

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

FORM 3

AMENDED REPORT
(highlight changes)

| | | | | | |
|--|--|--|--|--|----------------------|
| APPLICATION FOR PERMIT TO DRILL | | | | 5. MINERAL LEASE NO: ST UO 1194A | 6. SURFACE: State |
| 1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> | | | | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A | |
| B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input type="checkbox"/> MULTIPLE ZONE <input checked="" type="checkbox"/> | | | | 8. UNIT or CA AGREEMENT NAME: 891008900A | |
| 2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP | | | | 9. WELL NAME and NUMBER: NBU 921-27LT | |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 CITY Denver STATE CO ZIP 80217-3779 | | | PHONE NUMBER: (720) 929-6226 | 10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field | |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1954' FSL & 641' FWL LAT 40.005169 LON -109.544317 (NAD 27) AT PROPOSED PRODUCING ZONE: N/A | | | | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 27 9S 21E | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 14.5 miles northeast of Ouray, Utah | | | | 12. COUNTY: Uintah | 13. STATE: UTAH |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 641' | 16. NUMBER OF ACRES IN LEASE: 1292.39 | | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40 | | |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 20' | 19. PROPOSED DEPTH: 9,800 | | 20. BOND DESCRIPTION: RLB0005237 | | |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4950' | 22. APPROXIMATE DATE WORK WILL START: Upon Approval | | 23. ESTIMATED DURATION: 10 days | | |

PROPOSED CASING AND CEMENTING PROGRAM

| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | | | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT | | | |
|--------------|---|------|-------|---------------|---|---------|------|------|
| 12 1/4" | 9 5/8" | J-55 | 36# | 2,370 | Premium Cement | 215 sx | 1.18 | 15.6 |
| | | | | | Premium Cement | 100 sx | 1.18 | 15.6 |
| 7 7/8" | 4 1/2" | I-80 | 11.6# | 9,800 | Premium Lite II | 470 sx | 3.38 | 11.0 |
| | | | | | 50/50 Poz G | 1540 sx | 1.31 | 14.3 |

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- | | |
|--|--|
| <input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER | <input checked="" type="checkbox"/> COMPLETE DRILLING PLAN |
| <input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER | <input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER |

NAME (PLEASE PRINT) Kevin McIntyre TITLE Regulatory Analyst I
SIGNATURE  DATE 6/25/2008

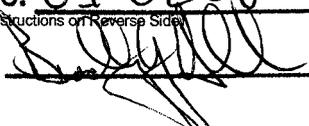
(This space for State use only)

API NUMBER ASSIGNED: 43047-40174

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:

Date: 09-02-08
(See Instructions on Reverse Side)

By: 

RECEIVED

JUN 27 2008

DIV. OF OIL, GAS & MINING

T9S, R21E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #921-27LT, located as shown in the NW 1/4 SW 1/4 of Section 27, T9S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

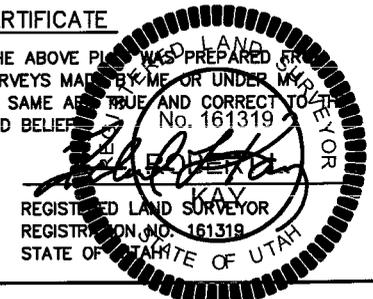
TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING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



SCALE

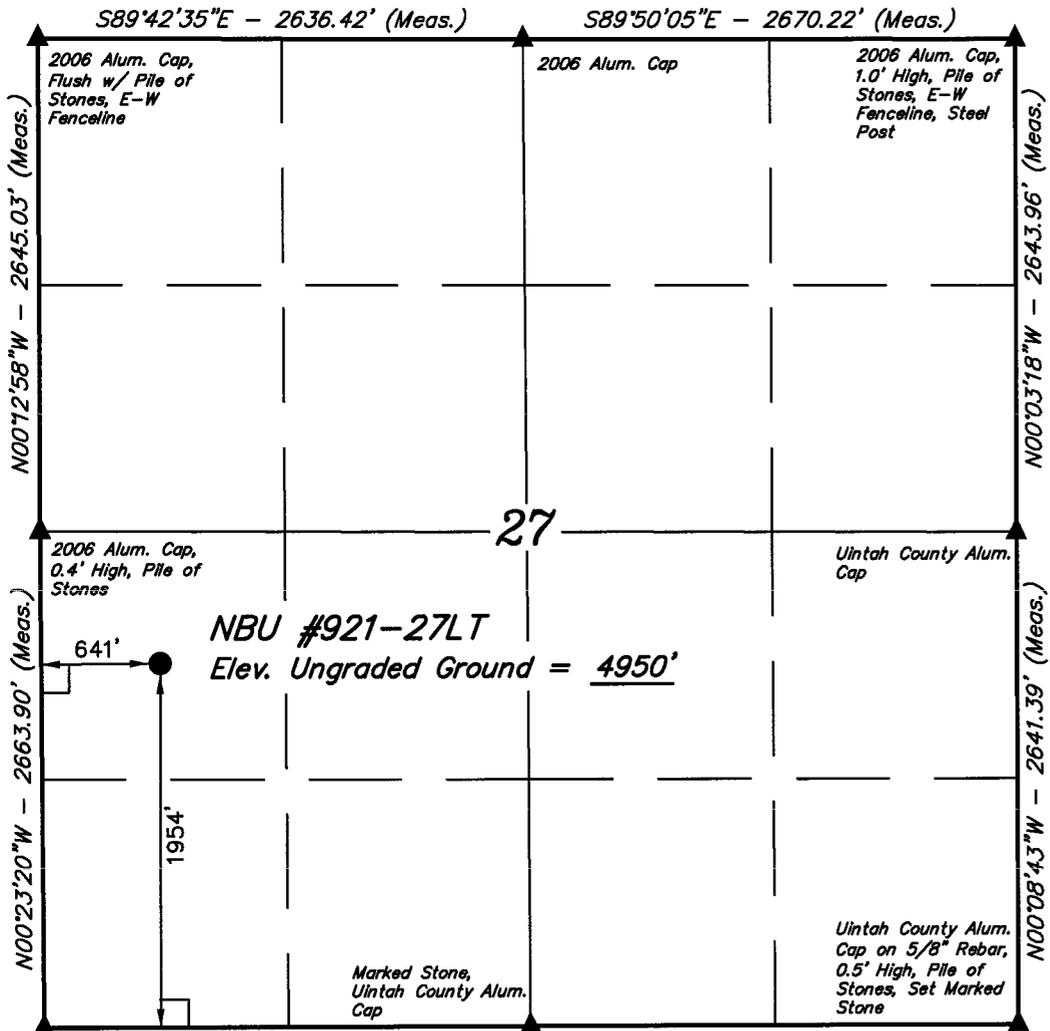
CERTIFICATE

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



REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

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



BASIS OF BEARINGS

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

LEGEND:

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

(NAD 83)
LATITUDE = 40°00'18.48" (40.005133)
LONGITUDE = 109°32'42.02" (109.545006)
(NAD 27)
LATITUDE = 40°00'18.61" (40.005169)
LONGITUDE = 109°32'39.54" (109.544317)

| | | |
|-------------------------------|---------------------------------|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 06-08-08 | DATE DRAWN: 06-10-08 |
| PARTY L.K. D.K. S.L. | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | Kerr-McGee Oil & Gas Onshore LP | |

**NBU 921-27LT
NWSW Sec. 27, T9S,R21E
UINTAH COUNTY, UTAH
ST UO 1194A**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

| <u>Formation</u> | <u>Depth</u> |
|------------------|--------------|
| Uinta | 0- Surface |
| Green River | 1501' |
| Birds Nest | 1817' |
| Mahogany | 2303' |
| Wasatch | 4831' |
| Mesaverde | 7712' |
| MVU2 | 8686' |
| MVL1 | 9282' |
| TD | 9800' |

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

| <u>Substance</u> | <u>Formation</u> | <u>Depth</u> |
|------------------|------------------|--------------|
| | Green River | 1501' |
| Water | Birds Nest | 1817' |
| Water | Mahogany | 2303' |
| Gas | Wasatch | 4831' |
| Gas | Mesaverde | 7712' |
| Gas | MVU2 | 8686' |
| Gas | MVL1 | 9282' |
| 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 9800' TD, approximately equals 6076 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3920 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.

Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- *Blowout Prevention Equipment (BOPE) requirements;*
- *Mud program requirements; and*
- *Special drilling operation (surface equipment placement) requirements associated with air drilling.*

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background

In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet.

The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12-1/4 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 12-1/4 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 9-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements

The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements

Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements

Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blowie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

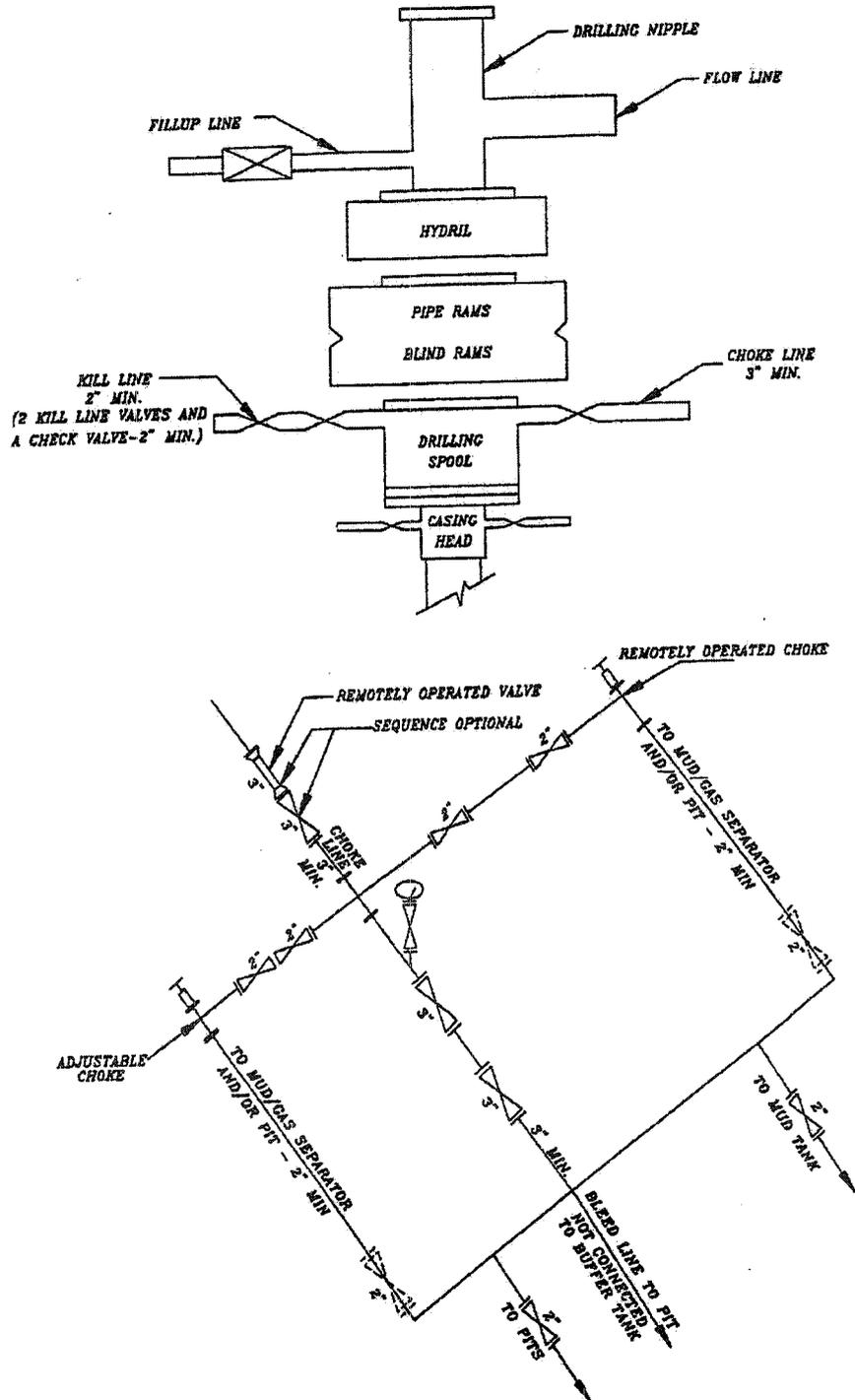
Conclusion

The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. Other Information:

Please refer to the attached Drilling Program.

EXHIBIT A



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

**NBU 921-27LT
NWSW Sec. 27, T9S, R21E
UINTAH COUNTY, UTAH
ST UO 1194A**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Refer to Topo Map A for directions to the location.

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

The existing road for the NBU #214 will be utilized. 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:

No new access road is proposed. Refer to Topo Map B for the location of the existing access road.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

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

Please refer to Topo Map C.

4. Location of Existing & Proposed Facilities:

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 required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

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

No new pipeline utilizing the existing NBU #214 pipeline. No TOPO D attached.

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 and felt will be used, it will be a minimum of 20 mil thick, 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. CIGE 112D SWD – SESE, SECTION 19, T9S, R21E, NBU 47N2 SWD – SESW, SECTION 30, T10S, R22E, NBU 159 SWD – NESW, SECTION 35, T9S, R21E, NBU 347 – NWSW, SECTION 11, T10S, R22E, Ouray #1 SWD – NENE SECTION 1, T9S, R21E, Pipeline Facility Sec. 36, T9S, R20E, Goat Pasture Evaporation Pond SW/4 Sec. 16, T10S, R22E, Bonanza Evaporation Pond Sec. 2, T10S, R23E

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.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

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.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

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

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

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

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.

11. Surface/Mineral Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. Other Information:

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.

A Class III archaeological survey has been completed and will be submitted.

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

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

Kevin McIntyre
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
PO BOX 173779
Denver, CO 80217-3779
(720) 929-6226

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

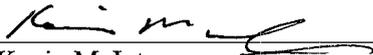
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

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



Kevin McIntyre

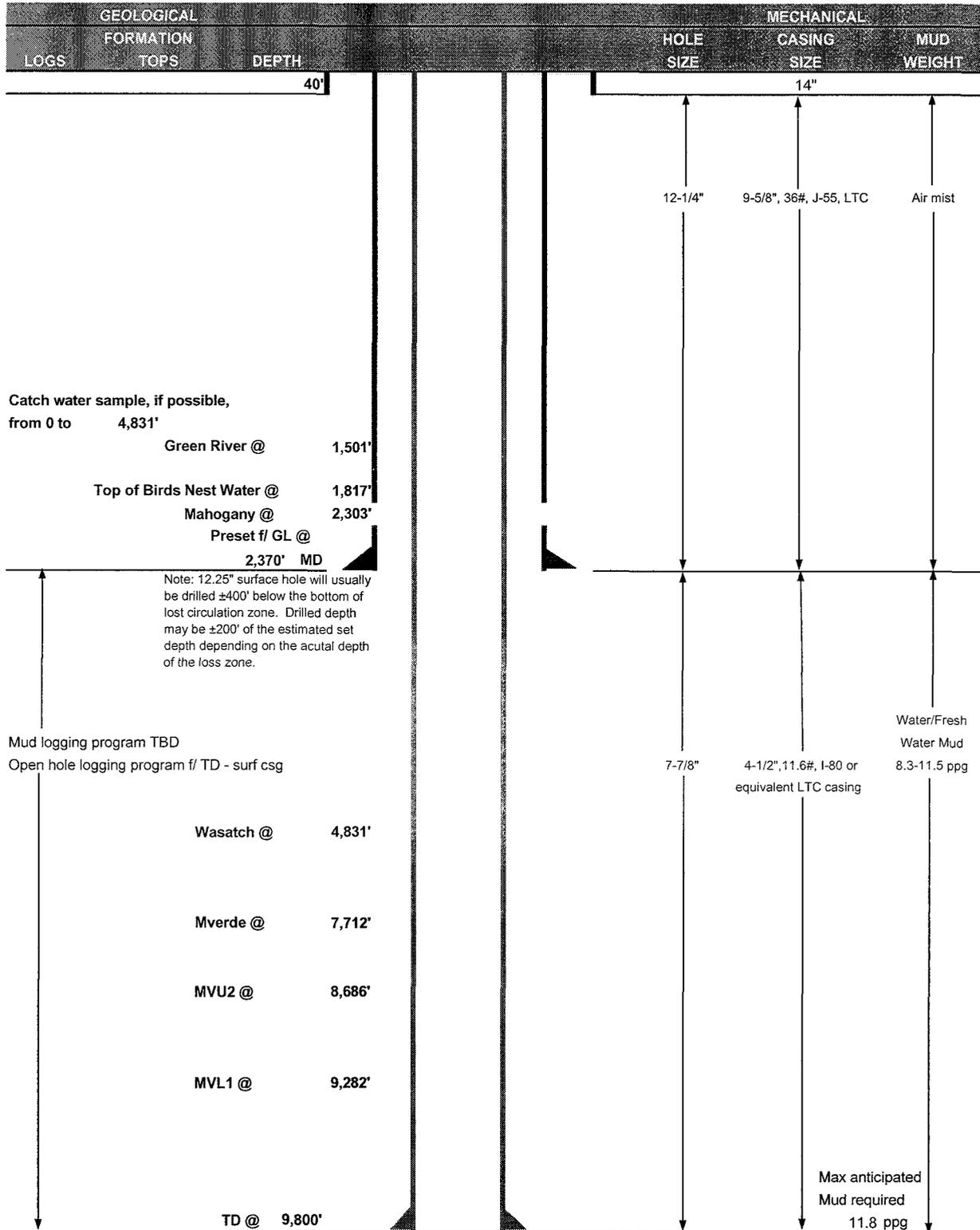
6/25/2008

Date



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

| | | | | |
|-------------------|--|------------------------|---------------|---------------|
| COMPANY NAME | KERR-McGEE OIL & GAS ONSHORE LP | DATE | June 25, 2008 | |
| WELL NAME | NBU 921-27LT | TD | 9,800' | MD/TVD |
| FIELD | Natural Buttes | COUNTY | Uintah | STATE |
| | | | Utah | |
| | | ELEVATION | 4,950' GL | KB 4,965' |
| SURFACE LOCATION | NWSW 1954' FSL & 641' FWL, Sec. 27, T 9S R 21E | | | BHL |
| | | | | Straight Hole |
| | Latitude: 40.005169 | Longitude: -109.544317 | NAD 27 | |
| OBJECTIVE ZONE(S) | Wasatch/Mesaverde | | | |
| ADDITIONAL INFO | Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept. | | | |



CASING PROGRAM

| | SIZE | INTERVAL | WT. | GR. | CPLG. | DESIGN FACTORS | | |
|------------|--------|-------------|-------|------|-------|----------------------|----------------------|--------------------------|
| | | | | | | BURST | COLLAPSE | TENSION |
| CONDUCTOR | 14" | 0-40' | | | | | | |
| SURFACE | 9-5/8" | 0 to 2,370' | 36.00 | J-55 | LTC | 3520 0.91 7780 | 2020 1.82 6350 | 453000 6.06 201000 |
| PRODUCTION | 4-1/2" | 0 to 9800 | 11.60 | I-80 | LTC | 2.02 | 1.06 | 2.03 |

- 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 = 11.8 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 3920 psi

CEMENT PROGRAM

| | | FT. OF FILL | DESCRIPTION | SACKS | EXCESS | WEIGHT | YIELD |
|-----------------|-----------------|---|--|---------|--------|--------|-------|
| SURFACE | LEAD | 500 | Premium cmt + 2% CaCl + .25 pps flocele | 215 | 60% | 15.60 | 1.18 |
| Option 1 | TOP OUT CMT (1) | 250 | 20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele | 100 | | 15.60 | 1.18 |
| | TOP OUT CMT (2) | as required | Premium cmt + 2% CaCl | as req. | | 15.60 | 1.18 |
| SURFACE | | NOTE: If well will circulate water to surface, option 2 will be utilized | | | | | |
| Option 2 | LEAD | 2000 | Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC | 230 | 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 | 4,330' | Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender | 470 | 60% | 11.00 | 3.38 |
| | TAIL | 5,470' | 50/50 Poz/G + 10% salt + 2% gel +.1% R-3 | 1530 | 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: _____ DATE: _____
 Brad Laney
 DRILLING SUPERINTENDENT: _____ DATE: _____
 Randy Bayne NBU 921-27LT.xls

Kerr-McGee Oil & Gas Onshore LP
NBU #921-27LT
SECTION 27, T9S, R21E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 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 DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN EASTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE EXISITNG NBU #214 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 45.5 MILES.

Kerr-McGee Oil & Gas Onshore LP.

NBU #921-27LT

LOCATED IN UINTAH COUNTY, UTAH
SECTION 27, T9S, R21E, S.L.B.&M.

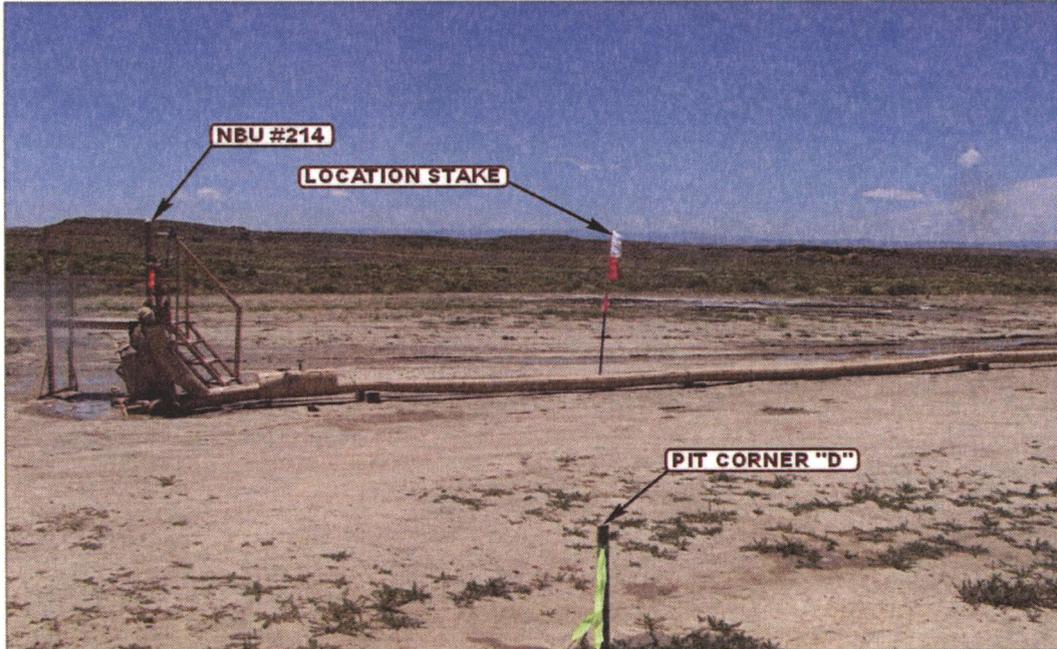


PHOTO: VIEW FROM PIT CORNER "D" TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS ROAD

CAMERA ANGLE: NORTHERLY



- Since 1964 -

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

LOCATION PHOTOS

06 11 08
MONTH DAY YEAR

PHOTO

TAKEN BY: L.K.

DRAWN BY: S.L.

