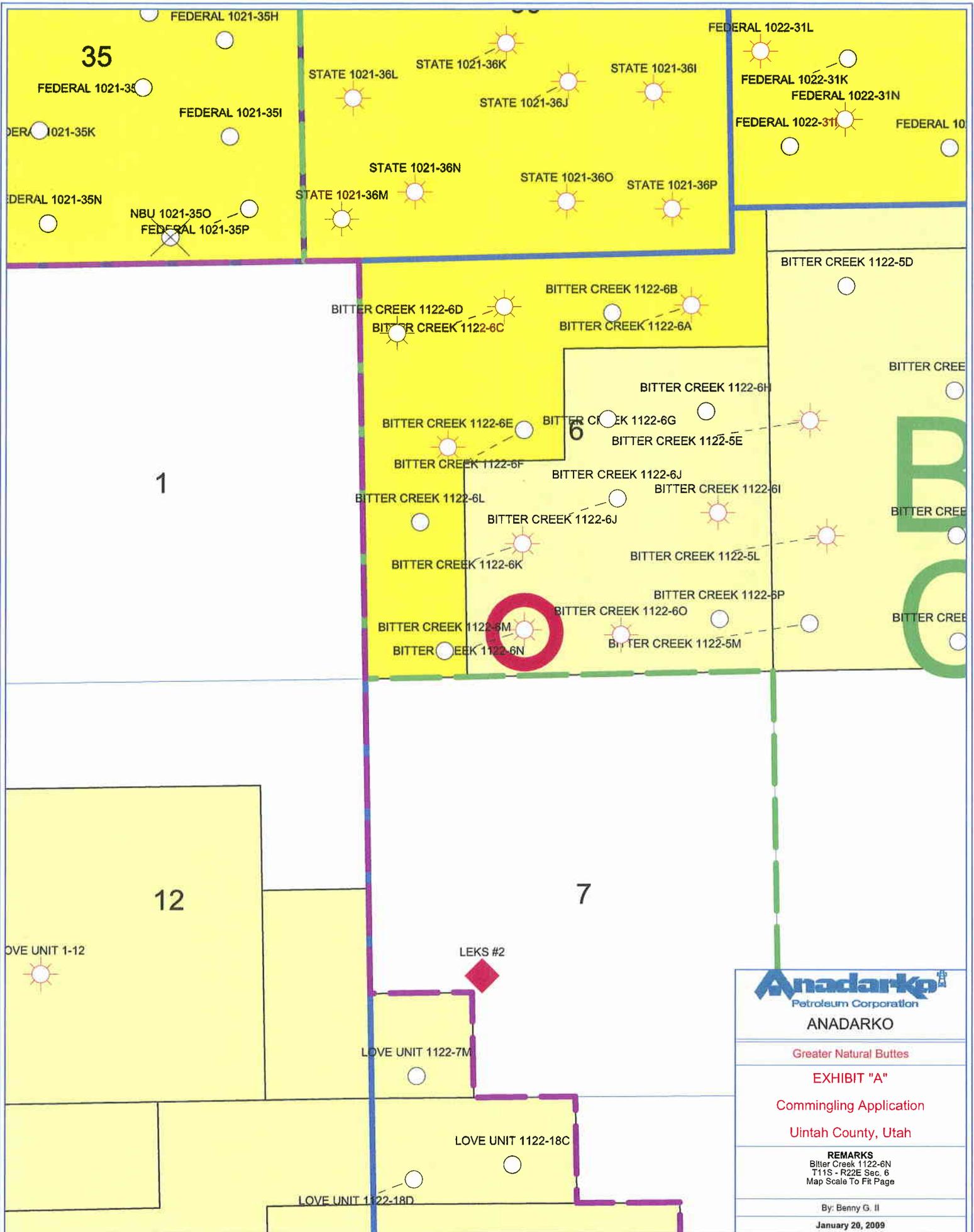
**Fracturing Schedule  
Bitter Creek 1122-6N Re-complete  
Slickwater Frac**

Stage	Zone	Feet at Pay	Perfs Top, ft Bot. ft	SPF	Holes	Rate BPM	Fluid Type	Initial PPG	Final PPG	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid Vol gal	Sand lbs	Sand lbs	Cum. Sand lbs	Foam from CBP to 100'	Scale Inhib. gal
1	WASATCH	6	6172 6182	4	40	12.6	12.6	1.25	1.25	Slickwater	4920	4920	0	0	0	0	0	0	0	0
			# of Perfs/stage		40											1,600	1,610	1,610	0	0
2	WASATCH	3	5554 5557	2	6	12.6	12.6	1.25	1.25	Slickwater	756	756	0	0	0	0	0	0	0	0
2	WASATCH	3	5573 5576	2	6	12.6	12.6	1.25	1.25	Slickwater	756	1512	0	0	0	0	0	0	0	0
2	WASATCH	8	5611 5619	4	32	12.6	12.6	1.25	1.25	Slickwater	4032	5544	0	0	0	0	0	0	0	0
2	WASATCH	2	No Perfs																	
2	WASATCH	2	No Perfs																	
2	WASATCH	4	No Perfs																	
			# of Perfs/stage		44											1,600	1,610	1,610	0	0
3	WASATCH	10	5286 5296	4	40	12.6	12.6	1.25	1.25	Slickwater	5040	5040	0	0	0	0	0	0	0	0
			# of Perfs/stage		40											2,280	2,152	2,152	0	0
<b>Totals</b>		<b>49</b>			<b>124</b>						<b>96,770</b>	<b>96,770</b>	<b>2,278</b>	<b>2,278</b>	<b>0</b>	<b>80,087</b>	<b>80,087</b>	<b>0</b>	<b>0</b>	