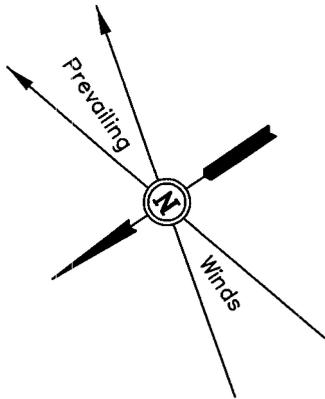
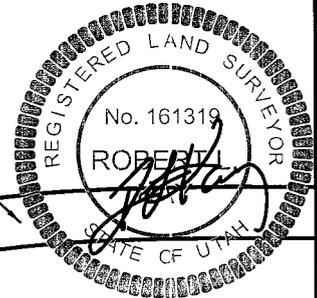
REVISED: 00-00-00

Kerr-McGee Oil & Gas Onshore LP

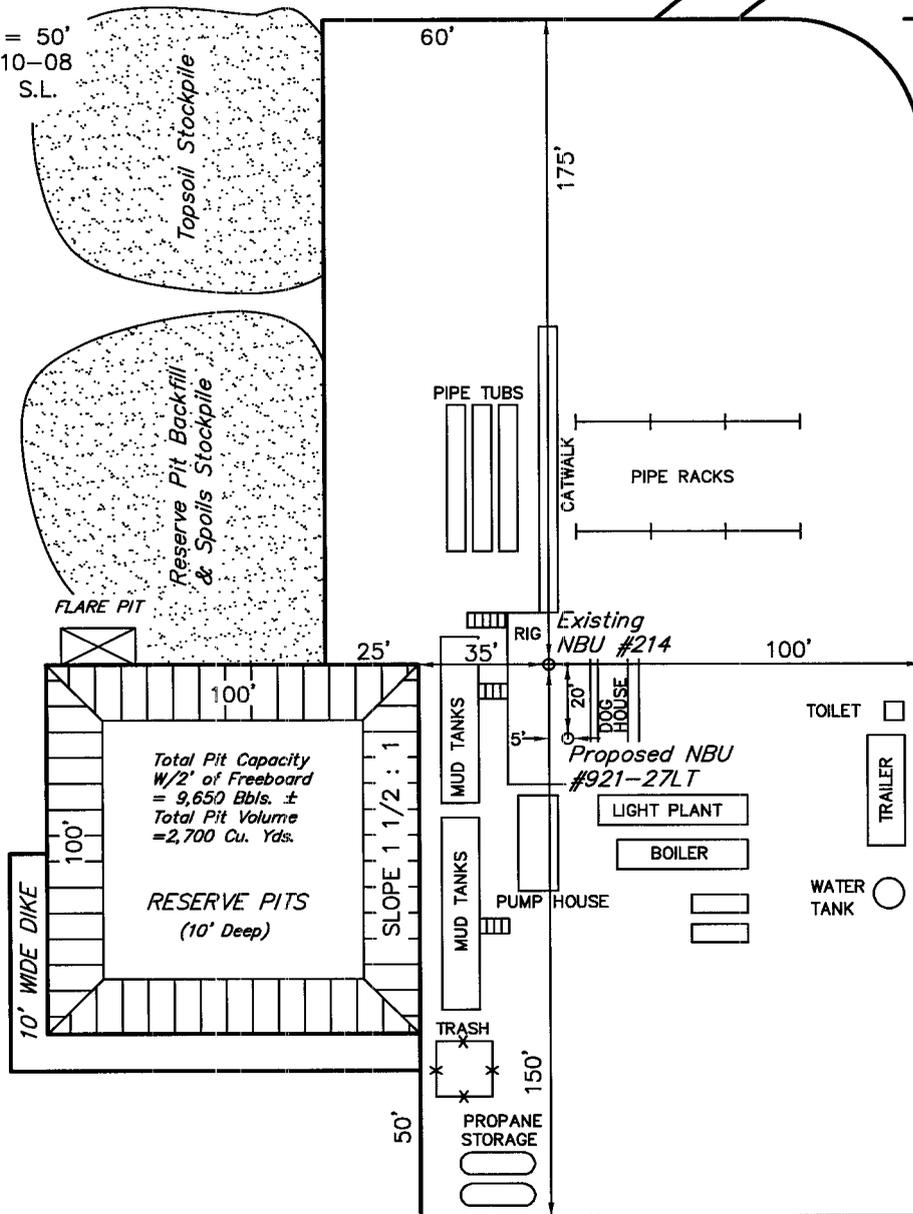
FIGURE #1

LOCATION LAYOUT FOR

NBU #921-27LT
SECTION 27, T9S, R21E, S.L.B.&M.
1954' FSL 641' FWL

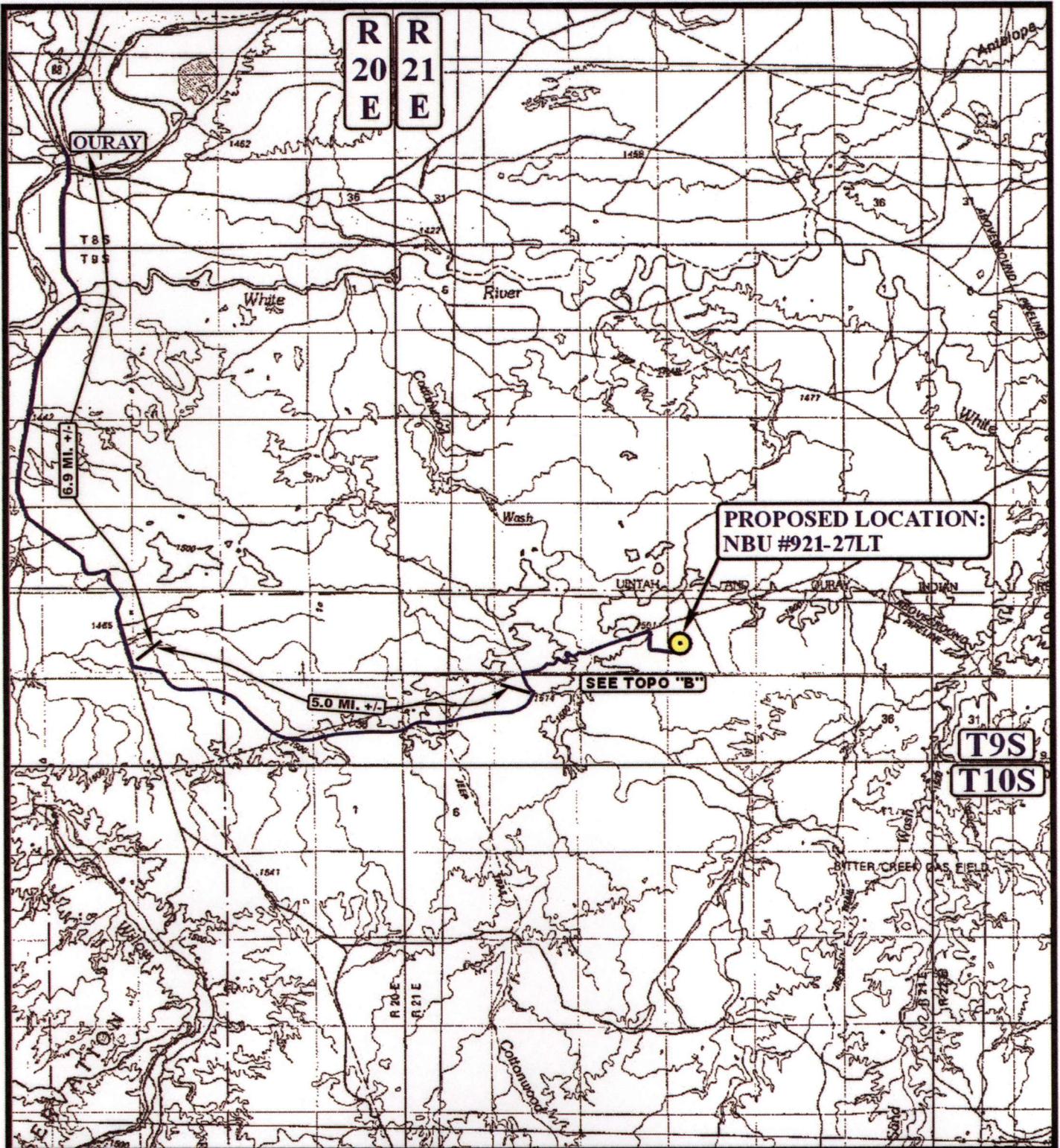


SCALE: 1" = 50'
DATE: 06-10-08
Drawn By: S.L.



NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4950.0'



LEGEND:

 PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

NBU #921-27LT
SECTION 27, T9S, R21E, S.L.B.&M.
1954' FSL 641' FWL



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

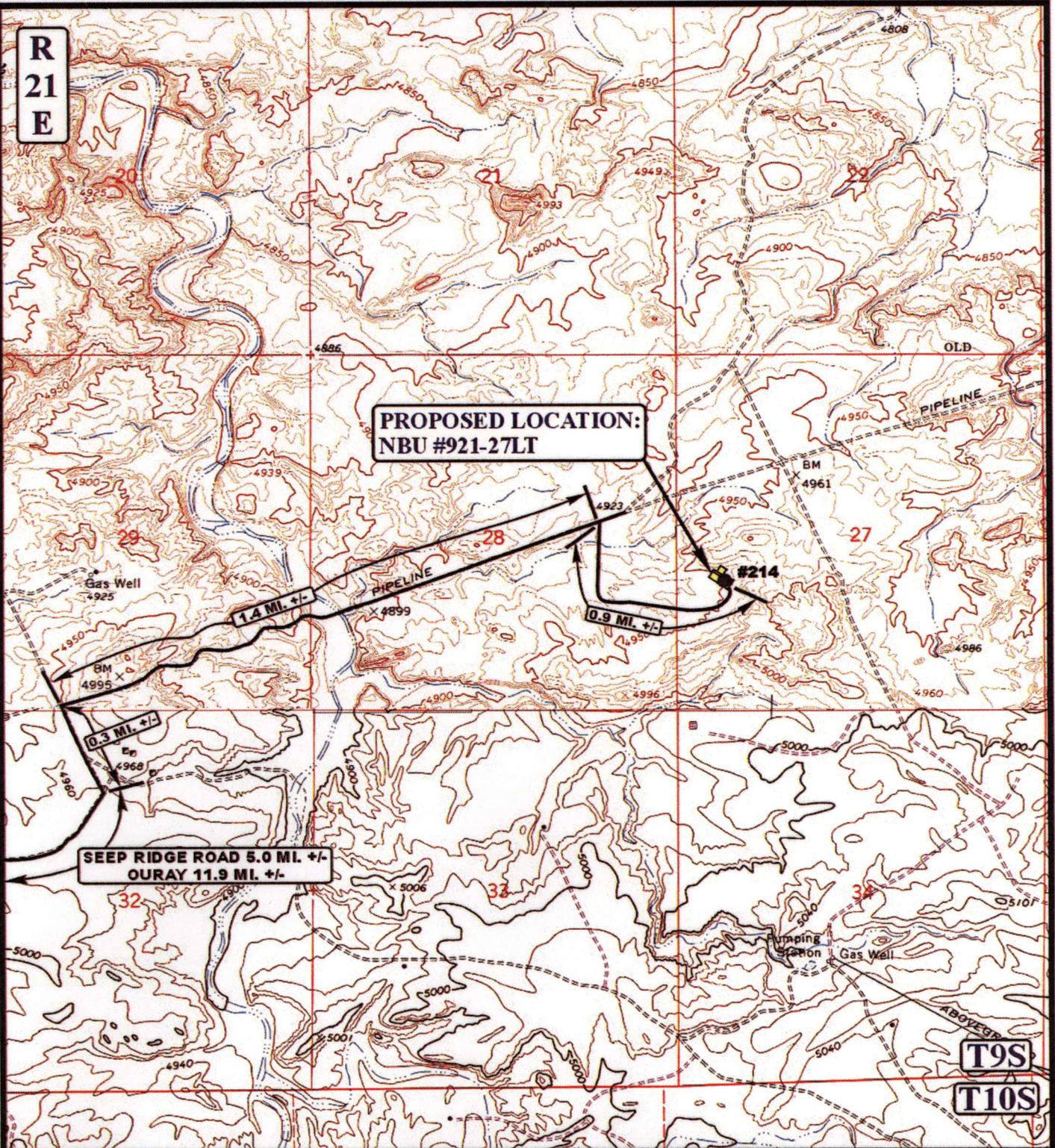
TOPOGRAPHIC
MAP

| | | |
|-----------|-----------|-----------|
| 06 | 11 | 08 |
| MONTH | DAY | YEAR |

SCALE: 1:100,000 DRAWN BY: S.L. REVISED: 00-00-00



R
21
E



**PROPOSED LOCATION:
NBU #921-27LT**

**SEEP RIDGE ROAD 5.0 MI. +/-
OURAY 11.9 MI. +/-**

LEGEND:

— EXISTING ROAD



Kerr-McGee Oil & Gas Onshore LP

**NBU #921-27LT
SECTION 27, T9S, R21E, S.L.B.&M.
1954' FSL 641' FWL**



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

**TOPOGRAPHIC
MAP**

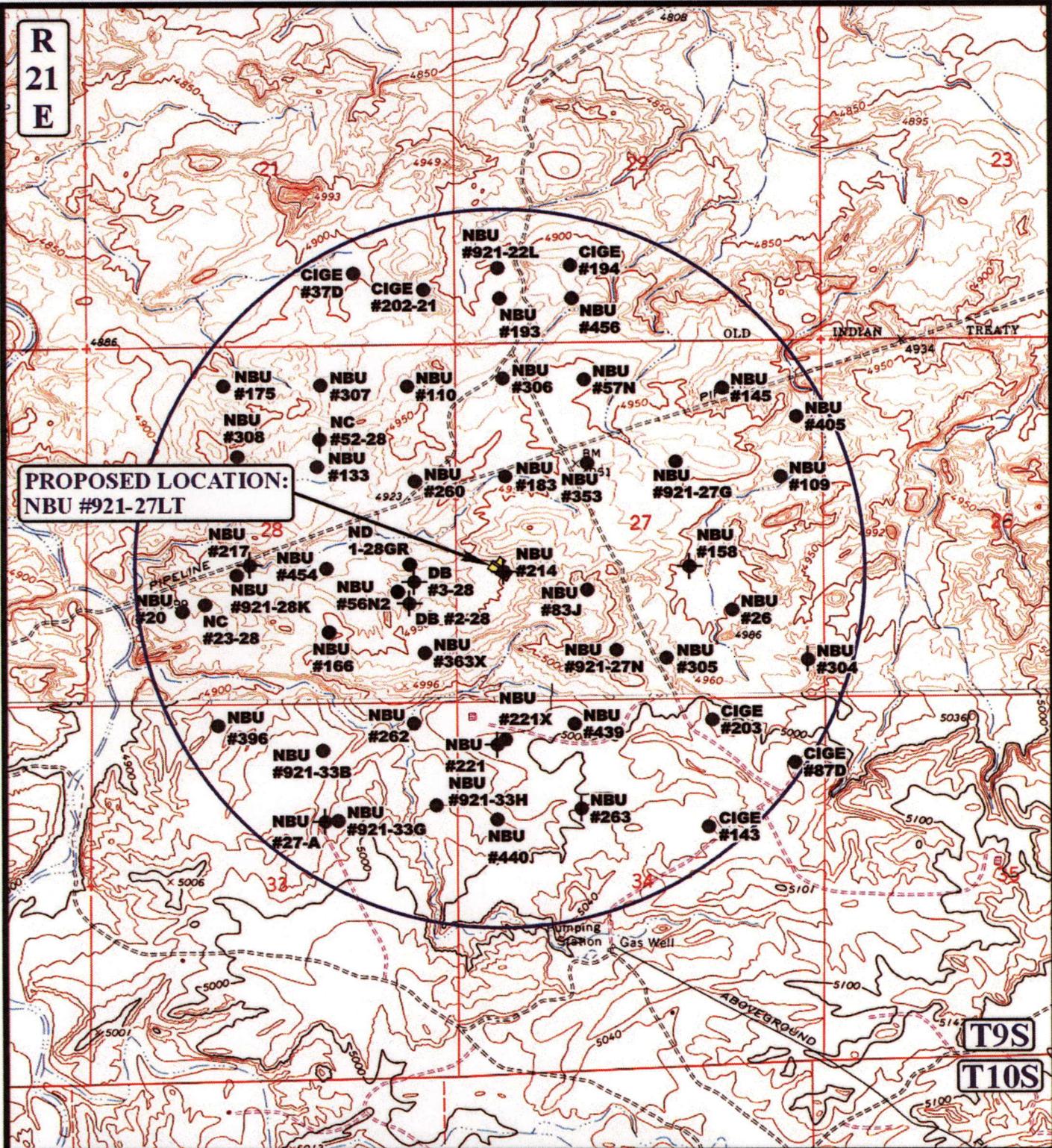
**06 11 08
MONTH DAY YEAR**

SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00

**B
TOPO**

R
21
E

PROPOSED LOCATION:
NBU #921-27LT



LEGEND:

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

Kerr-McGee Oil & Gas Onshore LP

NBU #921-27LT
SECTION 27, T9S, R21E, S.L.B.&M.
1954' FSL 641' FWL



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



TOPOGRAPHIC
MAP

06 11 08
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 06/27/2008

API NO. ASSIGNED: 43-047-40174

WELL NAME: NBU 921-27LT
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: KEVIN MCINTYRE

PHONE NUMBER: 720-929-6226

PROPOSED LOCATION:

NWSW 27 090S 210E
 SURFACE: 1954 FSL 0641 FWL
 BOTTOM: 1954 FSL 0641 FWL
 COUNTY: UINTAH
 LATITUDE: 40.00511 LONGITUDE: -109.5442
 UTM SURF EASTINGS: 624260 NORTHINGS: 4429129
 FIELD NAME: NATURAL BUTTES (630)

| INSPECT LOCATN BY: / / | | |
|------------------------|----------|---------|
| Tech Review | Initials | Date |
| Engineering | DWD | 8/28/08 |
| Geology | | |
| Surface | | |

LEASE TYPE: 3 - State
 LEASE NUMBER: ST UO 1194A
 SURFACE OWNER: 3 - State

PROPOSED FORMATION: WSMVD
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 43-8496)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)
- Intent to Commingle (Y/N)

LOCATION AND SITING:

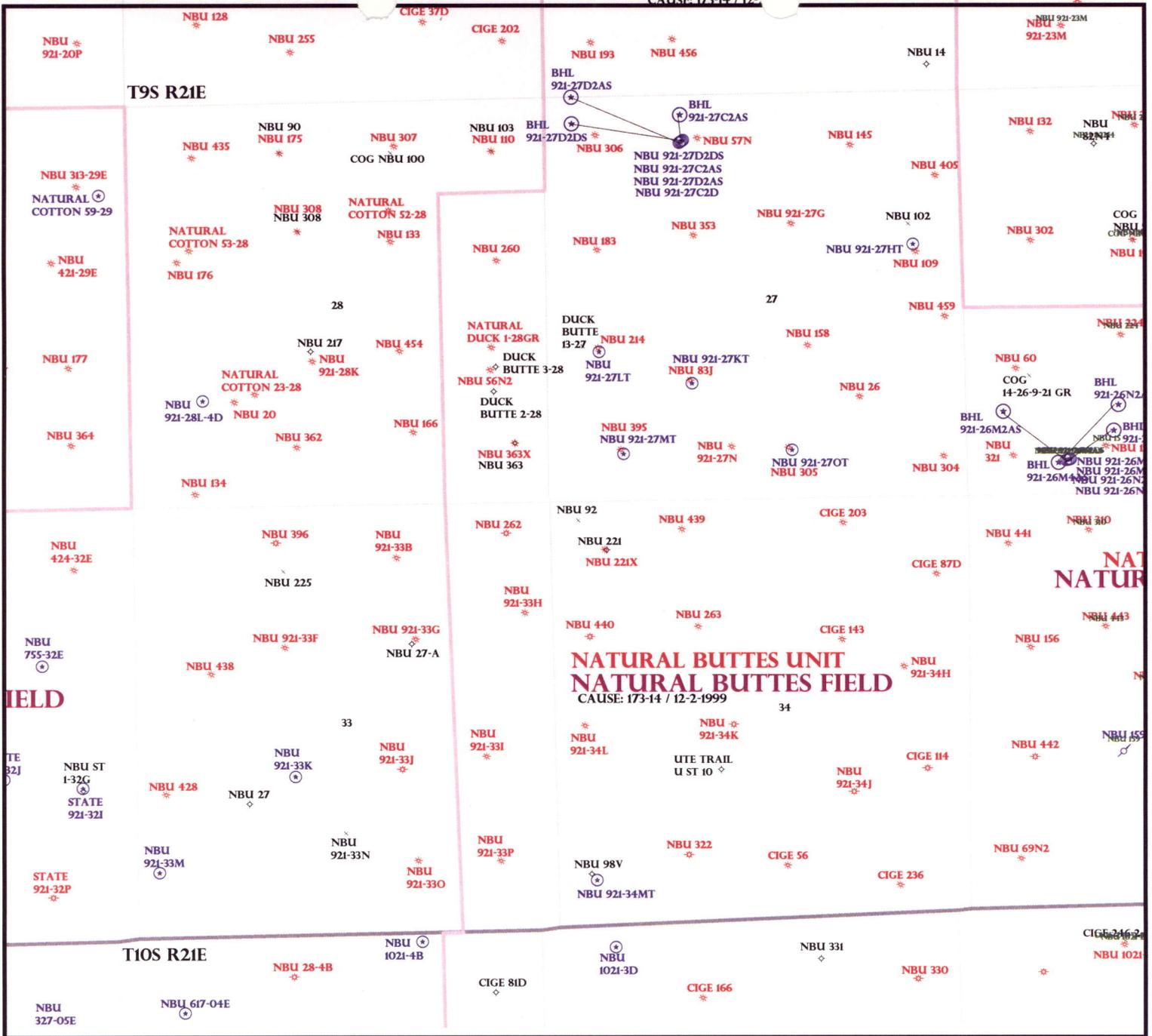
- R649-2-3.
- Unit: NATURAL BUTTES
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 173-14
Eff Date: 12-2-1999
Siting: 460' fr wbdng & uncomm. Tract
- R649-3-11. Directional Drill

COMMENTS:

Needs Permit (06-18-08)

STIPULATIONS:

- 1 - STATEMENT OF BASIS
- 2 - OIL SHALE
- 3 - Surface (sg Cont St. A)



OPERATOR: KERR MCGEE O&G (N2995)
 SEC: 27, 33 T.9S R. 21E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 173-14 / 12-2-1999

| Field Status | | Unit Status | |
|--------------|------------|-------------|--------------|
| | ABANDONED | | EXPLORATORY |
| | ACTIVE | | GAS STORAGE |
| | COMBINED | | NF PP OIL |
| | INACTIVE | | NF SECONDARY |
| | PROPOSED | | PENDING |
| | STORAGE | | PI OIL |
| | TERMINATED | | PP GAS |
| | | | PP GEOTHERML |
| | | | PP OIL |
| | | | SECONDARY |
| | | | TERMINATED |

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



PREPARED BY: DIANA MASON
 DATE: 14-JULY-2008

Application for Permit to Drill

Statement of Basis

8/12/2008

Utah Division of Oil, Gas and Mining

Page 1

| APD No | API WellNo | Status | Well Type | Surf Ownr | CBM |
|------------------|--|-------------|--------------------------|-----------|-----|
| 862 | 43-047-40174-00-00 | | GW | S | No |
| Operator | KERR-MCGEE OIL & GAS ONSHORE, L.P. | | Surface Owner-APD | | |
| Well Name | NBU 921-27LT | Unit | NATURAL BUTTES | | |
| Field | NATURAL BUTTES | | Type of Work | | |
| Location | NWSW 27 9S 21E S 1954 FSL 641 FWL GPS Coord (UTM) 624260E 4429129N | | | | |

Geologic Statement of Basis

Kerr McGee proposes to set 2,340' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 2,000'. A search of Division of Water Rights records shows one water wells within a 10,000 foot radius of the center of Section 27. The well is listed as 200 feet deep and used for drilling water. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. The proposed casing and cement should adequately protect. Any usable ground water.

Brad Hill
APD Evaluator

8/11/2008
Date / Time

Surface Statement of Basis

The proposed NBU 921-27LT gas well is on the existing location of the NBU 214 gas well. This well is planned to be plugged. A reserve pit 100' x 100' x 10' deep will be re-dug in the northwest corner of the location. The existing pad appears to be stable and should present no problems for drilling and operating the proposed well.

Floyd Bartlett
Onsite Evaluator

6/18/2008
Date / Time

Conditions of Approval / Application for Permit to Drill

| Category | Condition |
|----------|---|
| Pits | A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit. |
| Surface | The reserve pit shall be fenced upon completion of drilling operations. |

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.
Well Name NBU 921-27LT
API Number 43-047-40174-0 APD No 862 Field/Unit NATURAL BUTTES
Location: 1/4,1/4 NWSW Sec 27 Tw 9S Rng 21E 1954 FSL 641 FWL
GPS Coord (UTM) 624252 4429141 Surface Owner

Participants

Floyd Bartlett and David Hackford (DOG M), Jim Davis (SITLA), Raleen White, Kevin McIntyre, Clay Einerson and Tony Kzneck (Kerr McGee) and David Kay (Uintah Engineering and Land Surveying).

Regional/Local Setting & Topography

The proposed NBU 921-27LT gas well is on the existing location of the NBU 214 gas well. This well is planned to be plugged. A reserve pit 100' x 100' x 10' deep will be re-dug in the northwest corner of the location. The existing pad appears to be stable and should present no problems for drilling and operating the proposed well.

Surface Use Plan

Current Surface Use

Existing Well Pad

New Road

| Miles | Well Pad Width | Length | Src Const Material | Surface Formation |
|-------|-------------------|--------|--------------------|-------------------|
|-------|-------------------|--------|--------------------|-------------------|

Ancillary Facilities

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland

Flora / Fauna

Existing Well Pad

Soil Type and Characteristics

Erosion Issues

Sedimentation Issues

Site Stability Issues

Drainage Diversion Required

Berm Required?

Erosion Sedimentation Control Required?

Paleo Survey Run?

Paleo Potential Observed?

Cultural Survey Run?

Cultural Resources?

Reserve Pit

Site-Specific Factors

Site Ranking

| | | |
|--|------------------|----|
| Distance to Groundwater (feet) | >200 | 0 |
| Distance to Surface Water (feet) | >1000 | 0 |
| Dist. Nearest Municipal Well (ft) | >5280 | 0 |
| Distance to Other Wells (feet) | <300 | 20 |
| Native Soil Type | Mod permeability | 10 |
| Fluid Type | Fresh Water | 5 |
| Drill Cuttings | Normal Rock | 0 |
| Annual Precipitation (inches) | <10 | 0 |
| Affected Populations | <10 | 0 |
| Presence Nearby Utility Conduits | Not Present | 0 |

Final Score 35 **Sensitivity Level**

Characteristics / Requirements

A reserve pit 100' x 100' x 10' deep will be re-dug in the northwest corner of the location.

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

Floyd Bartlett
Evaluator

6/18/2008
Date / Time

Casing Schematic

12%
15%

Surface

TOC @
0.

Uinta

TOC @ 480. → to surf w/ 87%, tail @ 1899'

* Stop ✓

1501' Green River

1817' Birdy Nest

2000' ± BMSW

2002' 15% tail

2303' Mahogany

Surface

2370. MD

9-5/8"
MW 8.3
Frac 19.3

3413' 12% tail

4831' Wasatch

✓

Stop surf. cmt. ✓

7712' Mesaverde

8686' MV U2

9282' MV L1

4-1/2"
MW 11.8

Production
9800. MD

| | | |
|--------------|--|----------------------------------|
| Well name: | 43047401740000 NBU 921-27LT | |
| Operator: | Kerr McGee Oil & Gas Onshore L.P. | |
| String type: | Surface | Project ID: 43-047-40174-0000 |
| Location: | Uintah County, Utah | |

Design parameters:

Collapse

Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 2,086 psi
Internal gradient: 0.120 psi/ft
Calculated BHP: 2,370 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 2,078 ft

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 108 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 480 ft

Completion type is subs
Non-directional string.

Re subsequent strings:

Next setting depth: 9,800 ft
Next mud weight: 11.800 ppg
Next setting BHP: 6,007 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,370 ft
Injection pressure: 2,370 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft ³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|--------------------------------------|
| 1 | 2370 | 9.625 | 36.00 | J-55 | LT&C | 2370 | 2370 | 8.796 | 1028.7 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 1026 | 2020 | 1.970 | 2370 | 3520 | 1.49 | 75 | 453 | 6.06 J |

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Minerals

Phone: (801) 538-5357
FAX: (801) 359-3940

Date: August 19, 2008
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2370 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

| | | | |
|--------------|--|-------------|-------------------|
| Well name: | 43047401740000 NBU 921-27LT | | |
| Operator: | Kerr McGee Oil & Gas Onshore L.P. | | |
| String type: | Production | Project ID: | 43-047-40174-0000 |
| Location: | Uintah County, Utah | | |

Design parameters:

Collapse

Mud weight: 11.800 ppg
 Internal fluid density: 2.300 ppg

Burst

Max anticipated surface pressure: 3,851 psi
 Internal gradient: 0.220 psi/ft
 Calculated BHP 6,007 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.80 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on buoyed weight.
 Neutral point: 8,071 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 212 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: Surface

Completion type is subs
Non-directional string.

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft ³) |
|---------|---------------------|-----------|-------------------------|-------|------------|----------------------|---------------------|---------------------|--------------------------------------|
| 1 | 9800 | 4.5 | 11.60 | I-80 | LT&C | 9800 | 9800 | 3.875 | 855.2 |

| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
|---------|---------------------|-------------------------|------------------------|------------------|----------------------|---------------------|---------------------|-------------------------|-----------------------|
| 1 | 4836 | 6360 | 1.315 | 6007 | 7780 | 1.30 | 94 | 212 | 2.26 J |

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Minerals

Phone: (801) 538-5357
 FAX: (801) 359-3940

Date: August 18, 2008
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 9800 ft, a mud weight of 11.8 ppg. An internal gradient of .119 psi/ft was used for collapse from TD. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

BOPE REVIEW

Kerr-McGee NBU 921-27LT API 43-047-40174-0000

INPUT

Well Name

| Kerr-McGee NBU 921-27LT | | API 43-047-40174-0000 | |
|--|----------|-----------------------|--|
| String 1 | String 2 | | |
| Casing Size (") | 9 5/8 | 4 1/2 | |
| Setting Depth (TVD) | 2370 | 9800 | |
| Previous Shoe Setting Depth (TVD) | 20 | 2370 | |
| Max Mud Weight (ppg) | 8.4 | 11.8 | |
| BOPE Proposed (psi) | 500 | 5000 | |
| Casing Internal Yield (psi) | 3520 | 7780 | |
| Operators Max Anticipated Pressure (psi) | 6076 | 11.9 ppg | |

| Calculations | String 1 | 9 5/8 " | |
|--|--|----------|--|
| Max BHP [psi] | $.052 * \text{Setting Depth} * \text{MW} =$ | 1035 | |
| | | | BOPE Adequate For Drilling And Setting Casing at Depth? |
| MASP (Gas) [psi] | $\text{Max BHP} - (0.12 * \text{Setting Depth}) =$ | 751 | NO Air Drill to surface shoe with diverter |
| MASP (Gas/Mud) [psi] | $\text{Max BHP} - (0.22 * \text{Setting Depth}) =$ | 514 | NO |
| | | | *Can Full Expected Pressure Be Held At Previous Shoe? |
| Pressure At Previous Shoe | $\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$ | 518 | NO <i>NO expected pressure - Birds Nest LC possible</i> |
| Required Casing/BOPE Test Pressure | | 2370 psi | |
| *Max Pressure Allowed @ Previous Casing Shoe = | | 20 psi | *Assumes 1psi/ft frac gradient |

| Calculations | String 2 | 4 1/2 " | |
|--|--|----------|--|
| Max BHP [psi] | $.052 * \text{Setting Depth} * \text{MW} =$ | 6013 | |
| | | | BOPE Adequate For Drilling And Setting Casing at Depth? |
| MASP (Gas) [psi] | $\text{Max BHP} - (0.12 * \text{Setting Depth}) =$ | 4837 | YES ✓ |
| MASP (Gas/Mud) [psi] | $\text{Max BHP} - (0.22 * \text{Setting Depth}) =$ | 3857 | YES |
| | | | *Can Full Expected Pressure Be Held At Previous Shoe? |
| Pressure At Previous Shoe | $\text{Max BHP} - .22 * (\text{Setting Depth} - \text{Previous Shoe Depth}) =$ | 4379 | NO <i>Reasonable</i> |
| Required Casing/BOPE Test Pressure | | 5000 psi | |
| *Max Pressure Allowed @ Previous Casing Shoe = | | 2370 psi | *Assumes 1psi/ft frac gradient |

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

July 15, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2008 Plan of Development Natural Buttes Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Natural Buttes Unit, Uintah County, Utah.

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

(Proposed PZ Wasatch/MesaVerde)

| | | |
|--------------|----------------|------------------------------------|
| 43-047-40184 | NBU 921-30FT | Sec 30 T09S R21E 1585 FNL 2614 FWL |
| 43-047-40185 | NBU 921-31BT | Sec 31 T09S R21E 0670 FNL 2008 FEL |
| 43-047-40170 | NBU 921-27KT | Sec 27 T09S R21E 1527 FSL 1821 FWL |
| 43-047-40171 | NBU 921-27MT | Sec 27 T09S R21E 0634 FSL 0931 FWL |
| 43-047-40172 | NBU 921-27OT | Sec 27 T09S R21E 0646 FSL 2211 FEL |
| 43-047-40173 | NBU 921-27HT | Sec 27 T09S R21E 2025 FNL 0623 FEL |
| 43-047-40174 | NBU 921-27LT | Sec 27 T09S R21E 1954 FSL 0641 FWL |
| 43-047-40175 | NBU 921-33K | Sec 33 T09S R21E 2066 FSL 1926 FWL |
| 43-047-40227 | NBU 921-27C2D | Sec 27 T09S R21E 0650 FNL 1730 FWL |
| 43-047-40203 | NBU 921-27D2DS | Sec 27 T09S R21E 0660 FNL 1713 FWL |
| | BHL | Sec 27 T09S R21E 0395 FNL 0350 FWL |
| 43-047-40202 | NBU 921-27D2AS | Sec 27 T09S R21E 0640 FNL 1747 FWL |
| | BHL | Sec 27 T09S R21E 0050 FNL 0350 FWL |
| 43-047-40201 | NBU 921-27C2AS | Sec 27 T09S R21E 0630 FNL 1765 FWL |
| | BHL | Sec 27 T09S R21E 0300 FNL 1730 FWL |
| 43-047-40169 | NBU 921-26IT | Sec 26 T09S R21E 1964 FSL 0674 FEL |
| 43-047-40176 | NBU 922-29NT | Sec 29 T09S R22E 0845 FSL 1627 FWL |
| 43-047-40177 | NBU 922-29KT | Sec 29 T09S R22E 1795 FSL 1936 FWL |
| 43-047-40178 | NBU 922-31BT | Sec 31 T09S R22E 0888 FNL 2191 FEL |

| | | | | | | | | |
|--------------|-----------------|--------|------|------|------|-----|------|-----|
| 43-047-40179 | NBU 922-32ET | Sec 32 | T09S | R22E | 2477 | FNL | 0094 | FWL |
| 43-047-40186 | NBU 922-33OT | Sec 33 | T09S | R22E | 0692 | FSL | 1465 | FEL |
| 43-047-40187 | NBU 922-33NT | Sec 33 | T09S | R22E | 0890 | FSL | 2291 | FWL |
| 43-047-40188 | NBU 922-33IT | Sec 33 | T09S | R22E | 2115 | FSL | 0579 | FEL |
| 43-047-40191 | NBU 1022-04GT | Sec 04 | T10S | R22E | 1897 | FNL | 1861 | FEL |
| 43-047-40189 | NBU 922-35IT | Sec 35 | T09S | R22E | 2133 | FSL | 0627 | FEL |
| 43-047-40190 | NBU 1022-01CT | Sec 01 | T10S | R22E | 0819 | FNL | 2106 | FWL |
| 43-047-40192 | NBU 1022-08IT | Sec 08 | T10S | R22E | 1757 | FSL | 0323 | FEL |
| 43-047-40193 | NBU 1022-08GT | Sec 08 | T10S | R22E | 2313 | FNL | 1922 | FEL |
| 43-047-40194 | NBU 1022-09AT | Sec 09 | T10S | R22E | 0472 | FNL | 0582 | FEL |
| 43-047-40195 | NBU 1022-10HT | Sec 10 | T10S | R22E | 1798 | FNL | 0297 | FEL |
| 43-047-40196 | NBU 1022-10FT | Sec 10 | T10S | R22E | 2200 | FNL | 2094 | FWL |
| | | | | | | | | |
| 43-047-40204 | NBU 1022-32D1S | Sec 32 | T10S | R22E | 0205 | FNL | 2058 | FWL |
| | BHL | Sec 32 | T10S | R22E | 0270 | FNL | 1310 | FWL |
| | | | | | | | | |
| 43-047-40205 | NBU 1022-32D4AS | Sec 32 | T10S | R22E | 0198 | FNL | 2077 | FWL |
| | BHL | Sec 32 | T10S | R22E | 0760 | FNL | 1180 | FWL |
| | | | | | | | | |
| 43-047-40206 | NBU 1022-32B3S | Sec 32 | T10S | R22E | 0185 | FNL | 2114 | FWL |
| | BHL | Sec 32 | T10S | R22E | 1150 | FNL | 2130 | FEL |
| | | | | | | | | |
| 43-047-40207 | NBU 1022-32D4DS | Sec 32 | T10S | R22E | 0192 | FNL | 2096 | FWL |
| | BHL | Sec 32 | T10S | R22E | 1240 | FNL | 1050 | FWL |

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:7-15-08

From: Jim Davis
To: Bonner, Ed; Mason, Diana; Raleen.White@anadarko.com
Date: 8/7/2008 11:04 AM
Subject: Kerr McGee Approvals

The following wells have been granted approval by the trust lands Administration, including arch and paleo clearance.

| | | | | | | | |
|-------------|----------------|----------------------|----------------|------|----|------|------|
| ✓4304740169 | NBU 921-26IT ✓ | Kerr-McGee Oil & Gas | Natural Buttes | NESE | 26 | 090S | 210E |
| ✓4304740170 | NBU 921-27KT ✓ | Kerr-McGee Oil & Gas | Natural Buttes | NESW | 27 | 090S | 210E |
| ✓4304740171 | NBU 921-27MT ✓ | Kerr-McGee Oil & Gas | Natural Buttes | SWSW | 27 | 090S | 210E |
| ✓4304740172 | NBU 921-27OT ✓ | Kerr-McGee Oil & Gas | Natural Buttes | SWSE | 27 | 090S | 210E |
| ✓4304740173 | NBU 921-27HT ✓ | Kerr-McGee Oil & Gas | Natural Buttes | SENE | 27 | 090S | 210E |
| ✓4304740174 | NBU 921-27LT ✓ | Kerr-McGee Oil & Gas | Natural Buttes | NWSW | 27 | 090S | 210E |
| ✓4304740176 | NBU 922-29NT ✓ | Kerr-McGee Oil & Gas | Natural Buttes | SESW | 29 | 090S | 220E |
| ✓4304740177 | NBU 922-29KT ✓ | Kerr-McGee Oil & Gas | Natural Buttes | NESW | 29 | 090S | 220E |
| ✓4304740178 | NBU 922-31BT ✓ | Kerr-McGee Oil & Gas | Natural Buttes | NWNE | 31 | 090S | 220E |
| ✓4304740179 | NBU 922-32ET ✓ | Kerr-McGee Oil & Gas | Natural Buttes | SWNW | 32 | 090S | 220E |
| ✓4304740114 | NBU 921-35AT | Kerr-McGee Oil & Gas | Natural Buttes | NENE | 35 | 090S | 210E |
| ✓4304740146 | NBU 922-29LT | Kerr-McGee Oil & Gas | Natural Buttes | NWSW | 29 | 090S | 220E |

-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

September 2, 2008

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

Re: NBU 921-27LT Well, 1954' FSL, 641' FWL, NW SW, Sec. 27, T. 9 South, R. 21 East,
Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40174.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

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



Operator: Kerr-McGee Oil & Gas Onshore, LP
Well Name & Number NBU 921-27LT
API Number: 43-047-40174
Lease: ST UO 1194A

Location: NW SW Sec. 27 T. 9 South R. 21 East

Conditions of Approval

1. General

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

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
- 24 hours prior to spudding the well – contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
- Any changes to the approved drilling plan – contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
- Carol Daniels at: (801) 538-5284 office
- Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.
7. Surface casing shall be cemented to the surface.

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

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.
Use APPLICATION FOR PERMIT -- for such proposals
1. Type of Well: Gas Well
2. Name of Operator: KERR MCGEE OIL AND GAS ONSHORE LP
3. Address of Operator: PO BOX 173779, DENVER, CO 80217-3779
4. Telephone Number: 720-929-6666
5. Location of Well: Footage: 1954' FSL, 641' FWL; County: UINTAH; State: UTAH

12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

NOTICE OF INTENT (Submit in Duplicate)
SUBSEQUENT REPORT (Submit Original Form Only)
Abandonment, Casing Repair, Change of Plans, Conversion to Injection, Fracture Treat, Multiple Completion, New Construction, Pull or Alter Casing, Recompletion, Shoot or Acidize, Vent or Flare, Water Shut-Off
Other FOOTAGE CHANGE
Date of Work Completion

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

KERR MCGEE OIL AND GAS ONSHORE LP IS REQUESTING TO CHANGE THE FOOTAGE OF THIS WELL TO ACCOMMODATE OUR NEW DRILLING RIG LAYOUTS. THERE WILL BE NO NEW DISTURBANCE
NEW FOOTAGES: 1928' FSL, 679' FWL

624271 X
4429121 Y
40.005035
-109.544108

COPY SENT TO OPERATOR
Date: 1.27.2009
Initials: KS

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

Name & Signature: RALEEN WHITE, Title: SR. REG. ANALYST, Date: 1/5/2009

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 1/26/09
BY: [Signature]
RECEIVED JAN 07 2009
DIV. OF OIL, GAS & MINING

T9S, R21E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #921-27LT, located as shown in the NW 1/4 SW 1/4 of Section 27, T9S, R21E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

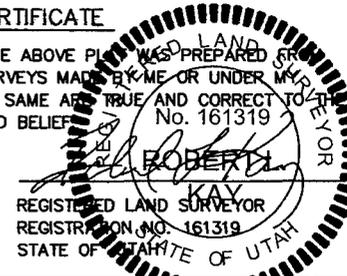
TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING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



SCALE

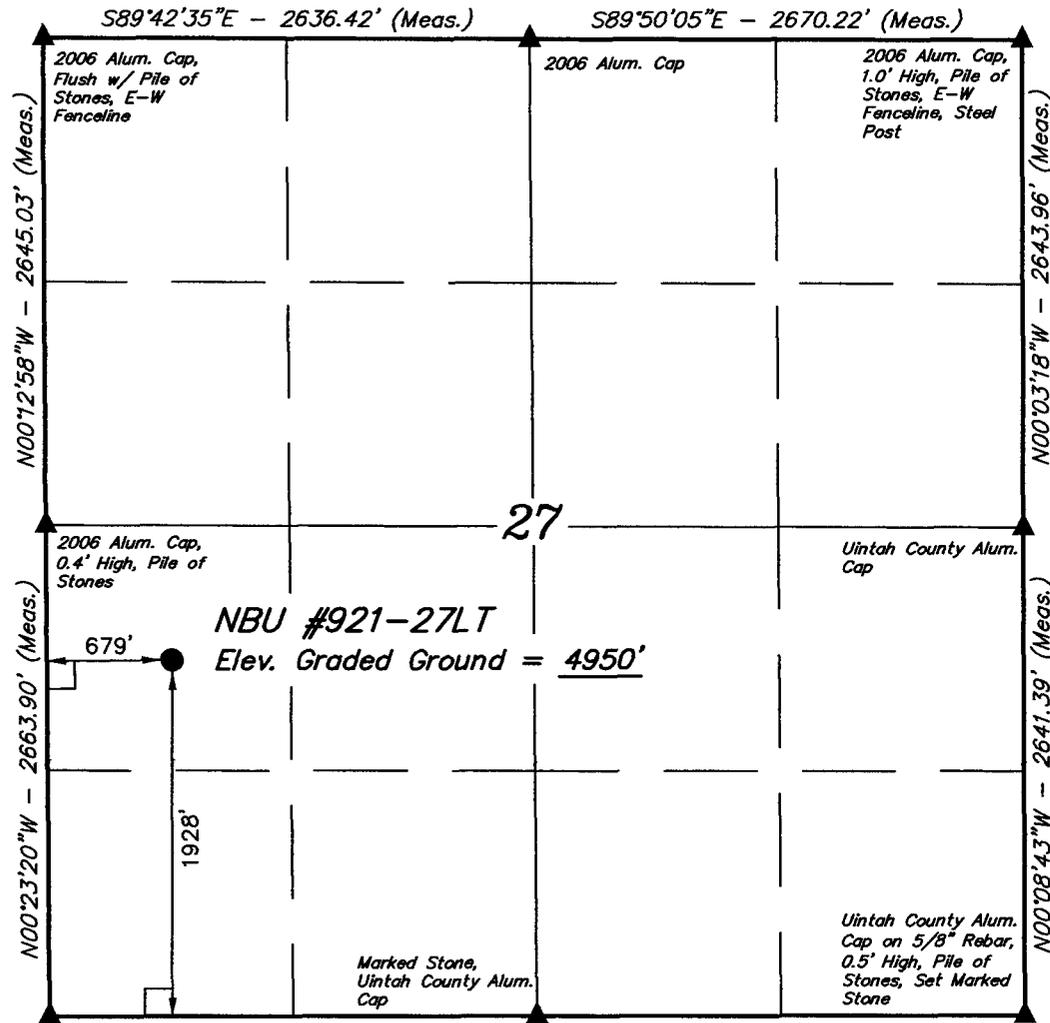
CERTIFICATE

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



REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 12-12-08 C.C.



2006 Alum. Cap, N89°59'09"E - 2642.00' (Meas.)
0.8' High, Set Marked Stone, Steel Post

N89°57'39"E - 2645.77' (Meas.)

2006 Alum. Cap, N89°42'35"E - 2636.42' (Meas.)

S89°50'05"E - 2670.22' (Meas.)

2006 Alum. Cap

2006 Alum. Cap, 1.0' High, Pile of Stones, E-W Fenceline, Steel Post

N00°12'58"W - 2645.03' (Meas.)