Fracturing Schedules  
 Bitter Creek 1122-6N Recomplete  
 Slickwater Frac

3394.6268  
 60.8244476

Stage	Zone	Feet of Pay	Perfs		SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.					
			Top, ft	Bot., ft																						
1	WASATCH	16	6172	5182	4	40	Varied	Pump-in test			Slickwater		0	0	0											
							0	ISIP and 5 min ISIP			Slickwater	3,720	3,720	89	89	15.0%	0.0%	0	0						37	
							40	Slickwater Pad			Slickwater	12,400	16,120	295	384	50.0%	39.7%	9,300	9,300						11	
							40	Slickwater Ramp	0.25	1.25	Slickwater	8,680	24,800	207	590	35.0%	60.3%	14,105	23,405						19	
							40	Slickwater Ramp	1.25	2	Slickwater	3,996	28,796	95	686				23,405						0	
												26,796									37					
																					103					
		16				40												1,600	1,510							
							17.8	<< Above pump time (min)							Flush depth	6122		gal/ft	1,600	1,510	lbs sand/ft					
																		CBP depth	5,649		473					
2	WASATCH	6	5554	5557	2	6	Varied	Pump-in test			Slickwater		0	0	0											
							0	ISIP and 5 min ISIP			Slickwater	5,760	5,760	137	137	15.0%	0.0%	0	0							
							40	Slickwater Pad			Slickwater	19,200	24,960	457	594	50.0%	39.7%	14,400	14,400							17
							40	Slickwater Ramp	0.25	1.25	Slickwater	13,440	38,400	320	914	35.0%	60.3%	21,840	36,240							29
							40	Slickwater Ramp	1.25	2	Slickwater	3,593	41,993	86	1,000				36,240							0
												41,993									35					
																					81					
		24				44												1,600	1,510							
							26.0	<< Above pump time (min)							Flush depth	5504		gal/ft	1,600	1,510	lbs sand/ft	178				
																		CBP depth	5,326		0					
3	WASATCH	2	5286	5296	4	40	Varied	Pump-in test			Slickwater		0	0	0											
							0	ISIP and 5 min ISIP			Slickwater	3,249	3,249	77	77	15.0%	0.0%	0	0							
							50	Slickwater Pad			Slickwater	10,830	14,079	258	335	50.0%	39.7%	8,123	8,123							10
							50	Slickwater Ramp	0.25	1.25	Slickwater	7,581	21,660	181	516	35.0%	60.3%	12,319	20,442							16
							50	Slickwater Ramp	1.25	2	Slickwater	3,418	25,078	81	597				20,442							
												25,078									0					
																					26					
		10				40												2,280	2,152							
							12.4	<< Above pump time (min)							Flush depth	5236		gal/ft	2,280	2,152	lbs sand/ft	0				
																		CBP depth	5,236		0					
Totals		49				124	0.9					Total Fluid	95,770 gals					Total Sand	80,087							
													2,280 bbls													
															5.1 tanks											
																		Total Scale Inhib. =	210							





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

March 17, 2009

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

Re: Notice of Commingling  
Bitter Creek 1122-6N  
SESW, Sec. 6, T11S-R22E  
API Well No. 4304739763  
Uintah County, Utah

Dear Dustin,

In accordance with R649-3-22, "Completion Into Two or More Pools", please be advised that notices were sent to all contiguous owners on March 17, 2009 (copy of letter attached). Also, enclosed is an affidavit regarding the mailing of the notices together with the plat showing the location of the Bitter Creek 1122-6N well. EOG Resources, Inc. holds interest sections contiguous to the subject well section location.

Please let me know if anything further is required in order to approve the sundry previously submitted to you regarding the recompletion of the Bitter Creek 1122-6N. I have enclosed a copy of the sundry notice.

Thank you for your attention to our request.

Sincerely,  
**KERR-McGEE OIL & GAS ONSHORE LP**

Jason Rayburn  
Landman

enclosures

RECEIVED

MAR 23 2009

DIV. OF OIL, GAS & MINING

STATE OF UTAH )

) ss

COUNTY OF UINTAH )

AFFIDAVIT

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

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

**BITTER CREEK 1122-6N  
571' FSL, 1990' FWL (SESW)  
SECTION 6, T11S- R22E  
UINTAH COUNTY, UTAH**

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

On the 17th day of March, 2009, he placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling into two or more pools (formations) in one wellbore for the subject well.

Said envelope which contained these instruments was addressed to the Utah Division of Oil, Gas & Mining and EOG Resources.

Further affiant saith not.

\_\_\_\_\_  
Jason Rayburn, Affiant

Subscribed and sworn before me this 17th day of March, 2009.



*Jodi Dollard*  
\_\_\_\_\_  
Notary Public

My Commission Expires:

Aug. 16, 2009



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

March 17, 2009

EOG Resources, Inc.  
600 Seventeenth Street, Suite 1000N  
Denver, CO 80202

Attn: Ms. Toni Miller

Re: Notice of Commingling  
Bitter Creek 1122-6N  
Section 6: SESW  
T11S-R22E  
Uintah County, Utah

Dear Ms. Miller:

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

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

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

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

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

**RECEIVED**  
**MAR 23 2009**  
**DIV. OF OIL, GAS & MINING**

Sincerely,

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

Jason Rayburn  
Landman

enclosures