N00°03'18"W - 2643.96' (Meas.)

2006 Alum. Cap, 0.4' High, Pile of Stones

Uintah County Alum. Cap

NBU #921-27LT
Elev. Graded Ground = 4950'

679'

1928'

N00°23'20"W - 2663.90' (Meas.)

N00°08'43"W - 2641.39' (Meas.)

Marked Stone, Uintah County Alum. Cap

Uintah County Alum. Cap on 5/8" Rebar, 0.5' High, Pile of Stones, Set Marked Stone

BASIS OF BEARINGS

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

LEGEND:

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

(NAD 83)
LATITUDE = 40°00'18.23" (40.005064)
LONGITUDE = 109°32'41.54" (109.544872)

(NAD 27)
LATITUDE = 40°00'18.36" (40.005100)
LONGITUDE = 109°32'39.06" (109.544183)

| | | |
|--|---------------------------------|---------------------------|
| UINTAH ENGINEERING & LAND SURVEYING | | |
| 85 SOUTH 200 EAST - VERNAL, UTAH 84078 | | |
| (435) 789-1017 | | |
| SCALE 1" = 1000' | DATE SURVEYED: 06-08-08 | DATE DRAWN: 06-10-08 |
| PARTY L.K. D.K. S.L. | | REFERENCES G.L.O. PLAT |
| WEATHER WARM | Kerr-McGee Oil & Gas Onshore LP | |

| | |
|---|--|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1194A |
|---|--|

| | |
|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
|--|--|

| | |
|------------------------------------|---|
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: NBU 921-27LT |
|------------------------------------|---|

| | |
|---|---|
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | 9. API NUMBER: 43047401740000 |
|---|---|

| | | |
|---|--|--|
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | PHONE NUMBER: 720 929-6007 Ext | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES |
|---|--|--|

| | |
|---|---|
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1928 FSL 0679 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 27 Township: 09.0S Range: 21.0E Meridian: S | COUNTY: UINTAH STATE: UTAH |
|---|---|

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|--|---|---|
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 6/23/2009 | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: _____ |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 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 06/23/2009 AT 0900 HRS.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 June 24, 2009

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Sheila Wopsock | PHONE NUMBER 435 781-7024 | TITLE Regulatory Analyst |
| SIGNATURE N/A | | DATE 6/24/2009 |

| | |
|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1194A |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: NBU 921-27LT |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | 9. API NUMBER: 43047401740000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | PHONE NUMBER: 720 929-6007 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1928 FSL 0679 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 27 Township: 09.0S Range: 21.0E Meridian: S | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH |

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|--|---|---|
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 6/25/2009 | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: _____ |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
 MIRU PROPETRO AIR RIG ON 06/23/2009. DRILLED 12 1/4" SURFACE HOLE TO 2070'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DISPLACE W/26 BBLs OF H2O PLUG SPOTTED 2070'-1820'. TRIP OUT OF CMT 400'. DISPLACE PIPE AGIAN W/ BBLs OF FLUSH (H2O) TRIP OUT. RD WORT.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 June 29, 2009

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Sheila Wopsock | PHONE NUMBER 435 781-7024 | TITLE Regulatory Analyst |
| SIGNATURE N/A | DATE 6/29/2009 | |

| | |
|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1194A |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: NBU 921-27LT |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | 9. API NUMBER: 43047401740000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | PHONE NUMBER: 720 929-6007 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1928 FSL 0679 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 27 Township: 09.0S Range: 21.0E Meridian: S | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH |

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|---|---|---|
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 11/28/2009 | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input checked="" type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: _____ |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 11/28/2009 AT 9:00 A.M. PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY

Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 December 01, 2009

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Andy Lytle | PHONE NUMBER 720 929-6100 | TITLE Regulatory Analyst |
| SIGNATURE N/A | | DATE 11/30/2009 |

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 921-27LT Spud Conductor: 6/23/2009 Spud Date: 6/23/2009
 Project: UTAH-UINTAH Site: NBU 921-27LT Rig Name No: PIONEER 69/69, PROPETRO/
 Event: DRILLING Start Date: 6/22/2009 End Date: 8/31/2009
 Active Datum: RKB @4,968.00ft (above Mean Sea Level) UWI: NW/SW/0/9/S/21/E/27/0/0/6/PM/S/1,928.00W/0/679.00/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|-----------|----------------|---------------|--------|------|----------|-----|--------------|--|
| 6/23/2009 | 14:00 - 19:30 | 5.50 | MIRU | 01 | A | P | | MIRU |
| | 19:30 - 0:00 | 4.50 | DRLSUR | 02 | A | P | | SPUD 12.25 HOLE ,DRILL W/HAMMER |
| 6/24/2009 | 0:00 - 2:30 | 2.50 | DRLSUR | 02 | A | P | | DRILL 380'- 510' DRILL W/ AIR HAMMER AND AIR MIST. |
| | 2:30 - 3:00 | 0.50 | DRLSUR | 10 | B | P | | SURVEY W/ MULTISHOT WIRE TOOL 510'= .4 DEG 23.8 RAW AZI CENTER CENTER 20' SF= 10.01 |
| | 3:00 - 13:30 | 10.50 | DRLSUR | 02 | A | P | | DRILL 510'- 1090' W/ AIR HAMMER AND AIR MIST |
| | 13:30 - 14:00 | 0.50 | DRLSUR | 10 | B | P | | SURVEY W/ MULTISHOT WIRELINE TOOL 1080'= .2 DEG 72.5 AZI, CENTER TO CENTER 27.89' SF= 6.01 |
| | 14:00 - 23:30 | 9.50 | DRLSUR | 02 | A | P | | DRILL 1090'- 1560' W/ AIR HAMMER AND AIR MIST. |
| | 23:30 - 0:00 | 0.50 | DRLSUR | 10 | B | P | | SURVEY W/ MULTISHOT WIRELINE TOOL 1500'= .4 DEG 58.7 RAW AZI. CENTER TO CENTER= 25.76', SF= 3.951 |
| 6/25/2009 | 0:00 - 13:00 | 13.00 | DRLSUR | 02 | A | P | | DRILL F/ 1560'- 2070' |
| | 13:00 - 13:30 | 0.50 | DRLSUR | 10 | B | P | | SURVEY W/ MULTISHOT WIRELINE TOOL= 2010'=6 DEG 71.4 AZI CENTER TO CENTER= 5' SF= LESS THEN 1.5. STOP DRILLING, HIGH CHANCE OF RUNNING INTO PRE-EXISTING WELL. |
| | 13:30 - 19:30 | 6.00 | DRLSUR | 06 | A | S | | TRIP OUT OF HOLE, AND LAYDOWN AIR HAMMER. TRIP BACK IN HOLE OPEN ENDED.2050' RIG UP TO LAYDOWN PIPE |
| | 19:30 - 20:30 | 1.00 | DRLSUR | 17 | A | S | | HOLD SAFETY MEETING AND RIG UP CEMENTERS AND PUMP 265 BBLs OF H2O TO CATCH CIRC. PUMP 10 BBLs OF H2O, START 200 SX(40.9 BBLs) OF 15.8# 1.15 YD 5 GAL/SK OF PREMIUM CEMENT. DISPLACE W/ 26 BBLs OF H2O. PLUG SPOTTED 2070'- 1820' |
| | 20:30 - 22:30 | 2.00 | DRLSUR | 06 | A | S | | TRIP OUT OF CEMENT 400', DISPLACE PIPE AGAIN W/ 10 BBLs OF FLUSH.(H2O) TRIP OUT. |
| | 22:30 - 23:30 | 1.00 | DRLSUR | 01 | E | S | | RIG DOWN RIG AND WAIT FOR RIG #11 PRO PETRO RIG TO BUMP AWAY FROM PRE EXISTING WELL. |
| 6/28/2009 | 9:00 - 14:00 | 5.00 | MIRU | 01 | A | P | | MOVE RIG TO NEW LOCTION 9 MILE MOVE |
| | 14:00 - 16:00 | 2.00 | MIRU | 01 | B | P | | RIG UP |
| | 16:00 - 16:30 | 0.50 | DRLSUR | 06 | A | S | | P/U BHA |
| | 16:30 - 17:30 | 1.00 | DRLSUR | 23 | | S | | HELD SAFTY MEETING W/ RIG CREWS, DRILLING SUPERENTANT ABOUT ACCDENT W/ P/U LINE HOOK BROKE HITTING ADAM GRABAUGH IN FACE CUTING HIS NOSE |
| | 17:30 - 22:30 | 5.00 | DRLSUR | 06 | A | S | | P/U BHA, TIH TAGED UP @ 1750' |
| | 22:30 - 23:00 | 0.50 | DRLSUR | 05 | A | S | | PRIME UP PUMPS, BREAK CIRC. |
| | 23:00 - 0:00 | 1.00 | DRLSUR | 02 | G | S | | DRESS OFF TOP CMT F/ 1750 TO 1769 |
| 6/29/2009 | 0:00 - 0:00 | 24.00 | DRLSUR | 02 | G | S | | TIME DRILL FROM 1769 TO 1795 4.6' PER HOUR HAD 100% CMT TIME DRILL 1' PER HOUR 1795 TO 1811'. HAVE @ 25 TO 35 % SHALE |
| 6/30/2009 | 0:00 - 18:00 | 18.00 | DRLSUR | 02 | G | S | | TIME DRILL F/1811 TO 1830 1' PER HRS HAVE 35 % SHALE 65% CMT |
| | 18:00 - 19:30 | 1.50 | DRLSUR | 03 | B | S | | TROUGH PIPE FROM 1800 TO 1830 W/ TOOL FACE AT 285.00 AZ |
| | 19:30 - 20:00 | 0.50 | DRLSUR | 02 | D | S | | SLIDE FROM 1830 TO 1845 30K CUTTING 100 % CMT |

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US ROCKIES REGION

Operation Summary Report

Well: NBU 921-27LT Spud Conductor: 6/23/2009 Spud Date: 6/23/2009
 Project: UTAH-UINTAH Site: NBU 921-27LT Rig Name No: PIONEER 69/69, PROPETRO/
 Event: DRILLING Start Date: 6/22/2009 End Date: 8/31/2009
 Active Datum: RKB @4,968.00ft (above Mean Sea Level) UWI: NW/SW/0/9/S/21/E/27/0/0/6/PM/S/1,928.00/W/0/679.00/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|-----------|----------------|---------------|--------|------|----------|-----|--------------|--|
| 7/1/2009 | 20:00 - 0:00 | 4.00 | DRLSUR | 02 | G | S | | TIME DRILL FROM 1845 TO 1849 1' PER HOUR |
| | 0:00 - 9:30 | 9.50 | DRLSUR | 02 | G | S | | TIME DRILL 1FT. PER HRS F/ 1845 TO 1857 |
| | 9:30 - 14:00 | 4.50 | DRLSUR | 06 | A | S | | TOH TO LAY DOWN 8 MONEL TOOLS , P/U 6" MONEL DC |
| | 14:00 - 16:30 | 2.50 | DRLSUR | 06 | A | S | | TAKE 8" TOOLS OFF TARILER, WO 6" TOOLS |
| | 16:30 - 17:30 | 1.00 | DRLSUR | 06 | A | S | | UNLOAD TOOL STRAP, CALPER TOOLS |
| | 17:30 - 20:30 | 3.00 | DRLSUR | 06 | A | S | | P/U BHA 6.5 MONELS MWD TOOLS, SCRIB IN HOLE |
| | 20:30 - 23:30 | 3.00 | DRLSUR | 06 | A | S | | TIH W/ 2.5 BENT MOTOR |
| 7/2/2009 | 23:30 - 0:00 | 0.50 | DRLSUR | 02 | G | S | | BREAK CIRC TIME DRILL 1' PER HRS |
| | 0:00 - 12:30 | 12.50 | DRLSUR | 02 | G | S | | TIME DRILL 1 FT. PER HR. 1857 TO 1871 made 14' COULD NOT GET OVER 10% CUTTINGS |
| | 12:30 - 14:30 | 2.00 | DRLSUR | 02 | D | S | | SLIDE F/ 1871 TO 1940 W/ 20 30K MADE 69' 420 GPM MM RPM 67 RANGE 1949 BACK UP 1910 |
| | 14:30 - 16:00 | 1.50 | DRLSUR | 08 | A | Z | | TOH 140' RIG REPAIR ON BACK BREAK |
| 7/3/2009 | 16:00 - 21:00 | 5.00 | DRLSUR | 02 | D | S | | SLIDE F/ 1940 TO 2070 RANGING EVERY 30'. DETERMINED THAT WE COULD DRILL PAST EXISTING P&A. DRILL UP SNAP RING LEFT IN HOLE. |
| | 21:00 - 0:00 | 3.00 | DRLSUR | 02 | D | P | | DRILL, SLIDE F/ 2070' TO 2210' WORK PIPE EVERY 15' INSURE MOTOR WAS STILL FREE. |
| | 0:00 - 4:30 | 4.50 | DRLSUR | 02 | D | P | | DRILL SLIDE 2260 TO 2440; |
| | 4:30 - 5:00 | 0.50 | CSG | 05 | A | P | | CIRC COND. HOLE. |
| | 5:00 - 10:00 | 5.00 | CSG | 06 | D | P | | TRIP OUT OF HOLE AND LDDS. LD DIRECTIONAL TOOLS. |
| | 10:00 - 12:30 | 2.50 | CSG | 12 | C | P | | HOLD SAFETY MEETING AND RUN 55 JT OF 9-5/8" 36#, J55, LTC, GUIDE SHOE LANDED @ 2413' GL, FLOAT COLLAR LANDED @ 2367' GL. |
| | 12:30 - 13:30 | 1.00 | RDMO | 01 | E | P | | RIG DOWN RIG AND RELEASE RIG 13:30, MOVE RIG TO TOWN. |
| 8/21/2009 | 13:30 - 17:00 | 3.50 | CSG | 12 | E | P | | PUMP 170 BBLS, ESTABLISH CIRC 40 BBLS INTO FLUSH, PUMP 20 BBLS OF GEL WATER. PUMP 240 SX (163.3 BBLS) 11.0#, 3.52 YD, 23 GAL/SK OF HIGH FILL TYPE 2 LEAD CEMENT. PUMP 200 SX (40.9 BBLS) 15.8#, 1.15 YD, 5 GAL/SK OF PREMIUM TAIL CEMENT. DROP PLUG ON FLY, DISPLACE W/ 182.7 BBLS OF WATER. PLUG DID NOT LAND. FLOAT DID NOT HOLD PUMPED 1.5 BBL PAST DISPLACEMENT VOLUME. FOR TOTAL OF 182.7 BBLS. HOLD 600 PSI ON HEAD. 15 BBLS OF LEAD TO SURFACE. W/ 620 LIFT. LEAD FALLING. TOP OUT W/ 150 SX 30.7 BBLS OF 15.8#, TAIL CEMENT, DISPLACE OUT LEAD. TAIL CEMENT FELL. WAIT 1.5 HRS AND TOP OUT W/ 100 SX OF 20.5 BBLS OF 15.8# TAIL. TOP OUT W/ 2 BBLS TO SURFACE. RIG DOWN CEMENTERS. |
| | 19:00 - 0:00 | 5.00 | DRLPRO | 01 | E | P | | RDRT |
| 8/22/2009 | 0:00 - 6:00 | 6.00 | DRLPRO | 01 | E | P | | RDRT |
| | 6:00 - 13:30 | 7.50 | DRLPRO | 01 | A | P | | HELD SAFETY MEETING. MOVE ROTARY TOOL TO NBU 921-27LT, SET RIG, SCOPE SUB, RAISE & SCOPE DERRICK. WESTROCK RELEASED @ 13:30 5 BED, 2 HAUL, 4 SWAMPERS, 1 FORK LIFT, 1 PUSHER. J&C ENTERPRISE RELEASED 14:00 1 OPERATOR, 2 SWAMPERS. |
| | 13:30 - 21:00 | 7.50 | DRLPRO | 01 | B | P | | RURT |
| 8/23/2009 | 21:00 - 0:00 | 3.00 | DRLPRO | 14 | A | P | | NIPPLE UP BOP |
| | 0:00 - 2:00 | 2.00 | DRLPRO | 14 | A | P | | NIPPLE UP BOP, CHOKE & FLARE LINES |

RECEIVED November 30, 2009

US ROCKIES REGION
Operation Summary Report

| | | |
|--|---------------------------|---|
| Well: NBU 921-27LT | Spud Conductor: 6/23/2009 | Spud Date: 6/23/2009 |
| Project: UTAH-UINTAH | Site: NBU 921-27LT | Rig Name No: PIONEER 69/69, PROPETRO/ |
| Event: DRILLING | Start Date: 6/22/2009 | End Date: 8/31/2009 |
| Active Datum: RKB @4,968.00ft (above Mean Sea Level) | | UWI: NW/SW/O/S/21/E/27/O/O/6/PM/S/1,928.00NW/O/679.00/O/O |

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|-----------|----------------|---------------|--------|------|----------|-----|--------------|--|
| | 2:00 - 7:00 | 5.00 | DRLPRO | 15 | A | P | | HELD SAFETY MEETING, RIG UP B&C QUICKTEST. TEST PIPE RAMS, BLIND RAMS, CHOKE & ALL FLOOR RELATED VALVES 250 PSI LOW TO 5000 PSI HIGH. TEST HYDRILL 250 PSI LOW TO 2500 PSI HIGH. TEST CSG 1500 PSI & HOLD 30 MIN. RIG DOWN B&C QUICKTEST. INSTALL WEAR BUSHING |
| | 7:00 - 12:00 | 5.00 | DRLPRO | 06 | A | P | | HELD SAFETY MEETING. RIG UP KIMZEY LD TRUCK 1.5 HRS. PICK UP BIT # 1, BHA, DIRECTIONAL TOOLS & 55 JTS DP, TIH TO 2267' CIRC & DO PRESPUD RIG INSPECTION |
| | 12:00 - 13:00 | 1.00 | DRLPRO | 07 | A | P | | CIRC & DO PRESPUD RIG INSPECTION |
| | 13:00 - 14:30 | 1.50 | DRLPRO | 09 | A | P | | SLIP & CUT DRLG LINE |
| | 14:30 - 16:30 | 2.00 | DRLPRO | 02 | F | P | | DRILL CMT & FLOAT EQUIPMENT. CMT TOP 2325', FLOAT TOP 2379', SHOE DEPTH 2424' ROTARY SPUD 1630 08/23/2009 |
| | 16:30 - 0:00 | 7.50 | DRLPRO | 02 | D | P | | DRILL F/ 2458' - 3226' 768' @ 102.4 FPH, RPM 45, MRPM 98, SPM 125, GPM 473, PU/SO/ROT 102/93/96, ON/OFF PSI 1366/1150, DIFF PSI 216. SWEEPING HOLE. SLIDE 2530'-2540' 3099'-3109' |
| 8/24/2009 | 0:00 - 12:00 | 12.00 | DRLPRO | 02 | D | P | | DRILL 3226' - 4554' 1328' @ 110.6 FPH, RPM 45, MRPM 98, SPM 125, GPM 473, PU/SO/ROT 115/100/109, ON/OFF 1560/ 1230, DIFF PSI 330 PSI, SWEEP HOLE |
| | 12:00 - 12:30 | 0.50 | DRLPRO | 07 | A | P | | RIG SERVICE |
| | 12:30 - 0:00 | 11.50 | DRLPRO | 02 | D | P | | DRILL 4554' - 5941' 1387' @ 120.6 FPH, RPM 45, MRPM 98, WOB 19, SPM 125, GPM 473, PU/SO/ROT 147/135/140, ON/OFF PSI 1845/1705 PSI, DIFF 140, SWEEPING HOLE. SLIDE 4427'-4442' 4554-4464' 4744' - 4754' |
| 8/25/2009 | 0:00 - 16:00 | 16.00 | DRLPRO | 02 | D | P | | DRILL 5941' - 7052' 1111' @ 69.4 FPH, WOB 20, RPM 45, MRPM 98, SPM 125, GPM 473, PU/SO/ROT 163/142/153, ON/OFF PSI 1750/ 1636, DIFF 114, VIS 27, MW 8.9 SWEEPING HOLE. |
| | 16:00 - 16:30 | 0.50 | DRLPRO | 07 | A | P | | RIG SERVICE |
| | 16:30 - 0:00 | 7.50 | DRLPRO | 02 | D | P | | DRILL 7052' - 7368' 316' @ 42.1 FPH, WOB 23, RPM 50, MRPM 98, SPM 125, GPM 473, PU/SO/ROT 172/156/160, ON/OFF PSI 1864/1680, DIFF 184, VIS 27, MW 8.9 SWEEPING HOLE. |
| 8/26/2009 | 0:00 - 15:00 | 15.00 | DRLPRO | 02 | D | P | | DRILL 7368' - 8032' 664' @ 44.2 FPH, WOB 24, RPM 50, MRPM 98, SPM 125, GPM 473, UP/DN/ROT 175/150/163, ON/OFF PSI 2104/1991, DIFF PSI 113, VIS 34, MW 10.1. TRANSFERED 550 BBLS MUD F/ MUD UP. |
| | 15:00 - 15:30 | 0.50 | DRLPRO | 07 | A | P | | RIG SERVICE |
| | 15:30 - 0:00 | 8.50 | DRLPRO | 02 | D | P | | DRILL 8032' - 8475' 443' @ 52.1 FPH, WOB 24, RPM 45, MRPM 105, SPM 125, GPM 473, PU/SO/ROT 185/150/167, ON/OFF 2350/2190, DIFF 160, VIS 36, OUT 10.7 |
| 8/27/2009 | 0:00 - 16:00 | 16.00 | DRLPRO | 02 | D | P | | DRILL 8475' - 9297' 822' @ 51.3 FPH, WOB 24, RPM 50, MRPM 95, SPM 125, GPM 473, PU/SO/ROT 198/155/179, ON/OFF 2450/2407, DIFF 43, VIS 40, MW 11.6 |
| | 16:00 - 16:30 | 0.50 | DRLPRO | 07 | A | P | | RIG SERVICE |
| | 16:30 - 18:30 | 2.00 | DRLPRO | 02 | D | P | | DRILL 9297' - 9373', 76' @ 38 FPH |
| | 18:30 - 20:30 | 2.00 | DRLPRO | 05 | A | P | | CIRCULATE F/ TRIP |
| | 20:30 - 0:00 | 3.50 | DRLPRO | 06 | A | P | | TFNB, LAY DOWN DIRECTIONAL TOOLS & BENT MOTOR |
| 8/28/2009 | 0:00 - 2:00 | 2.00 | DRLPRO | 06 | A | P | | TOOH, LAYDOWN MOTOR & DIRECTIONAL TOOLS |

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US ROCKIES REGION
Operation Summary Report

Well: NBU 921-27LT Spud Conductor: 6/23/2009 Spud Date: 6/23/2009
 Project: UTAH-UINTAH Site: NBU 921-27LT Rig Name No: PIONEER 69/69, PROPETRO/
 Event: DRILLING Start Date: 6/22/2009 End Date: 8/31/2009
 Active Datum: RKB @4,968.00ft (above Mean Sea Level) UWI: NW/SW/09/S/21/E/27/0/0/6/PM/S/1,928.00/W/0/679.00/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|-----------|----------------|---------------|--------|------|----------|-----|--------------|---|
| 8/29/2009 | 2:00 - 6:00 | 4.00 | DRLPRO | 06 | A | P | | PICK UP MUD MOTOR, SWITCH BITS & TIH TO 9233' BRIDGED OFF, KELLY UP & WORK TIGHT HOLE. |
| | 6:00 - 9:00 | 3.00 | DRLPRO | 03 | A | X | | WASH & REAM F/ 9233'-9373' TOTAL 140'. BOTTOMS UP GAS 7441 UNITS THRU BUSTER, 26 BBL PVT GAIN, 350 DP PSI LOSS W/ 35'-40' FLARE W/ PERIODIC HOLE FILL TO BOTTOM. HOLE UNLOADED LARGE CHUNKS SHALE OVER SHAKERS. HOLE TAKING FLUID W/ 11.9 MW, 300 BBL TOTAL LOSS. BYPASS SHAKERS & MIX LCM TO 4% |
| | 9:00 - 13:00 | 4.00 | DRLPRO | 02 | B | P | | DRILL 9373' - 9448' 75' @ 18.7 FPH, WOB 24, RPM 50, MRPM 73, SPM 120, 454 GPM, PU/SO/ROT 198/165/170, ON/OFF PSI 2425/2260, DIFF 165, VIS 38, MW 11.8 |
| | 13:00 - 14:00 | 1.00 | DRLPRO | 05 | A | P | | CIRC F/ TRIP |
| | 14:00 - 18:00 | 4.00 | DRLPRO | 06 | G | X | | TOOH, LD DN MUD MOTOR & Q506X |
| | 18:00 - 0:00 | 6.00 | DRLPRO | 06 | A | P | | SWITCH MOTORS & BIT, TIH W/ SMITH MI616 |
| | 0:00 - 1:00 | 1.00 | DRLPRO | 03 | E | P | | WASH & REAM 9423' - 9448' 25' TOTAL. 3' FILL. BOTTOMS UP GAS 5830 UNITS THRU BUSTER, 11.9 TO 11.6 MUD CUT, 20'-30' FLARE |
| | 1:00 - 6:00 | 5.00 | DRLPRO | 02 | B | P | | DRILL 9448' - 9612' 164', 32.8 FPH, WOB 24, RPM 50, MRPM 73, SPM 120, GPM 454, UP/DN/ROT 190/160/177, ON/OFF PSI 2686/2360, DIFF PSI 326, VIS 42, MW 11.9 |
| | 6:00 - 6:30 | 0.50 | DRLPRO | 07 | A | P | | RIG SERVICE, ADJUST DRAWWORKS BRAKES. |
| | 6:30 - 14:30 | 8.00 | DRLPRO | 02 | B | P | | DRILL 9612' - 10000' 388' 48.5 FPH, WOB 23, RPM 50, MRPM 76, SPM 125, GPM 473, UP/DN/ROT 200/175/187, ON/OFF PSI 2504/2440, DIFF 64, VIS 41, MW 11.9 |
| 8/30/2009 | 14:30 - 15:30 | 1.00 | DRLPRO | 05 | C | P | | CIRC F/ SHORT TRIP |
| | 15:30 - 16:00 | 0.50 | DRLPRO | 06 | E | P | | SHORT TRIP 10 STDS TO 9381' |
| | 16:00 - 17:30 | 1.50 | DRLPRO | 05 | A | P | | CIRC TO LDDS |
| | 17:30 - 0:00 | 6.50 | DRLPRO | 06 | A | P | | HELD SAFETY MEETING & LDDS |
| | 0:00 - 3:00 | 3.00 | DRLPRO | 06 | A | P | | LDDS & PULL WEAR BUSHING |
| | 3:00 - 9:00 | 6.00 | DRLPRO | 11 | G | P | | HELD SAFETY MEETING. RUN TRIPLE COMBO LOGG F/ 10002' TO SHOE & GR TO SURFACE. LOGGERS TD DEPTH 10002'. SURFACE CSG LOGGERS DEPTH 2413' |
| | 9:00 - 9:30 | 0.50 | DRLPRO | 12 | A | P | | HELD SAFETY MEETING. RIG UP KIMZEY CSG CREW |
| | 9:30 - 15:00 | 5.50 | DRLPRO | 12 | A | P | | RUN 4.5 PRODUCTION CSG, PICK UP MANDREL & HANG JOINT & INSTALL ROTATING HEAD. SHOE DEPTH 9994.45' FLOAT DEPTH 9950.90' |
| | 15:00 - 16:30 | 1.50 | DRLPRO | 05 | D | P | | HOOK UP BJ HEAD & LINES & CIRC OUT GAS W/ RIG PUMP |
| | 16:30 - 19:30 | 3.00 | DRLPRO | 12 | E | P | | HELD SAFETY MEETING. SWITCH LINES TO BJ & PSI TEST TO 5000 PSI. PUMP 40 BBLS WATER @ 8.3 PPG. PUMP LEAD 230.7 BBLS, 554 SCKS PREMIUM LITE 11 CEMENT @ 11.9 PPG, 2.36 cF/SACK YIELD. PUMP TAIL 284.5 BBLS, 1223 SCKS 50:50:2 POZ MIX CEMENT @ 14.3 PPG, 1.31 cF/SACK YIELD. FLUSH LINES & DROP PLUG. DISPLACED W/ 154.6 BBLS WATER W/ CLAYTREAT 1 GL MAGNACIDE & CORR INHIBITER. BUMPED PLUG W/ 3600 PSI & PLUG HELD. ORIGINAL PUMPING PSI 2880, 720 OVER PSI, 1.00 BBLS BLEED OFF, 100% RETURNS W/ 10 BBLS CMT BACK TO SURFACE. SET CSG W/ 75K STRING WT. TOP OF TAIL @ 3880' |

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US ROCKIES REGION
Operation Summary Report

| Well: NBU 921-27LT | | Spud Conductor: 6/23/2009 | | Spud Date: 6/23/2009 | | | | |
|--|----------------|---|--------|---------------------------------------|----------|-----|--------------|---|
| Project: UTAH-UINTAH | | Site: NBU 921-27LT | | Rig Name No: PIONEER 69/69, PROPETRO/ | | | | |
| Event: DRILLING | | Start Date: 6/22/2009 | | End Date: 8/31/2009 | | | | |
| Active Datum: RKB @4,968.00ft (above Mean Sea Level) | | UWI: NW/SW/0/9/S/21/E/27/0/0/6/PM/S/1,928.00/W/0/679.00/0/0 | | | | | | |
| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
| | 19:30 - 0:00 | 4.50 | DRLPRO | 14 | A | P | | NIPPLE DOWN BOP & CLEAN MUD PITS RELEASE RIG 0000 @ 08/31/2009 |

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**US ROCKIES REGION
Operation Summary Report**

| | | |
|--|--|----------------------|
| Well: NBU 921-27LT | Spud Conductor: 6/23/2009 | Spud Date: 6/23/2009 |
| Project: UTAH-UINTAH | Site: NBU 921-27LT | Rig Name No: GWS 1/1 |
| Event: COMPLETION | Start Date: 11/19/2009 | End Date: |
| Active Datum: RKB @4,968.00ft (above Mean Sea Level) | UWI: NW/SW/0/9/S/21/E/27/0/0/6/PM/S/1,928.00W/0/679.00/0/0 | |

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|------------|----------------|---------------|-------|------|----------|-----|--------------|--|
| 11/18/2009 | 7:00 - 7:30 | 0.50 | COMP | 48 | | P | | HSM. ROADING RIG |
| | 7:30 - 15:30 | 8.00 | COMP | 31 | I | P | | ROAD RIG FROM NBU 921-27KT TO NBU 921-27LT. RU RIG & SPOT IN EQUIPMENT. ND WELL HEAD NU BOP. PU 3 7/8" BIT & SUB. DRIFT & TALLY 309 JTS OF 2 3/8" L-80 TBG. EOT @ 9,840'. SWI SDFN. |
| 11/19/2009 | 7:00 - 7:30 | 0.50 | COMP | 48 | | P | | HSM. DRILLING OUT CEMENT |
| | 7:30 - 15:00 | 7.50 | COMP | 44 | A | P | | WHP 0 PSI, BRK CIRC W / 2% KCL WATER. RIH TAG FILL @ 9,914'. HARD DRILLING. DRLD UP TOP PLG (BLACK RUBBER) IN RETURNS. DRLD TOTAL OF 22'. EOT @ 9,936' PBD. LD 32 JTS ON TRAILER & STAND BACK 140 STANDS. ND BOP NU FRAC VALVES. PREPED TO PRESSURE TEST IN AM. SWI SDFN. |
| 11/20/2009 | 7:00 - 7:30 | 0.50 | COMP | 48 | | P | | HSM. PRESSURE TEST CASONG & WELL HEAD |
| | 7:30 - 8:30 | 1.00 | COMP | 33 | C | P | | MIRU B&C QUICK TEST. PRESSURE TEST CASING & FRAC VALVES. GOOD TEST. |
| | 8:30 - 15:00 | 6.50 | COMP | 34 | H | P | | PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. RIH PERFORATE 9,898' - 00' 4SPF, 9,802' - 08' 3SPF, 9,748' - 52' SPF, 42 HOLES POOH W / WIRE LINE. SWI SDFWE |
| 11/23/2009 | 7:00 - 7:30 | 0.50 | COMP | 48 | | P | | HSM, WORKING W/ WIRE LINE LUBRICATOR. |
| | 7:30 - 10:13 | 2.72 | COMP | 36 | E | P | | MIRU SUPERIOR, PRIME UP PUMP AND LINES. PRESSURE TEST SURFACE LINES TO 8000 PSI. (STG 1) WHP 0 PSI, BRK 3390 PSI @ 4.6 BPM, ISIP 2952 PSI, FG .73. PUMPED 100 BBLS @ 46 BPM @ 5900 PSI= 100% PERFS OPEN. MP 6,437 PSI, MR 50.7 BPM, AP 5019 PSI, AR 49.5 BPM, ISIP 2,942 PSI, FG .73. NPI -10 PSI, PMPD 1185 BBLS SW & 34,541 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 39,541 LBS. |
| | 10:13 - 11:55 | 1.70 | COMP | 36 | E | P | | (STG 2) PU 41/2" CBP & 31/8" EXP GNS, 23 GRM, .36" HOLES, 90 & 120 DEG PHASING. SET 8K HAL CBP @ 9600' & PERF 9566'-9570' 3 SPF 12 HLS, 9540'-9542' 4 SPF 8 HLS. 9486'-9488' 4 SPF 8 HLS. 9448'-9450' 3 SPF 6 HLS. 9380'-9382' 3 SPF 6 HLS. TOTAL 40 HOLES. WHP 1651 PSI, BRK 3975 PSI @ 4.7 BPM, ISIP 2952 PSI, FG .74. PUMPED 100 BBLS @ 36 BPM @ 5200 PSI= 100% PERFS OPEN. MP 6,566 PSI, MR 50.5 BPM, AP 5485 PSI, AR 49.8 BPM, ISIP 3,091 PSI, FG .76. NPI 139 PSI, PMPD 879 BBLS SW & 26,673 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 31,673 LBS. |

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**US ROCKIES REGION
Operation Summary Report**

Well: NBU 921-27LT Spud Conductor: 6/23/2009 Spud Date: 6/23/2009
 Project: UTAH-UIINTAH Site: NBU 921-27LT Rig Name No: GWS 1/1
 Event: COMPLETION Start Date: 11/19/2009 End Date:
 Active Datum: RKB @4,968.00ft (above Mean Sea Level) UWI: NW/SW/0/9/S/21/E/27/0/0/6/PM/S/1,928.00/W/0/679.00/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|------------|----------------|---------------|-------|------|----------|-----|--------------|---|
| | 11:55 - 15:37 | 3.70 | COMP | 36 | E | P | | (STG 3) PU 41/2" CBP & 31/8" EXP GNS, 23 GRM, .36" HOLES, 90 & 120 DEG PHASING. SET 8K HAL CBP @ 9338' & PERF 9304'-9308' 3 SPF 12 HLS. 9232'-9234' 3 SPF 6 HLS. 9188'-9190' 4 SPF 8 HLS. 9168'-9170' 3 SPF 6 HLS. 9132'-9134' 3 SPF 6 HLS. TOTAL 38 HOLES. WHP 1864 PSI, BRK 3181 PSI @ 4.2 BPM, ISIP 2508 PSI, FG .70. PUMPED 100 BBLS @ 44 BPM @ 5300 PSI= 100% PERFS OPEN. MP 6,999 PSI, MR 50.3 BPM, AP 5114 PSI, AR 49.2 BPM, ISIP 3.019 PSI, FG .76. NPI 511 PSI, PMPD 3520 BBLS SW & 127,505 LBS 30/50 SND, SREENED OUT ON 1.5# TO 2# STAGE. FLOW WELL BACK FOR 10 MIN, REFLUSH W/ 250 GAL ACID, AND 141 BBLS WTR. TOTAL PROP 117,905 LBS. 30/50 SND IN FORMATION NO RESIN. |
| | 15:37 - 17:06 | 1.48 | COMP | 36 | E | P | | (STD 4) PU 41/2" CBP & 31/8" EXP GNS, 23 GRM, .36" HOLES, 90 DEG PHASING. SET 8K HAL CBP @ 8972' & PERF 8938'-8942' 4 SPF 16 HLS. 8916'-8918' 4 SPF 8 HLS. 8868'-8872' 4 SPF 16 HLS. TOTAL 40 HOLES. WHP 1692 PSI, BRK 3257 PSI @ 5.6 BPM, ISIP 2514 PSI, FG .71. PUMPED 100 BBLS @ 48 BPM @ 5100 PSI= 100% PERFS OPEN. MP 6,056 PSI, MR 50.4 BPM, AP 4914 PSI, AR 50 BPM, ISIP 3.010 PSI, FG .77. NPI 496 PSI, PMPD 710 BBLS SW & 20,204 LBS 30/50 SND & 5,000 LBS OF 20/40 RESIN SAND. TOTAL PROP 25,204 LBS. |
| | 17:06 - 19:00 | 1.90 | COMP | 37 | B | P | | (STG 5) PU 41/2" CBP & 31/8" EXP GNS, 23 GRM, .36" HOLES, 90 & 180 DEG PHASING. SET 8K HAL CBP @ 8748' & PERF 8716'-8718' 4 SPF 8 HLS. 8674'-8676' 4 SPF 8 HLS. 8628'-8630' 4 SPF 8 HLS. 8568'-8570' 4 SPF 8 HLS. 8526'-8530' 2 SPF 8 HLS. TOTAL 40 HOLES. POOH SWI SDFN. |
| 11/24/2009 | 6:30 - 6:45 | 0.25 | COMP | 48 | | P | | HSM. FRACING & WIRE LINE |

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**US ROCKIES REGION
Operation Summary Report**

Well: NBU 921-27LT Spud Conductor: 6/23/2009 Spud Date: 6/23/2009
 Project: UTAH-UINTAH Site: NBU 921-27LT Rig Name No: GWS 1/1
 Event: COMPLETION Start Date: 11/19/2009 End Date:
 Active Datum: RKB @4,968.00ft (above Mean Sea Level) UWI: NW/SW/0/9/S/21/E/27/0/0/6/PM/S/1,928.00/NW/0/679.00/0/0

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|------------|----------------|---------------|-------|------|----------|-----|--------------|--|
| | 6:45 - 18:00 | 11.25 | COMP | 36 | E | P | | <p>FRAC STG #5] MESAVERDE 8526'-8718' 40 HOLES.</p> <p>STG #5] WHP=1945#, BRK DN PERFS @ 3547#, INJ PSI=5800#, INJ RT=47, ISIP=2547#, FG=76, PUMP'D 1489 BBLS SLK WTR W/ 60899# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=3021#, FG=.78, AR=49.9, AP=4513#, MR=50.3, MP=6506#, NPI=474#, W/ 40/40 CALC PERFS OPEN 100%.</p> <p>STG #6] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @ 8514', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 8482'-8484' 4 SPF, 90* PH, 8 HOLES. 8430'-8434' 3 SPF, 120* PH, 12 HOLES. 8370'-8372' 3 SPF, 120* PH, 6 HOLES. 8340'-8342' 3 SPF, 120* PH, 6 HOLES. 8314'-8316' 3 SPF, 120* PH, 6 HOLES. [38 HOLES]</p> <p>STG #6] WHP=1734#, BRK DN PERFS @ 6316#, INJ PSI=6000#, INJ RT=50, ISIP=2533#, FG=73, PUMP'D 1540 BBLS SLK WTR W/ 63537# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=2790#, FG=.77, AR=49.5, AP=4742#, MR=50.23, MP=6416#, NPI=257#, W/ 38/38 CALC PERFS OPEN 100%.</p> <p>STG #7] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @ 8236', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 8204'-8206' 4 SPF, 90* PH, 8 HOLES 8136'-8140' 3 SPF, 120* PH, 12 HOLES. 8088'-8090' 4 SPF, 90* PH, 8 HOLES. 8026'-8028' 3 SPF, 120* PH, 6 HOLES. 7994'-7996' 3 SPF, 120* PH, 6 HOLES. [40 HOLES]</p> <p>STG #7] WHP=1240#, BRK DN PERFS @ 4619#, INJ PSI=5700#, INJ RT=49, ISIP=2076#, FG=70, PUMP'D 2082 BBLS SLK WTR W/ 91032# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=2592#, FG=.76, AR=49.8, AP=4873#, MR=50.3, MP=6425#, NPI=516#, 40/40 CALC PERFS OPEN 100%.</p> <p>STG #8] P/U RIH W/ HALIBURTON 8K CBP & PERF GUN, SET CBP @ 7770', PERF MESAVERDE USING 3-3/8 EXPEND, 23 GRM, 0.36" HOLE, 7730'-7740' 4 SPF, 90* PH, 40 HOLES. [40 HOLES]</p> <p>STG #8] WHP=1000#, BRK DN PERFS @ 2808#, INJ PSI=4700#, INJ RT=47, ISIP=1720#, FG=65, PUMP'D 1147 BBLS SLK WTR W/ 44545# 30/50 MESH W/ 5000# RESIN COAT IN TAIL, ISIP=2666#, FG=.78, AR=50.7, AP=4428#, MR=51.2, MP=5427#, NPI=946#, 40/40 CALC PERFS OPEN 100%.</p> <p>P/U RIH W/ HALIBURTON 8K CBP, SET CBP FOR TOP KILL @ 7680', N/D FRAC VALVES, N/U BOPS, R/U TBGG EQUIP, P/U 3-7/8 MILL W/ POBS, RIH W/ 2-3/8 TBG, P/U PWR SWWL PREP TO DRL IN A.M. SWIFN.</p> |
| 11/25/2009 | 7:00 - 7:15 | 0.25 | COMP | 48 | | P | | HSM. MAKING CONNECTIONS |

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

| | | |
|--|--|---|
| 1a. TYPE OF WELL: OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1194A |
| b. TYPE OF WORK: NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER _____ | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME |
| 2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP | | 7. UNIT or CA AGREEMENT NAME |
| 3. ADDRESS OF OPERATOR: P.O. BOX 173779 CITY DENVER STATE CO ZIP 80217 | | 8. WELL NAME and NUMBER: NBU 921-27LT |
| PHONE NUMBER: (720) 929-6100 | | 9. API NUMBER: 4304740174 |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: NWSW 1928 FSL & 679 FWL | | 10. FIELD AND POOL, OR WILDCAT NATURAL BUTTES |
| AT TOP PRODUCING INTERVAL REPORTED BELOW: | | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 27 9S 21E |
| AT TOTAL DEPTH: 1797 fsl 708 fwl | | 12. COUNTY UINTAH |
| | | 13. STATE UTAH |

| | | | | |
|--|--|--|---|--|
| 14. DATE SPUDDED: 6/23/2009 | 15. DATE T.D. REACHED: 8/29/2009 | 16. DATE COMPLETED: 11/28/2009 | ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/> | 17. ELEVATIONS (DF, RKB, RT, GL): 4950' GL |
| 18. TOTAL DEPTH: MD 10,000 TVD 9998 | 19. PLUG BACK T.D.: MD 9,951 TVD 9949 | 20. IF MULTIPLE COMPLETIONS, HOW MANY? * | | 21. DEPTH BRIDGE MD PLUG SET: TVD |
| 22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each) CBL/GR-HDIL/ZDL/CN | | | 23. WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis) WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report) DIRECTIONAL SURVEY? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit copy) | |

24. CASING AND LINER RECORD (Report all strings set in well)

| HOLE SIZE | SIZE/GRADE | WEIGHT (#/ft.) | TOP (MD) | BOTTOM (MD) | STAGE CEMENTER DEPTH | CEMENT TYPE & NO. OF SACKS | SLURRY VOLUME (BBL) | CEMENT TOP ** | AMOUNT PULLED |
|-----------|------------|----------------|----------|-------------|----------------------|----------------------------|---------------------|---------------|---------------|
| 20" | 14" STL | 36.7# | | 40 | | 28 | | | |
| 12 1/4" | 9 5/8 J-55 | 36# | | 2,431 | | 690 | | | |
| 7 7/8" | 4 1/2 I-80 | 11.6# | | 9,994 | | 1777 | | | |
| | | | | | | | | | |
| | | | | | | | | | |

25. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|--------|----------------|-----------------|------|----------------|-----------------|------|----------------|-----------------|
| 2 3/8" | 9,339 | | | | | | | |

| 26. PRODUCING INTERVALS | | | | | 27. PERFORATION RECORD | | | | |
|-------------------------|----------|-------------|-----------|--------------|-------------------------|------|-----------|--|-----------------------------------|
| FORMATION NAME | TOP (MD) | BOTTOM (MD) | TOP (TVD) | BOTTOM (TVD) | INTERVAL (Top/Bot - MD) | SIZE | NO. HOLES | PERFORATION STATUS | |
| (A) MESAVERDE | 7,730 | 9,900 | | | 7,730 9,900 | 0.36 | 318 | Open <input checked="" type="checkbox"/> | Squeezed <input type="checkbox"/> |
| (B) Wsmvd | | | | | | | | Open <input type="checkbox"/> | Squeezed <input type="checkbox"/> |
| (C) | | | | | | | | Open <input type="checkbox"/> | Squeezed <input type="checkbox"/> |
| (D) | | | | | | | | Open <input type="checkbox"/> | Squeezed <input type="checkbox"/> |

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

| DEPTH INTERVAL | AMOUNT AND TYPE OF MATERIAL |
|----------------|---|
| 7,730-9,900 | PMP 12,552 BBLs SLICK H2O & 483,936 LBS 30/50 SD. |

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29. ENCLOSED ATTACHMENTS:

| | | | |
|---|--|---------------------------------------|---|
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS | <input type="checkbox"/> GEOLOGIC REPORT | <input type="checkbox"/> DST REPORT | <input type="checkbox"/> DIRECTIONAL SURVEY |
| <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION | <input type="checkbox"/> CORE ANALYSIS | <input type="checkbox"/> OTHER: _____ | |

DIV. OF OIL, GAS & MINING STATUS:
PROD

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

| | | | | | | | | | | |
|------------------------------------|----------------------|--------------------------|-------------|---------------------|---------------|---------------------------|-----------------|---------------------|---------------------|--------------------------|
| DATE FIRST PRODUCED: 11/28/2009 | | TEST DATE: 12/14/2009 | | HOURS TESTED: 24 | | TEST PRODUCTION RATES: → | OIL – BBL: 0 | GAS – MCF: 2,591 | WATER – BBL: 200 | PROD. METHOD: FLOWING |
| CHOKE SIZE: 14/64 | TBG. PRESS. 1,582 | CSG. PRESS. 2,015 | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: 0 | GAS – MCF: 2,591 | WATER – BBL: 200 | INTERVAL STATUS: PROD |

INTERVAL B (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL C (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

INTERVAL D (As shown in item #26)

| | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU – GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL – BBL: | GAS – MCF: | WATER – BBL: | INTERVAL STATUS: |

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

SOLD

33. 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.

34. FORMATION (Log) MARKERS:

| Formation | Top (MD) | Bottom (MD) | Descriptions, Contents, etc. | Name | Top (Measured Depth) |
|-------------|----------|-------------|------------------------------|------|----------------------|
| GREEN RIVER | 1,502 | | | | |
| MAHOGANY | 2,176 | | | | |
| WASATCH | 4,853 | 7,723 | | | |
| MESAVERDE | 7,981 | 9,901 | | | |

35. ADDITIONAL REMARKS (Include plugging procedure)

ATTACHED TO THIS COMPLETION REPORT IS THE CHRONOLOGICAL WELL HISTORY AND EOWR.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) ANDY LYTLE

TITLE REGULATORY ANALYST

SIGNATURE 

DATE 1/11/2010

This report must be submitted within 30 days of

- completing or plugging a new well
- reentering a previously plugged and abandoned well
- drilling horizontal laterals from an existing well bore
- significantly deepening an existing well bore below the previous bottom-hole depth
- recompleting to a different producing formation
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

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DIV. OF OIL, GAS & MINING



Scientific Drilling
Rocky Mountain Operations

END OF WELL REPORT

Prepared For:

Kerr McGee Oil & Gas Onshore LP
NBU 921-27LT
NBU 921-27LT Pad
Pioneer 69
Uintah County, UT

Prepared By:

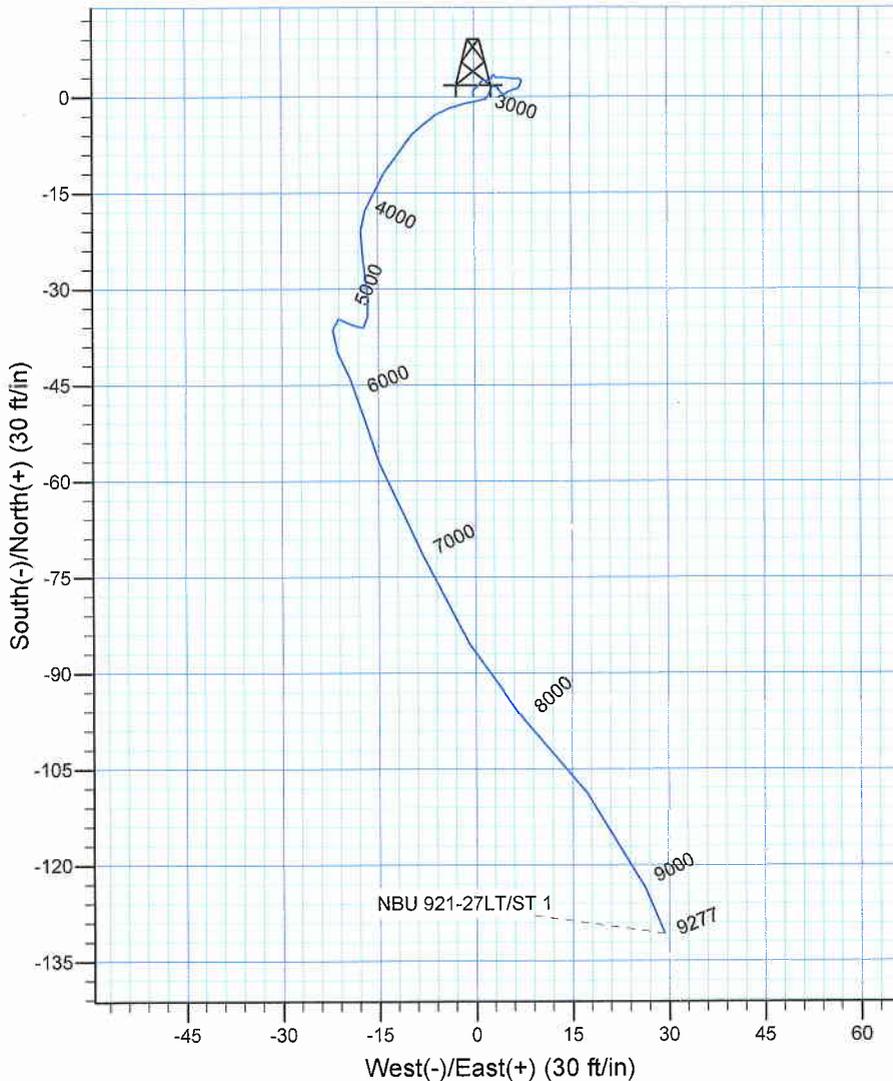
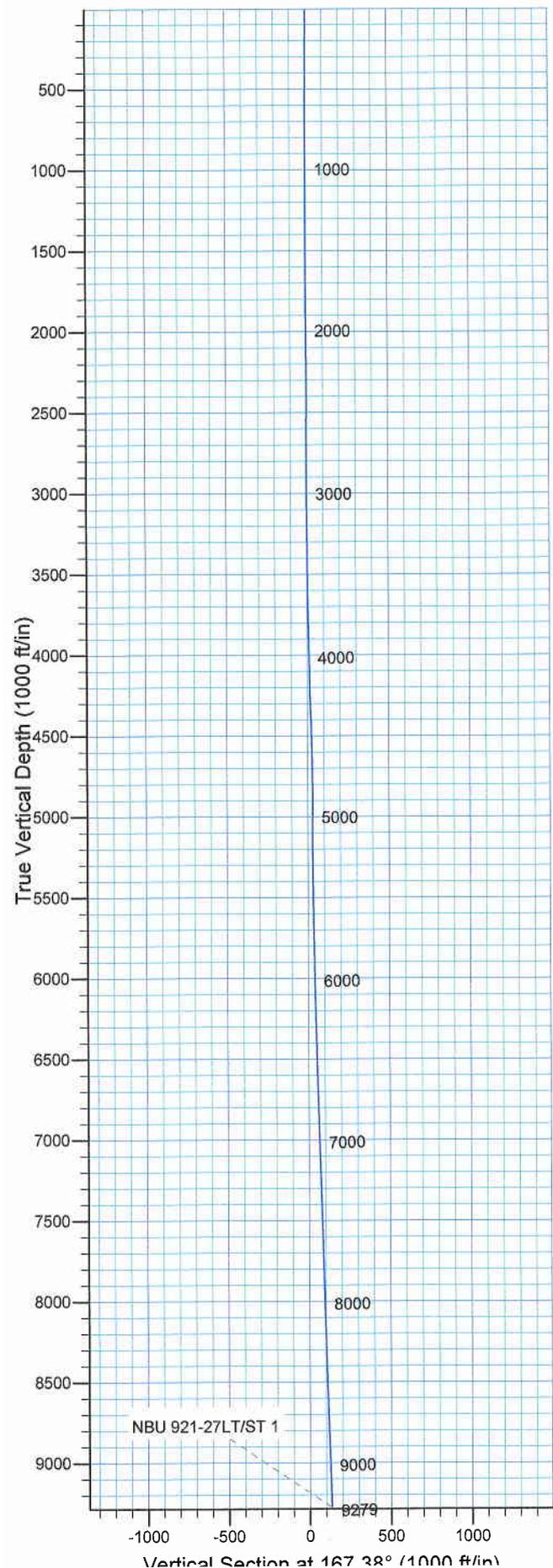
Rex Hall, Grand Junction D.E.
Scientific Drilling
Rocky Mountain Region

Scientific Drilling International
7237 W. Barton Rd., Casper, WY 82604
P.O. Box 1600, Mills, WY 82644
(307) 472-6621
rex.hall@scientificdrilling.com

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WELL DETAILS: NBU 921-27LT

| | | | | | |
|---|-------|-------------|------------|-----------------|-------------------|
| Ground Level: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69) | | | | | |
| +N/-S | +E/-W | Northing | Easting | Latitude | Longitude |
| 0.00 | 0.00 | 14531231.00 | 2048107.91 | 40° 0' 18.355 N | 109° 32' 39.056 W |

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REFERENCE INFORMATION

Co-ordinate (N/E) Reference: Well NBU 921-27LT, True North
 Vertical (TVD) Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
 Section (VS) Reference: Slot - (0.00N, 0.00E)
 Measured Depth Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
 Calculation Method: Minimum Curvature
 Local North: True
 Location: Sec 27 T9S R21E

PROJECT DETAILS: Uintah County, UT UTM12

Design: ST 1 (NBU 921-27LT/ST 1)

Geodetic System: Universal Transverse Mercator (US Survey Feet)
 Datum: NAD 1927 - Western US
 Ellipsoid: Clarke 1866
 Zone: Zone 12N (114 W to 108 W)

Created By: Rex Hall Date: 2009-09-03

Kerr McGee Oil and Gas Onshore LP

**Uintah County, UT UTM12
NBU 921-27LT Pad
NBU 921-27LT
ST 1**

Design: ST 1

Standard Survey Report

03 September, 2009

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Scientific Drilling International
Survey Report

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Company: Kerr McGee Oil and Gas Onshore LP
Project: Uintah County, UT UTM12
Site: NBU 921-27LT Pad
Well: NBU 921-27LT
Wellbore: ST 1
Design: ST 1

Local Co-ordinate Reference: Well NBU 921-27LT
TVD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
MD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Multi-User Db

| | | | |
|--------------------|--|----------------------|----------------|
| Project | Uintah County, UT UTM12 | | |
| Map System: | Universal Transverse Mercator (US Survey Feet) | System Datum: | Mean Sea Level |
| Geo Datum: | NAD 1927 - Western US | | |
| Map Zone: | Zone 12N (114 W to 108 W) | | |

| | | | | | |
|------------------------------|-----------------------------------|---------------------|------------------|--------------------------|-------------------|
| Site | NBU 921-27LT Pad, Sec 27 T9S R21E | | | | |
| Site Position: | | Northing: | 14,531,231.00 ft | Latitude: | 40° 0' 18.355 N |
| From: | Lat/Long | Easting: | 2,048,107.91 ft | Longitude: | 109° 32' 39.056 W |
| Position Uncertainty: | 0.00 ft | Slot Radius: | in | Grid Convergence: | 0.94 ° |

| | | | | | | |
|-----------------------------|----------------------------------|---------|----------------------------|------------------|----------------------|-------------------|
| Well | NBU 921-27LT, 1928' FSL 679' FWL | | | | | |
| Well Position | +N/-S | 0.00 ft | Northing: | 14,531,231.00 ft | Latitude: | 40° 0' 18.355 N |
| | +E/-W | 0.00 ft | Easting: | 2,048,107.91 ft | Longitude: | 109° 32' 39.056 W |
| Position Uncertainty | | 0.00 ft | Wellhead Elevation: | ft | Ground Level: | 4,950.00 ft |

| | | | | | |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| Wellbore | ST 1 | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2005-10 | 6/30/2009 | 11.33 | 65.92 | 52,589 |

| | | | | | |
|--------------------------|------------------------------|-------------------|-------------------|----------------------|-------|
| Design | ST 1 | | | | |
| Audit Notes: | | | | | |
| Version: | 1.0 | Phase: | ACTUAL | Tie On Depth: | 14.00 |
| Vertical Section: | Depth From (TVD) (ft) | +N/-S (ft) | +E/-W (ft) | Direction (°) | |
| | 0.00 | 0.00 | 0.00 | 167.38 | |

| | | | | | |
|-----------------------|----------------|--------------------------|------------------|--------------------------|--|
| Survey Program | Date | 9/3/2009 | | | |
| From (ft) | To (ft) | Survey (Wellbore) | Tool Name | Description | |
| 514.00 | 14.00 | Survey #1 - Surface (OH) | EMS | EMS - Standard | |
| 14.00 | 2,404.00 | Survey #1 (ST 1) | MWD SDI | MWD - Standard ver 1.0.1 | |
| 2,467.00 | 9,279.00 | Survey #2 (ST 1) | MWD SDI | MWD - Standard ver 1.0.1 | |

| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
|---------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| 14.00 | 0.00 | 0.00 | 14.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 124.00 | 0.14 | 348.72 | 124.00 | 0.13 | -0.03 | -0.13 | 0.13 | 0.13 | 0.00 |
| 244.00 | 0.36 | 348.53 | 244.00 | 0.65 | -0.13 | -0.66 | 0.18 | 0.18 | -0.16 |
| 364.00 | 0.29 | 59.32 | 364.00 | 1.17 | 0.06 | -1.13 | 0.32 | -0.06 | 58.99 |
| 484.00 | 0.41 | 58.93 | 483.99 | 1.55 | 0.69 | -1.36 | 0.10 | 0.10 | -0.32 |
| 604.00 | 0.36 | 7.60 | 603.99 | 2.14 | 1.10 | -1.85 | 0.28 | -0.04 | -42.77 |
| 724.00 | 0.31 | 85.05 | 723.99 | 2.54 | 1.48 | -2.16 | 0.35 | -0.04 | 64.54 |
| 844.00 | 0.24 | 111.61 | 843.99 | 2.48 | 2.03 | -1.97 | 0.12 | -0.06 | 22.13 |
| 964.00 | 0.14 | 4.36 | 963.99 | 2.53 | 2.28 | -1.97 | 0.26 | -0.08 | -89.37 |
| 1,084.00 | 0.24 | 83.28 | 1,083.99 | 2.71 | 2.54 | -2.09 | 0.21 | 0.08 | 65.77 |
| 1,204.00 | 0.13 | 15.98 | 1,203.99 | 2.87 | 2.83 | -2.18 | 0.19 | -0.09 | -56.08 |

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Survey Report

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DIV. OF OIL, GAS & MINING

Company: Kerr McGee Oil and Gas Onshore LP
Project: Uintah County, UT UTM12
Site: NBU 921-27LT Pad
Well: NBU 921-27LT
Wellbore: ST 1
Design: ST 1

Local Co-ordinate Reference: Well NBU 921-27LT
TVD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
MD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Multi-User Db

Survey

| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | |
|------------------------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|--|
| 1,324.00 | 0.27 | 13.92 | 1,323.99 | 3.27 | 2.93 | -2.55 | 0.12 | 0.12 | -1.72 | |
| 1,444.00 | 0.26 | 141.08 | 1,443.99 | 3.34 | 3.17 | -2.56 | 0.40 | -0.01 | 105.97 | |
| 1,564.00 | 0.20 | 144.40 | 1,563.99 | 2.95 | 3.46 | -2.13 | 0.05 | -0.05 | 2.77 | |
| 1,684.00 | 0.50 | 65.41 | 1,683.98 | 3.00 | 4.06 | -2.04 | 0.42 | 0.25 | -65.82 | |
| 1,714.00 | 0.47 | 102.99 | 1,713.98 | 3.03 | 4.30 | -2.02 | 1.05 | -0.10 | 125.27 | |
| 1,744.00 | 0.55 | 94.93 | 1,743.98 | 2.99 | 4.56 | -1.92 | 0.36 | 0.27 | -26.87 | |
| 1,774.00 | 0.44 | 94.79 | 1,773.98 | 2.97 | 4.82 | -1.84 | 0.37 | -0.37 | -0.47 | |
| 1,804.00 | 0.55 | 94.70 | 1,803.98 | 2.94 | 5.08 | -1.76 | 0.37 | 0.37 | -0.30 | |
| 1,844.00 | 0.71 | 102.91 | 1,843.98 | 2.87 | 5.51 | -1.60 | 0.46 | 0.40 | 20.52 | |
| 1,874.00 | 0.42 | 107.47 | 1,873.98 | 2.80 | 5.80 | -1.46 | 0.98 | -0.97 | 15.20 | |
| 1,904.00 | 0.41 | 84.61 | 1,903.97 | 2.78 | 6.01 | -1.40 | 0.55 | -0.03 | -76.20 | |
| 1,934.00 | 0.39 | 93.56 | 1,933.97 | 2.78 | 6.22 | -1.35 | 0.22 | -0.07 | 29.83 | |
| 1,964.00 | 0.26 | 71.27 | 1,963.97 | 2.80 | 6.39 | -1.33 | 0.60 | -0.43 | -74.30 | |
| 1,994.00 | 0.32 | 72.25 | 1,993.97 | 2.84 | 6.53 | -1.35 | 0.20 | 0.20 | 3.27 | |
| 2,024.00 | 0.42 | 92.58 | 2,023.97 | 2.86 | 6.72 | -1.33 | 0.55 | 0.33 | 67.77 | |
| 2,054.00 | 0.38 | 103.22 | 2,053.97 | 2.84 | 6.93 | -1.25 | 0.28 | -0.13 | 35.47 | |
| 2,084.00 | 0.50 | 110.76 | 2,083.97 | 2.77 | 7.15 | -1.14 | 0.44 | 0.40 | 25.13 | |
| 2,114.00 | 0.41 | 140.87 | 2,113.97 | 2.64 | 7.34 | -0.97 | 0.84 | -0.30 | 100.37 | |
| 2,144.00 | 0.39 | 166.29 | 2,143.97 | 2.45 | 7.43 | -0.77 | 0.59 | -0.07 | 84.73 | |
| 2,174.00 | 0.47 | 203.90 | 2,173.97 | 2.24 | 7.40 | -0.57 | 0.96 | 0.27 | 125.37 | |
| 2,204.00 | 0.60 | 204.77 | 2,203.97 | 1.99 | 7.29 | -0.35 | 0.43 | 0.43 | 2.90 | |
| 2,234.00 | 0.64 | 203.48 | 2,233.97 | 1.69 | 7.15 | -0.09 | 0.14 | 0.13 | -4.30 | |
| 2,264.00 | 0.45 | 191.48 | 2,263.96 | 1.42 | 7.06 | 0.16 | 0.74 | -0.63 | -40.00 | |
| 2,294.00 | 0.54 | 256.25 | 2,293.96 | 1.27 | 6.90 | 0.27 | 1.79 | 0.30 | 215.90 | |
| 2,324.00 | 0.89 | 255.70 | 2,323.96 | 1.18 | 6.54 | 0.28 | 1.17 | 1.17 | -1.83 | |
| 2,354.00 | 0.78 | 241.76 | 2,353.96 | 1.03 | 6.13 | 0.34 | 0.77 | -0.37 | -46.47 | |
| 2,384.00 | 1.06 | 246.11 | 2,383.95 | 0.82 | 5.70 | 0.45 | 0.96 | 0.93 | 14.50 | |
| 2,404.00 | 0.93 | 242.62 | 2,403.95 | 0.67 | 5.39 | 0.52 | 0.72 | -0.65 | -17.45 | |
| Last SDI MWD Survey | | | | | | | | | | |
| 2,467.00 | 0.44 | 232.09 | 2,466.95 | 0.29 | 4.74 | 0.76 | 0.80 | -0.78 | -16.71 | |
| First SDI Production Survey | | | | | | | | | | |
| 2,562.00 | 0.70 | 343.01 | 2,561.94 | 0.62 | 4.29 | 0.33 | 1.00 | 0.27 | 116.76 | |
| 2,657.00 | 0.53 | 302.05 | 2,656.94 | 1.40 | 3.74 | -0.55 | 0.48 | -0.18 | -43.12 | |
| 2,751.00 | 0.26 | 279.47 | 2,750.94 | 1.67 | 3.16 | -0.94 | 0.33 | -0.29 | -24.02 | |
| 2,846.00 | 0.18 | 213.28 | 2,845.94 | 1.58 | 2.87 | -0.92 | 0.26 | -0.08 | -69.67 | |
| 2,942.00 | 0.53 | 206.16 | 2,941.93 | 1.06 | 2.59 | -0.46 | 0.37 | 0.36 | -7.42 | |
| 3,036.00 | 0.70 | 193.77 | 3,035.93 | 0.11 | 2.26 | 0.39 | 0.23 | 0.18 | -13.18 | |
| 3,131.00 | 1.49 | 262.77 | 3,130.91 | -0.61 | 0.90 | 0.79 | 1.47 | 0.83 | 72.63 | |
| 3,225.00 | 1.49 | 254.77 | 3,224.88 | -1.09 | -1.49 | 0.73 | 0.22 | 0.00 | -8.51 | |
| 3,320.00 | 1.58 | 250.46 | 3,319.85 | -1.85 | -3.92 | 0.95 | 0.15 | 0.09 | -4.54 | |
| 3,416.00 | 1.23 | 232.44 | 3,415.82 | -2.92 | -5.98 | 1.54 | 0.58 | -0.36 | -18.77 | |
| 3,510.00 | 1.41 | 231.83 | 3,509.79 | -4.25 | -7.69 | 2.47 | 0.19 | 0.19 | -0.65 | |
| 3,605.00 | 1.67 | 228.31 | 3,604.76 | -5.89 | -9.64 | 3.64 | 0.29 | 0.27 | -3.71 | |
| 3,858.00 | 1.85 | 204.85 | 3,857.64 | -12.05 | -14.11 | 8.67 | 0.29 | 0.07 | -9.27 | |
| 4,110.00 | 1.14 | 208.89 | 4,109.56 | -17.94 | -17.03 | 13.78 | 0.28 | -0.28 | 1.60 | |
| 4,364.00 | 2.55 | 170.31 | 4,363.43 | -25.72 | -17.30 | 21.32 | 0.71 | 0.56 | -15.19 | |
| 4,492.00 | 2.02 | 175.75 | 4,491.32 | -30.77 | -16.66 | 26.39 | 0.45 | -0.41 | 4.25 | |
| 4,618.00 | 1.23 | 186.39 | 4,617.27 | -34.33 | -16.64 | 29.87 | 0.67 | -0.63 | 8.44 | |
| 4,871.00 | 0.97 | 305.92 | 4,870.25 | -35.78 | -18.68 | 30.83 | 0.75 | -0.10 | 47.25 | |
| 5,124.00 | 0.35 | 255.82 | 5,123.23 | -34.71 | -21.16 | 29.25 | 0.31 | -0.25 | -19.80 | |
| 5,376.00 | 0.70 | 184.19 | 5,375.22 | -36.43 | -22.02 | 30.74 | 0.27 | 0.14 | -28.42 | |
| 5,630.00 | 0.97 | 156.77 | 5,629.20 | -39.96 | -21.29 | 34.34 | 0.19 | 0.11 | -10.80 | |
| 5,911.00 | 0.88 | 152.38 | 5,910.16 | -44.05 | -19.35 | 38.76 | 0.04 | -0.03 | -1.56 | |
| 6,229.00 | 1.41 | 166.79 | 6,228.10 | -50.03 | -17.32 | 45.03 | 0.19 | 0.17 | 4.53 | |

Scientific Drilling International

Survey Report

Company: Kerr McGee Oil and Gas Onshore LP
Project: Uintah County, UT UTM12
Site: NBU 921-27LT Pad
Well: NBU 921-27LT
Wellbore: ST 1
Design: ST 1

Local Co-ordinate Reference: Well NBU 921-27LT
TVD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
MD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Multi-User Db

| Survey | | | | | | | | | |
|-----------------------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-----------------------|----------------------|---------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 6,515.00 | 1.67 | 156.59 | 6,513.99 | -57.28 | -14.86 | 52.64 | 0.13 | 0.09 | -3.57 |
| 7,020.00 | 1.85 | 153.69 | 7,018.76 | -71.34 | -8.33 | 67.79 | 0.04 | 0.04 | -0.57 |
| 7,527.00 | 1.76 | 150.97 | 7,525.50 | -85.48 | -0.92 | 83.21 | 0.02 | -0.02 | -0.54 |
| 8,031.00 | 1.58 | 136.91 | 8,029.29 | -97.32 | 7.58 | 96.63 | 0.09 | -0.04 | -2.79 |
| 8,536.00 | 1.85 | 142.36 | 8,534.07 | -108.86 | 17.32 | 110.01 | 0.06 | 0.05 | 1.08 |
| 9,044.00 | 2.02 | 154.75 | 9,041.78 | -123.45 | 26.14 | 126.18 | 0.09 | 0.03 | 2.44 |
| 9,279.00 | 1.85 | 158.97 | 9,276.64 | -130.74 | 29.27 | 133.97 | 0.09 | -0.07 | 1.80 |
| Last SDI Production Survey | | | | | | | | | |

Checked By: _____ Approved By: _____ Date: _____

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Kerr McGee Oil and Gas Onshore LP

**Uintah County, UT UTM12
NBU 921-27LT Pad
NBU 921-27LT
ST 1**

Design: ST 1

Survey Report - Geographic

03 September, 2009

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Scientific Drilling International

Survey Report - Geographic

Company: Kerr McGee Oil and Gas Onshore LP
Project: Uintah County, UT UTM12
Site: NBU 921-27LT Pad
Well: NBU 921-27LT
Wellbore: ST 1
Design: ST 1

Local Co-ordinate Reference: Well NBU 921-27LT
TVD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
MD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Multi-User Db

| | | | |
|--------------------|--|----------------------|----------------|
| Project | Uintah County, UT UTM12 | | |
| Map System: | Universal Transverse Mercator (US Survey Feet) | System Datum: | Mean Sea Level |
| Geo Datum: | NAD 1927 - Western US | | |
| Map Zone: | Zone 12N (114 W to 108 W) | | |

| | | | | | |
|------------------------------|-----------------------------------|---------------------|------------------|--------------------------|-------------------|
| Site | NBU 921-27LT Pad, Sec 27 T9S R21E | | | | |
| Site Position: | | Northing: | 14,531,231.00 ft | Latitude: | 40° 0' 18.355 N |
| From: | Lat/Long | Easting: | 2,048,107.91 ft | Longitude: | 109° 32' 39.056 W |
| Position Uncertainty: | 0.00 ft | Slot Radius: | in | Grid Convergence: | 0.94 ° |

| | | | | | | |
|-----------------------------|----------------------------------|---------|----------------------------|------------------|----------------------|-------------------|
| Well | NBU 921-27LT, 1928' FSL 679' FWL | | | | | |
| Well Position | +N/-S | 0.00 ft | Northing: | 14,531,231.00 ft | Latitude: | 40° 0' 18.355 N |
| | +E/-W | 0.00 ft | Easting: | 2,048,107.91 ft | Longitude: | 109° 32' 39.056 W |
| Position Uncertainty | | 0.00 ft | Wellhead Elevation: | ft | Ground Level: | 4,950.00 ft |

| | | | | | |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| Wellbore | ST 1 | | | | |
| Magnetics | Model Name | Sample Date | Declination (°) | Dip Angle (°) | Field Strength (nT) |
| | IGRF2005-10 | 6/30/2009 | 11.33 | 65.92 | 52,589 |

| | | | | | |
|--------------------------|------|------------------------------|-------------------|----------------------|----------------------|
| Design | ST 1 | | | | |
| Audit Notes: | | | | | |
| Version: | 1.0 | Phase: | ACTUAL | Tie On Depth: | 14.00 |
| Vertical Section: | | Depth From (TVD) (ft) | +N/-S (ft) | +E/-W (ft) | Direction (°) |
| | | 0.00 | 0.00 | 0.00 | 167.38 |

| | | | | | |
|-----------------------|----------------|--------------------------|------------------|--------------------------|--|
| Survey Program | Date | 9/3/2009 | | | |
| From (ft) | To (ft) | Survey (Wellbore) | Tool Name | Description | |
| 514.00 | 14.00 | Survey #1 - Surface (OH) | EMS | EMS - Standard | |
| 14.00 | 2,404.00 | Survey #1 (ST 1) | MWD SDI | MWD - Standard ver 1.0.1 | |
| 2,467.00 | 9,279.00 | Survey #2 (ST 1) | MWD SDI | MWD - Standard ver 1.0.1 | |

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Scientific Drilling International

Survey Report - Geographic

Company: Kerr McGee Oil and Gas Onshore LP
Project: Uintah County, UT UTM12
Site: NBU 921-27LT Pad
Well: NBU 921-27LT
Wellbore: ST 1
Design: ST 1

Local Co-ordinate Reference: Well NBU 921-27LT
TVD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
MD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Multi-User Db

| Survey | | | | | | | | | | |
|------------------------------------|-----------------|-------------|---------------------|------------|------------|-------------------|------------------|-----------------|-------------------|--|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Map Northing (ft) | Map Easting (ft) | Latitude | Longitude | |
| 14.00 | 0.00 | 0.00 | 14.00 | 0.00 | 0.00 | 14,531,231.00 | 2,048,107.91 | 40° 0' 18.355 N | 109° 32' 39.056 W | |
| 124.00 | 0.14 | 348.72 | 124.00 | 0.13 | -0.03 | 14,531,231.13 | 2,048,107.88 | 40° 0' 18.356 N | 109° 32' 39.056 W | |
| 244.00 | 0.36 | 348.53 | 244.00 | 0.65 | -0.13 | 14,531,231.64 | 2,048,107.77 | 40° 0' 18.361 N | 109° 32' 39.058 W | |
| 364.00 | 0.29 | 59.32 | 364.00 | 1.17 | 0.06 | 14,531,232.17 | 2,048,107.95 | 40° 0' 18.367 N | 109° 32' 39.055 W | |
| 484.00 | 0.41 | 58.93 | 483.99 | 1.55 | 0.69 | 14,531,232.56 | 2,048,108.57 | 40° 0' 18.370 N | 109° 32' 39.047 W | |
| 604.00 | 0.36 | 7.60 | 603.99 | 2.14 | 1.10 | 14,531,233.16 | 2,048,108.98 | 40° 0' 18.376 N | 109° 32' 39.042 W | |
| 724.00 | 0.31 | 85.05 | 723.99 | 2.54 | 1.48 | 14,531,233.57 | 2,048,109.34 | 40° 0' 18.380 N | 109° 32' 39.037 W | |
| 844.00 | 0.24 | 111.61 | 843.99 | 2.48 | 2.03 | 14,531,233.51 | 2,048,109.90 | 40° 0' 18.379 N | 109° 32' 39.030 W | |
| 964.00 | 0.14 | 4.36 | 963.99 | 2.53 | 2.28 | 14,531,233.57 | 2,048,110.15 | 40° 0' 18.380 N | 109° 32' 39.027 W | |
| 1,084.00 | 0.24 | 83.28 | 1,083.99 | 2.71 | 2.54 | 14,531,233.75 | 2,048,110.40 | 40° 0' 18.382 N | 109° 32' 39.023 W | |
| 1,204.00 | 0.13 | 15.98 | 1,203.99 | 2.87 | 2.83 | 14,531,233.91 | 2,048,110.69 | 40° 0' 18.383 N | 109° 32' 39.020 W | |
| 1,324.00 | 0.27 | 13.92 | 1,323.99 | 3.27 | 2.93 | 14,531,234.32 | 2,048,110.79 | 40° 0' 18.387 N | 109° 32' 39.018 W | |
| 1,444.00 | 0.26 | 141.08 | 1,443.99 | 3.34 | 3.17 | 14,531,234.39 | 2,048,111.02 | 40° 0' 18.388 N | 109° 32' 39.015 W | |
| 1,564.00 | 0.20 | 144.40 | 1,563.99 | 2.95 | 3.46 | 14,531,234.01 | 2,048,111.32 | 40° 0' 18.384 N | 109° 32' 39.011 W | |
| 1,684.00 | 0.50 | 65.41 | 1,683.98 | 3.00 | 4.06 | 14,531,234.07 | 2,048,111.92 | 40° 0' 18.385 N | 109° 32' 39.004 W | |
| 1,714.00 | 0.47 | 102.99 | 1,713.98 | 3.03 | 4.30 | 14,531,234.10 | 2,048,112.16 | 40° 0' 18.385 N | 109° 32' 39.001 W | |
| 1,744.00 | 0.55 | 94.93 | 1,743.98 | 2.99 | 4.56 | 14,531,234.06 | 2,048,112.42 | 40° 0' 18.385 N | 109° 32' 38.997 W | |
| 1,774.00 | 0.44 | 94.79 | 1,773.98 | 2.97 | 4.82 | 14,531,234.04 | 2,048,112.68 | 40° 0' 18.384 N | 109° 32' 38.994 W | |
| 1,804.00 | 0.55 | 94.70 | 1,803.98 | 2.94 | 5.08 | 14,531,234.03 | 2,048,112.94 | 40° 0' 18.384 N | 109° 32' 38.991 W | |
| 1,844.00 | 0.71 | 102.91 | 1,843.98 | 2.87 | 5.51 | 14,531,233.96 | 2,048,113.37 | 40° 0' 18.383 N | 109° 32' 38.985 W | |
| 1,874.00 | 0.42 | 107.47 | 1,873.98 | 2.80 | 5.80 | 14,531,233.89 | 2,048,113.66 | 40° 0' 18.383 N | 109° 32' 38.981 W | |
| 1,904.00 | 0.41 | 84.61 | 1,903.97 | 2.78 | 6.01 | 14,531,233.87 | 2,048,113.87 | 40° 0' 18.382 N | 109° 32' 38.979 W | |
| 1,934.00 | 0.39 | 93.56 | 1,933.97 | 2.78 | 6.22 | 14,531,233.88 | 2,048,114.08 | 40° 0' 18.382 N | 109° 32' 38.976 W | |
| 1,964.00 | 0.26 | 71.27 | 1,963.97 | 2.80 | 6.39 | 14,531,233.90 | 2,048,114.25 | 40° 0' 18.383 N | 109° 32' 38.974 W | |
| 1,994.00 | 0.32 | 72.25 | 1,993.97 | 2.84 | 6.53 | 14,531,233.95 | 2,048,114.39 | 40° 0' 18.383 N | 109° 32' 38.972 W | |
| 2,024.00 | 0.42 | 92.58 | 2,023.97 | 2.86 | 6.72 | 14,531,233.97 | 2,048,114.58 | 40° 0' 18.383 N | 109° 32' 38.970 W | |
| 2,054.00 | 0.38 | 103.22 | 2,053.97 | 2.84 | 6.93 | 14,531,233.95 | 2,048,114.79 | 40° 0' 18.383 N | 109° 32' 38.967 W | |
| 2,084.00 | 0.50 | 110.76 | 2,083.97 | 2.77 | 7.15 | 14,531,233.88 | 2,048,115.01 | 40° 0' 18.382 N | 109° 32' 38.964 W | |
| 2,114.00 | 0.41 | 140.87 | 2,113.97 | 2.64 | 7.34 | 14,531,233.76 | 2,048,115.20 | 40° 0' 18.381 N | 109° 32' 38.962 W | |
| 2,144.00 | 0.39 | 166.29 | 2,143.97 | 2.45 | 7.43 | 14,531,233.58 | 2,048,115.30 | 40° 0' 18.379 N | 109° 32' 38.961 W | |
| 2,174.00 | 0.47 | 203.90 | 2,173.97 | 2.24 | 7.40 | 14,531,233.36 | 2,048,115.27 | 40° 0' 18.377 N | 109° 32' 38.961 W | |
| 2,204.00 | 0.60 | 204.77 | 2,203.97 | 1.99 | 7.29 | 14,531,233.11 | 2,048,115.16 | 40° 0' 18.375 N | 109° 32' 38.962 W | |
| 2,234.00 | 0.64 | 203.48 | 2,233.97 | 1.69 | 7.15 | 14,531,232.81 | 2,048,115.03 | 40° 0' 18.372 N | 109° 32' 38.964 W | |
| 2,264.00 | 0.45 | 191.48 | 2,263.96 | 1.42 | 7.06 | 14,531,232.54 | 2,048,114.95 | 40° 0' 18.369 N | 109° 32' 38.965 W | |
| 2,294.00 | 0.54 | 256.25 | 2,293.96 | 1.27 | 6.90 | 14,531,232.39 | 2,048,114.79 | 40° 0' 18.368 N | 109° 32' 38.967 W | |
| 2,324.00 | 0.89 | 255.70 | 2,323.96 | 1.18 | 6.54 | 14,531,232.29 | 2,048,114.43 | 40° 0' 18.367 N | 109° 32' 38.972 W | |
| 2,354.00 | 0.78 | 241.76 | 2,353.96 | 1.03 | 6.13 | 14,531,232.13 | 2,048,114.03 | 40° 0' 18.365 N | 109° 32' 38.977 W | |
| 2,384.00 | 1.06 | 246.11 | 2,383.95 | 0.82 | 5.70 | 14,531,231.91 | 2,048,113.60 | 40° 0' 18.363 N | 109° 32' 38.983 W | |
| 2,404.00 | 0.93 | 242.62 | 2,403.95 | 0.67 | 5.39 | 14,531,231.76 | 2,048,113.28 | 40° 0' 18.362 N | 109° 32' 38.987 W | |
| Last SDI MWD Survey | | | | | | | | | | |
| 2,467.00 | 0.44 | 232.09 | 2,466.95 | 0.29 | 4.74 | 14,531,231.36 | 2,048,112.65 | 40° 0' 18.358 N | 109° 32' 38.995 W | |
| First SDI Production Survey | | | | | | | | | | |
| 2,562.00 | 0.70 | 343.01 | 2,561.94 | 0.62 | 4.29 | 14,531,231.69 | 2,048,112.18 | 40° 0' 18.361 N | 109° 32' 39.001 W | |
| 2,657.00 | 0.53 | 302.05 | 2,656.94 | 1.40 | 3.74 | 14,531,232.47 | 2,048,111.63 | 40° 0' 18.369 N | 109° 32' 39.008 W | |
| 2,751.00 | 0.26 | 279.47 | 2,750.94 | 1.67 | 3.16 | 14,531,232.72 | 2,048,111.05 | 40° 0' 18.372 N | 109° 32' 39.015 W | |
| 2,846.00 | 0.18 | 213.28 | 2,845.94 | 1.58 | 2.87 | 14,531,232.63 | 2,048,110.75 | 40° 0' 18.371 N | 109° 32' 39.019 W | |
| 2,942.00 | 0.53 | 206.16 | 2,941.93 | 1.06 | 2.59 | 14,531,232.10 | 2,048,110.48 | 40° 0' 18.365 N | 109° 32' 39.023 W | |
| 3,036.00 | 0.70 | 193.77 | 3,035.93 | 0.11 | 2.26 | 14,531,231.15 | 2,048,110.17 | 40° 0' 18.356 N | 109° 32' 39.027 W | |
| 3,131.00 | 1.49 | 262.77 | 3,130.91 | -0.61 | 0.90 | 14,531,230.40 | 2,048,108.82 | 40° 0' 18.349 N | 109° 32' 39.044 W | |
| 3,225.00 | 1.49 | 254.77 | 3,224.88 | -1.09 | -1.49 | 14,531,229.89 | 2,048,106.43 | 40° 0' 18.344 N | 109° 32' 39.075 W | |
| 3,320.00 | 1.58 | 250.46 | 3,319.85 | -1.85 | -3.92 | 14,531,229.09 | 2,048,104.02 | 40° 0' 18.337 N | 109° 32' 39.106 W | |
| 3,416.00 | 1.23 | 232.44 | 3,415.82 | -2.92 | -5.98 | 14,531,227.98 | 2,048,101.98 | 40° 0' 18.326 N | 109° 32' 39.133 W | |
| 3,510.00 | 1.41 | 231.83 | 3,509.79 | -4.25 | -7.69 | 14,531,226.63 | 2,048,100.29 | 40° 0' 18.313 N | 109° 32' 39.155 W | |
| 3,605.00 | 1.67 | 228.31 | 3,604.76 | -5.89 | -9.64 | 14,531,224.95 | 2,048,098.36 | 40° 0' 18.297 N | 109° 32' 39.180 W | |
| 3,858.00 | 1.85 | 204.85 | 3,857.64 | -12.05 | -14.11 | 14,531,218.72 | 2,048,093.99 | 40° 0' 18.236 N | 109° 32' 39.237 W | |

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Scientific Drilling International

Survey Report - Geographic

Company: Kerr McGee Oil and Gas Onshore LP
Project: Uintah County, UT UTM12
Site: NBU 921-27LT Pad
Well: NBU 921-27LT
Wellbore: ST 1
Design: ST 1

Local Co-ordinate Reference: Well NBU 921-27LT
TVD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
MD Reference: GL 4950' & RKB 18' @ 4968.00ft (Pioneer 69)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 2003.16 Multi-User Db

| Survey | | | | | | | | | |
|---------------------|-----------------|-------------|---------------------|------------|------------|-------------------|------------------|-----------------|-------------------|
| Measured Depth (ft) | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Map Northing (ft) | Map Easting (ft) | Latitude | Longitude |
| 4,110.00 | 1.14 | 208.89 | 4,109.56 | -17.94 | -17.03 | 14,531,212.79 | 2,048,091.17 | 40° 0' 18.178 N | 109° 32' 39.275 W |
| 4,364.00 | 2.55 | 170.31 | 4,363.43 | -25.72 | -17.30 | 14,531,205.00 | 2,048,091.03 | 40° 0' 18.101 N | 109° 32' 39.278 W |
| 4,492.00 | 2.02 | 175.75 | 4,491.32 | -30.77 | -16.66 | 14,531,199.96 | 2,048,091.76 | 40° 0' 18.051 N | 109° 32' 39.270 W |
| 4,618.00 | 1.23 | 186.39 | 4,617.27 | -34.33 | -16.64 | 14,531,196.40 | 2,048,091.83 | 40° 0' 18.016 N | 109° 32' 39.270 W |
| 4,871.00 | 0.97 | 305.92 | 4,870.25 | -35.78 | -18.68 | 14,531,194.92 | 2,048,089.82 | 40° 0' 18.001 N | 109° 32' 39.296 W |
| 5,124.00 | 0.35 | 255.82 | 5,123.23 | -34.71 | -21.16 | 14,531,195.95 | 2,048,087.32 | 40° 0' 18.012 N | 109° 32' 39.328 W |
| 5,376.00 | 0.70 | 184.19 | 5,375.22 | -36.43 | -22.02 | 14,531,194.21 | 2,048,086.49 | 40° 0' 17.995 N | 109° 32' 39.339 W |
| 5,630.00 | 0.97 | 156.77 | 5,629.20 | -39.96 | -21.29 | 14,531,190.70 | 2,048,087.28 | 40° 0' 17.960 N | 109° 32' 39.330 W |
| 5,911.00 | 0.88 | 152.38 | 5,910.16 | -44.05 | -19.35 | 14,531,186.64 | 2,048,089.28 | 40° 0' 17.920 N | 109° 32' 39.305 W |
| 6,229.00 | 1.41 | 166.79 | 6,228.10 | -50.03 | -17.32 | 14,531,180.70 | 2,048,091.41 | 40° 0' 17.861 N | 109° 32' 39.279 W |
| 6,515.00 | 1.67 | 156.59 | 6,513.99 | -57.28 | -14.86 | 14,531,173.49 | 2,048,093.98 | 40° 0' 17.789 N | 109° 32' 39.247 W |
| 7,020.00 | 1.85 | 153.69 | 7,018.76 | -71.34 | -8.33 | 14,531,159.54 | 2,048,100.75 | 40° 0' 17.650 N | 109° 32' 39.163 W |
| 7,527.00 | 1.76 | 150.97 | 7,525.50 | -85.48 | -0.92 | 14,531,145.52 | 2,048,108.39 | 40° 0' 17.510 N | 109° 32' 39.068 W |
| 8,031.00 | 1.58 | 136.91 | 8,029.29 | -97.32 | 7.58 | 14,531,133.82 | 2,048,117.08 | 40° 0' 17.393 N | 109° 32' 38.959 W |
| 8,536.00 | 1.85 | 142.36 | 8,534.07 | -108.86 | 17.32 | 14,531,122.44 | 2,048,127.00 | 40° 0' 17.279 N | 109° 32' 38.833 W |
| 9,044.00 | 2.02 | 154.75 | 9,041.78 | -123.45 | 26.14 | 14,531,107.99 | 2,048,136.07 | 40° 0' 17.135 N | 109° 32' 38.720 W |
| 9,279.00 | 1.85 | 158.97 | 9,276.64 | -130.74 | 29.27 | 14,531,100.76 | 2,048,139.31 | 40° 0' 17.063 N | 109° 32' 38.680 W |

Last SDI Production Survey

| Design Annotations | | | | | |
|---------------------|---------------------|-------------------|------------|-----------------------------|--|
| Measured Depth (ft) | Vertical Depth (ft) | Local Coordinates | | Comment | |
| | | +N/-S (ft) | +E/-W (ft) | | |
| 2,404.00 | 2,403.95 | 0.67 | 5.39 | Last SDI MWD Survey | |
| 2,467.00 | 2,466.95 | 0.29 | 4.74 | First SDI Production Survey | |
| 9,279.00 | 9,276.64 | -130.74 | 29.27 | Last SDI Production Survey | |

Checked By: _____ Approved By: _____ Date: _____

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 DIV. OF OIL, GAS & MINING



Scientific Drilling
Rocky Mountain Operations

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Directional Drillers:

MWD Operator:
J. Hone, D. Clements

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P.O. Box 1600, Mills, WY 82644
(307) 472-6621

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DIV. OF OIL, GAS & MINING

| | |
|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1194A |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: NBU 921-27LT |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | 9. API NUMBER: 43047401740000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | PHONE NUMBER: 720 929-6007 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1928 FSL 0679 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 27 Township: 09.0S Range: 21.0E Meridian: S | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH |

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|--|---|---|
| <input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 2/5/2010 | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input checked="" type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: _____ |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR REQUESTS AUTHORIZATION TO TEMPORARILY ABANDON THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO TEMPORARILY ABANDON THE WELL TO DRILL THE NBU 921-27L PAD WELLS, WHICH CONSIST OF NBU 921-27L2BS, NBU 921-27E3AS, NBU 921-27L1AS, NBU 921-27L3CS, & NBU 921-27M2BS. PLEASE REFER TO THE ATTACHED TEMPORARILY ABANDON PROCEDURE.

Approved by the Utah Division of Oil, Gas and Mining

Date: February 03, 2010

By: *Derek Duff*

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Andy Lytle | PHONE NUMBER 720 929-6100 | TITLE Regulatory Analyst |
| SIGNATURE N/A | | DATE 2/2/2010 |

NBU 921-27LT
 1928' FSL & 679' FWL
 NWSW SEC.27, T9S, R21E
 Uintah County, UT

KBE: 4968'
 GLE: 4950'
 TD: 10,000'
 PBTD: 9936'

API NUMBER: 43-047-40174
 LEASE NUMBER: ST-UO-1194A
 WINS #: 18123
 WI: 100.0000%
 NRI: 81.494445%

CASING: 20" hole
 14" STL 36.7# csg @ 40' GL
 Cemented to surface w/ 28 sx

12 1/4" hole
 9 5/8" 36# J-55 @ 2070' (KB)
 Cement w/ 200 sx

7.875" hole
 4 1/2" 11.6# I-80 @ 9712'
 Cement w/ 1777 sks, Circ 10 boc to surface
 TOC @ surface per CBL & circ

TUBING: 2 3/8" 4.7# J-55 tubing landed at 9339'

| Tubular/Borehole | Drift inches | Collapse psi | Burst psi | Capacities | | |
|--------------------------------|--------------|--------------|-----------|------------|----------|----------|
| | | | | Gal./ft. | Cuft/ft. | Bbl./ft. |
| 2.375" 4.7# J-55 tbg. | 1.901 | 8100 | 7700 | 0.1624 | 0.02173 | 0.00387 |
| 4.5" 11.6# I-80 | 3.875 | 6350 | 7780 | 0.6528 | 0.0872 | 0.01554 |
| 9.625" 36# J-55 | 8.765 | 2020 | 3520 | 3.247 | 0.434 | 0.0773 |
| 14" 36.7# Stl | | | | | | |
| Annular Capacities | | | | | | |
| 2.375" tbg. X 4 1/2" 11.6# csg | | | | 0.4227 | 0.0565 | 0.01006 |
| 4.5" csg X 9 5/8" 36# csg | | | | 2.2159 | 0.3236 | 0.0576 |
| 4.5" csg X 7.875 borehole | | | | 1.7052 | 0.2278 | 0.0406 |
| 9.625" csg X 12 1/4" borehole | | | | 2.3436 | 0.3132 | 0.0558 |
| 9 .625" csg X 14" csg | | | | 3.4852 | 0.4659 | 0.083 |
| 14" csg X 20" borehole | | | | | | |

GEOLOGIC INFORMATION:

| Formation | Depth to top, ft. |
|-------------|-------------------|
| Uinta | Surface |
| Green River | 1502' |
| Bird's Nest | 1818' |
| Mahogany | 2304' |
| Wasatch | 4832' |
| Mesa Verde | 7713' |

Tech. Pub. #92 Base of USDW's
 USDW Elevation 3100' MSL
 USDW Depth 1868' KBE

PERFORATIONS:

| Formation | Date | Top | Btm | Spf | Status | Formation | Date | Top | Btm | Spf | Status |
|-----------|----------|-------|-------|-----|--------|-----------|----------|-------|-------|-----|--------|
| Mesaverde | 11/24/09 | 7,730 | 7,740 | 4 | Open | Mesaverde | 11/24/09 | 8,868 | 8,872 | 4 | Open |
| Mesaverde | 11/24/09 | 7,994 | 7,996 | 3 | Open | Mesaverde | 11/24/09 | 8,916 | 8,918 | 4 | Open |
| Mesaverde | 11/24/09 | 8,026 | 8,028 | 3 | Open | Mesaverde | 11/24/09 | 8,938 | 8,942 | 4 | Open |
| Mesaverde | 11/24/09 | 8,088 | 8,090 | 4 | Open | Mesaverde | 11/24/09 | 9,132 | 9,134 | 3 | Open |
| Mesaverde | 11/24/09 | 8,136 | 8,140 | 3 | Open | Mesaverde | 11/24/09 | 9,168 | 9,170 | 3 | Open |
| Mesaverde | 11/24/09 | 8,204 | 8,206 | 4 | Open | Mesaverde | 11/24/09 | 9,188 | 9,190 | 4 | Open |
| Mesaverde | 11/24/09 | 8,314 | 8,316 | 3 | Open | Mesaverde | 11/24/09 | 9,232 | 9,234 | 3 | Open |
| Mesaverde | 11/24/09 | 8,340 | 8,342 | 3 | Open | Mesaverde | 11/24/09 | 9,304 | 9,308 | 3 | Open |
| Mesaverde | 11/24/09 | 8,370 | 8,372 | 3 | Open | Mesaverde | 11/24/09 | 9,380 | 9,382 | 3 | Open |
| Mesaverde | 11/24/09 | 8,430 | 8,434 | 3 | Open | Mesaverde | 11/24/09 | 9,448 | 9,450 | 3 | Open |
| Mesaverde | 11/24/09 | 8,482 | 8,484 | 4 | Open | Mesaverde | 11/24/09 | 9,486 | 9,488 | 4 | Open |
| Mesaverde | 11/24/09 | 8,526 | 8,530 | 2 | Open | Mesaverde | 11/24/09 | 9,540 | 9,542 | 4 | Open |
| Mesaverde | 11/24/09 | 8,568 | 8,570 | 4 | Open | Mesaverde | 11/24/09 | 9,566 | 9,570 | 3 | Open |
| Mesaverde | 11/24/09 | 8,628 | 8,630 | 4 | Open | Mesaverde | 11/24/09 | 9,748 | 9,752 | 4 | Open |
| Mesaverde | 11/24/09 | 8,674 | 8,676 | 4 | Open | Mesaverde | 11/24/09 | 9,802 | 9,808 | 3 | Open |
| Mesaverde | 11/24/09 | 8,716 | 8,718 | 4 | Open | Mesaverde | 11/24/09 | 9,898 | 9,900 | 4 | Open |

WELL HISTORY:

- 6/23/2009 - Spud well; 8/29/09 - TD'd @ 10000'
- 11/23/09 - Perf gross MV interval f/ 7730' - 9900', frac interval in 8 stages using 483,936# 30/50 sand & 12,552 bbls slickwater fluid.
- 12/14/09 - WELL IP'D - 2591 MCFD, 0 BOPD, 200 BWPD, CP 2015#, FTP 1582#, CK 14/64", LP 109#, 24 HRS

REMARKS:

- Land Exploration/Operations - The lease is held by the NB Unit. OK to TA. Jason Rayburn
- Geology - Newer well producing 1800 MCFD. Recommend to TA during construction, drilling and completion of the NBU 921-27L pad
- Reservoir Engineering - Newer well producing 1800 MCFD. Recommend to TA during construction, drilling and completion of the NBU 921-27L pad.
- Operations Engineering - Making 1800mcf. Good to TA well. MB 11/21/2009

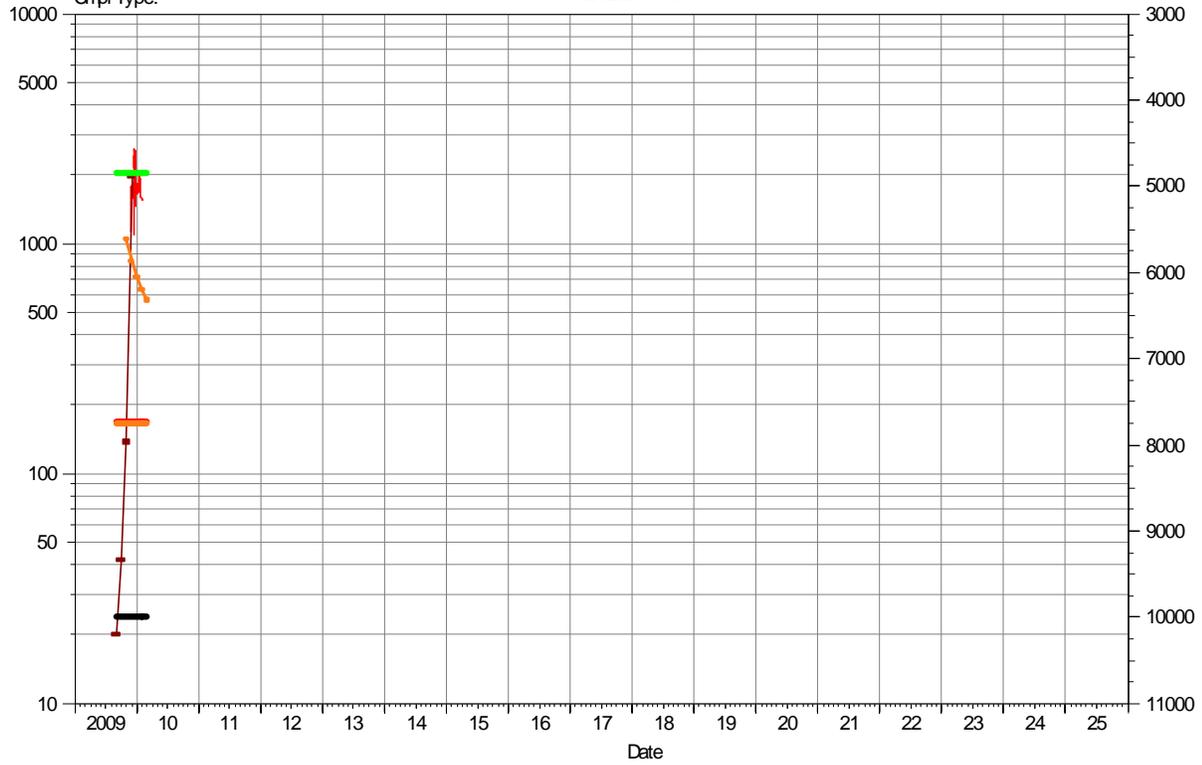
Recommended future action for disposition of well bore:

Temporarily abandon the wellbore during the drilling and completion operations of the NBU 921-27L pad wells (921-27L2BS, 921-27E3AS, 921-27L1AS, 921-27L3CS, & 921-27M2BS). Return to production as soon as possible once completions are done.

NBU PIPELINE
KERR-MCGEE OIL & GAS ONSHO
TM/MM
Cmpt Type:

NBU 921-27LT
43047401740000
09S 21E 27 NWSW

Gas Cum Monthly : 67 MMcf
Gas Cum Dly : 116907 Mcf



NBU 921-27LT TEMPORARY ABANDONMENT PROCEDURE

GENERAL

- H2S MAY BE PRESENT. CHECK FOR H2S AND TAKE APPROPRIATE PRECAUTIONS.
- CEMENT QUANTITIES BELOW ASSUME NEAT CLASS G, YIELD 1.145 CUFT./SX. IF A DIFFERENT PRODUCT IS USED, WELLSITE PERSONNEL ARE RESPONSIBLE FOR CORRECTING QUANTITIES TO YIELD THE STATED SLURRY VOLUME. WHEN SQUEEZING, INCLUDE 10% EXCESS PER 1000' OF DEPTH.
- TREATED FRESH WATER WILL BE PLACED BETWEEN ALL PLUGS INSTEAD OF BRINE.
- ALL DISPLACEMENT FLUID SHALL CONTAIN CORROSION INHIBITOR AND BIOCIDES. PREMIX 5 GALLONS PER 100 BBLs FLUID.
- NOTIFY UDOGM 24 HOURS BEFORE MOVING ON LOCATION.

PROCEDURE

Note: An estimated 19 sx Class "G" cement needed for procedure

Note: No Gyro has been run at this time

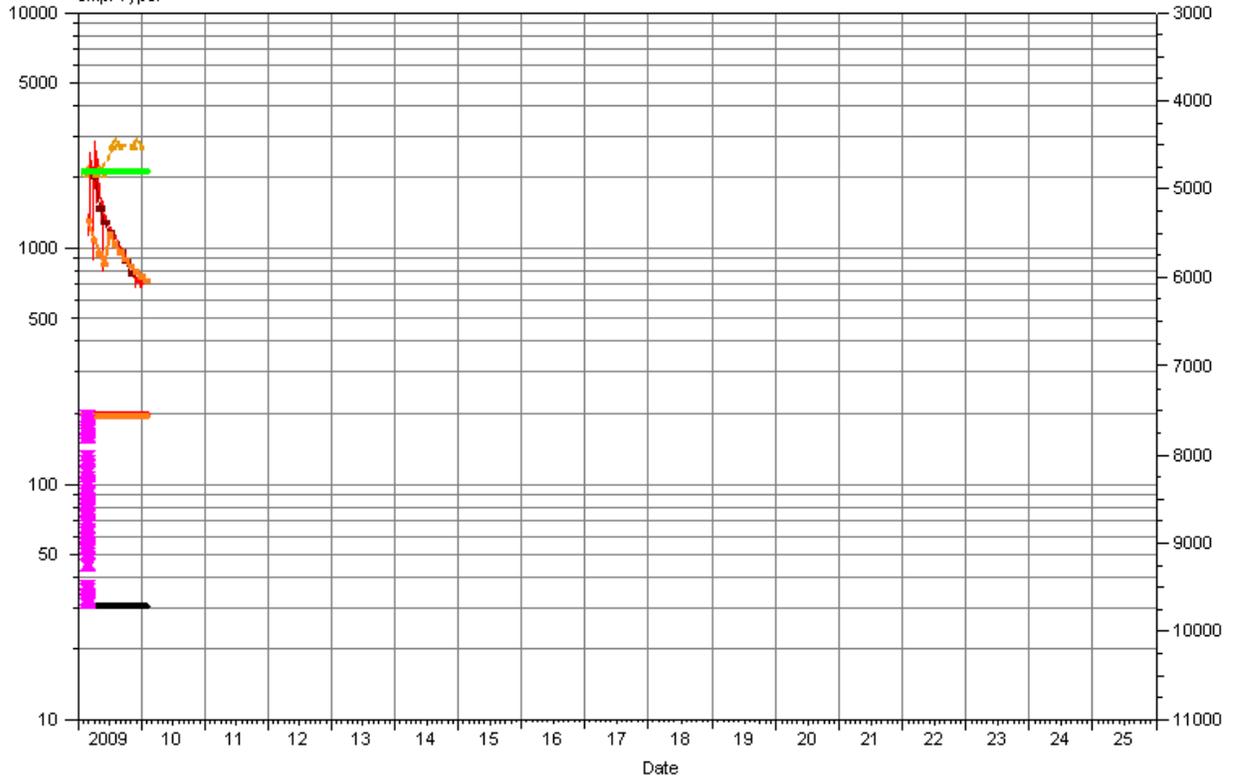
1. MIRU. KILL WELL AS NEEDED. ND WH, NU AND TEST BOPE.
2. PULL TBG & LD SAME. RU WIRELINE AND MAKE A GAUGE RING RUN TO CHECK FOR FILL.
3. RUN GYRO SURVEY IF NOT COMPLETE AT TIME OF MIRU.
4. **PLUG #1, ISOLATE MESAVERDE PERFORATIONS (7730' - 9900')**: RIH W/ 4 ½" CBP. SET @ ~7680'. RELEASE CBP, PUH 10', BRK CIRC W/ FRESH WATER. PRESSURE TEST CASING TO 500 PSI. INFORM ENGINEERING IF IT DOESN'T TEST. DISPLACE A MINIMUM OF 4.36 CUFT CMT (4 SX) ON TOP OF PLUG. PUH ABOVE TOC (~7630'). REVERSE CIRCULATE W/ TREATED FRESH WATER.
5. **PLUG #2, PROTECT WASATCH TOP (4832')**: PUH TO ~4932'. BRK CIRC W/ FRESH WATER. DISPLACE 17.44 CUFT. (15 SX) AND BALANCE PLUG W/ TOC @ ~4732' (200' COVERAGE). PUH ABOVE TOC. REVERSE CIRCULATE W/ TREATED FRESH WATER.
6. LOWER WELLHEAD TO GROUND LEVEL TO ACCOMMODATE DRILLING OPS AND INSTALL MARKER PER BLM GUIDELINES.
7. RDMO. TURN OVER TO DRILLING OPERATIONS.

2/1/10

NBU PIPELINE
KERR-MCGEE OIL & GAS ONSHO
TM/MM
Cmpl Type:

NBU 921-26IT
43047401690000
09S 21E 26 NESE

Gas Cum Monthly : 361 MMcf
Gas Cum Dly : 391418 Mcf



| | |
|--|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1194A |
| SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: NBU 921-27LT |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | 9. API NUMBER: 43047401740000 |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | PHONE NUMBER: 720 929-6007 Ext |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1928 FSL 0679 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 27 Township: 09.0S Range: 21.0E Meridian: S | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES COUNTY: UINTAH STATE: UTAH |

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|--|--|---|---|
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> CASING REPAIR |
| <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 9/15/2010 | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> CHANGE WELL NAME |
| <input type="checkbox"/> SPUD REPORT Date of Spud: | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> CONVERT WELL TYPE |
| <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> NEW CONSTRUCTION |
| | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> PLUG BACK |
| | <input type="checkbox"/> PRODUCTION START OR RESUME | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION |
| | <input type="checkbox"/> REPERFORATE CURRENT FORMATION | <input type="checkbox"/> SIDETRACK TO REPAIR WELL | <input checked="" type="checkbox"/> TEMPORARY ABANDON |
| | <input type="checkbox"/> TUBING REPAIR | <input type="checkbox"/> VENT OR FLARE | <input type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> WATER SHUTOFF | <input type="checkbox"/> SI TA STATUS EXTENSION | <input type="checkbox"/> APD EXTENSION |
| | <input type="checkbox"/> WILDCAT WELL DETERMINATION | <input type="checkbox"/> OTHER | OTHER: <input style="width: 100px;" type="text"/> |

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE OPERATOR HAS PERFORMED THE TEMPORARILY ABANDON OPERATIONS ON THE SUBJECT WELL LOCATION ON 09/15/2010. THE OPERATOR HAS TEMPORARILY ABANDONED THE WELL TO DRILL THE NBU 921-27L PAD, WHICH CONSISTS OF THE NBU 921-27L2BS, NBU 921-27E3AS, NBU 921-27L1AS, NBU 921-27L3CS, & NBU 921-27M2BS. PLEASE REFER TO THE ATTACHED TEMPORARILY ABANDON CHORONOLOGICAL WELL HISTORY.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 September 20, 2010

| | | |
|--|-------------------------------------|------------------------------------|
| NAME (PLEASE PRINT) Andy Lytle | PHONE NUMBER 720 929-6100 | TITLE Regulatory Analyst |
| SIGNATURE N/A | | DATE 9/16/2010 |

US ROCKIES REGION
Operation Summary Report

| | | |
|---|---------------------------|-----------------------------|
| Well: NBU 921-27LT | Spud Conductor: 6/23/2009 | Spud Date: 6/23/2009 |
| Project: UTAH-UINTAH | Site: NBU 921-27L PAD | Rig Name No: MILES-GRAY 1/1 |
| Event: ABANDONMENT | Start Date: 9/13/2010 | End Date: 9/15/2010 |
| Active Datum: RKB @4,968.00ft (above Mean Sea Leve | | |
| UWI: NW/SW/0/9/S/21/E/27/0/0/6/PM/S/1,928.00/W/0/679.00/0/0 | | |

| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
|-----------|----------------|---------------|-------|------|----------|-----|--------------|---|
| 9/13/2010 | 7:00 - 7:30 | 0.50 | ABAND | 48 | | P | | SCAN TBG |
| | 7:30 - 7:30 | 0.00 | ABAND | 45 | | P | | MIRU, 1500# TBG, 2400# CSG, BLOW WELL DWN, KILL WELL WITH 110 BBLS BRINE, NDWH, NU BOP'S, PRESSURE TEST BOP'S TO 3000#, UNLAND TBG, RU PRS, SCAN TBG OOH.293 JTS TBG, 271 YB 8636.77', 22 JTS RED BAND TBG 701.14', SWIFN |
| 9/15/2010 | 7:00 - 7:30 | 0.50 | ABAND | 48 | | P | | TIH TBG |
| | 7:30 - 7:30 | 0.00 | ABAND | 51 | | P | | 1200# CSG , RU CUTTERS, RIH TO 7690', POOH PU CBP, RIH TO 7680' SET PLUG, POOH PU BAILER, BAIL 4 SX CEMENT ON TOP OF PLUG, POOH, RD CUTTERS, TIH TBG TO 4911', RU PRO PETRO, BREAK CIRC WITH TMAC, TEST CSG 500# 5 MIN, ALL CEMENT IS 1.145 YIELD, 15.8# DENISTY, PUMP 2.5 BBLS FRESH WATER, 6.1 BBLS, 34.5 CF CEMENT, DISPLACE WITH 1 BBL FRESH WATER, 16.4 BBLS TMAC, POOH LD TBG, CAP WELL, RDMO |

| | | |
|---|---|---|
| STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING | | FORM 9 |
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: ST UO 1194A |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | | 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES |
| 1. TYPE OF WELL Gas Well | 8. WELL NAME and NUMBER: NBU 921-27LT | |
| 2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. | 9. API NUMBER: 43047401740000 | |
| 3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 | PHONE NUMBER: 720 929-6515 Ext | 9. FIELD and POOL or WILDCAT: NATURAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1928 FSL 0679 FWL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NWSW Section: 27 Township: 09.0S Range: 21.0E Meridian: S | COUNTY: UINTAH | |
| | | STATE: UTAH |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | |
| TYPE OF SUBMISSION | TYPE OF ACTION | |
| <input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 4/5/2011 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date: | <input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER | |
| <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/> | | |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. | | |
| This previously temporarily abandoned well has returned to production. This well returned to production on 04/05/2011. Please see attached chronological well history. | | |
| Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY | | |
| NAME (PLEASE PRINT) Andy Lytle | PHONE NUMBER 720 929-6100 | TITLE Regulatory Analyst |
| SIGNATURE N/A | DATE 4/15/2011 | |

US ROCKIES REGION
Operation Summary Report

| Well: NBU 921-27LT | | Spud Conductor: 6/23/2009 | | Spud Date: 6/23/2009 | | | | |
|--|----------------|---|-------|--------------------------|----------|-----|--------------|---|
| Project: UTAH-UINTAH | | Site: NBU 921-27L PAD | | Rig Name No: SWABBCO 6/6 | | | | |
| Event: WELL WORK EXPENSE | | Start Date: 3/18/2011 | | End Date: 3/21/2011 | | | | |
| Active Datum: RKB @4,968.00ft (above Mean Sea Leve | | UWI: NW/SW/0/9/S/21/E/27/0/0/6/PM/S/1,928.00/W/0/679.00/0/0 | | | | | | |
| Date | Time Start-End | Duration (hr) | Phase | Code | Sub Code | P/U | MD From (ft) | Operation |
| 3/8/2011 | 14:00 - 16:00 | 2.00 | COMP | | | P | | NU WH. FILL IN AROUND WELLHEAD. |
| 3/18/2011 | 7:00 - 7:15 | 0.25 | REE | 48 | | P | | JSA= PU TUBING |
| | 7:15 - 17:00 | 9.75 | REE | 30 | | P | | MOVE IN SPOT EQUIP RU RIG ND WELLHEAD NU BOPS RU FLOOR & TUBING EQUIP PU POBS PKG TALLY & PU TUBING RIH TAG @ 4532' RU PWR SWVL EST CIRC C/O & DRILL CEM TO 4665' CIRC CLEAN PUH 30' SIW SDFW |
| 3/21/2011 | 7:00 - 7:15 | 0.25 | REE | 48 | | P | | JSA= PRESS CONTROL |
| | 7:15 - 19:00 | 11.75 | REE | 30 | | P | | 0 PSI ON WELL EOT @ 4665' EST CIRC CONTINUE TO DRILL CEM FELL THRU @ 4920' CIRC CLEAN CONTINUE TO RIH TAG CEM @ 7636' DRILL THRU 40' CEM & CBP @ 7672' GOT 1000# INCREASE FROM WELL CONTINUE TO RIH TAG W/ 314 JNTS EOT @ 9931' PUH LD 20 JNTS LAND TUBING ON HANGER W/ 294 JNTS OF L-80 TUBING EOT @ 9320.71' RD FLOOR & TUBING EQUIP ND BOPS NU WELLHEAD DROP BALL PUMP OFF BIT @ 2300 PSI SIW SDFN |