

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 ML 22649	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 922-321T	
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) 631971X 44275784 39.989968 AT SURFACE: 1719' FSL & 172' FEL LAT 39.990011 LON -109.454342 (NAD 27) AT PROPOSED PRODUCING ZONE: N/A -109.454239				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 9S 22E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 24.6 miles east of Ouray, Utah				12. COUNTY: Uintah	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 172'		16. NUMBER OF ACRES IN LEASE: 640		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: 9,000		20. BOND DESCRIPTION: RLB0005237	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4963'		22. APPROXIMATE DATE WORK WILL START: Upon Approval		23. ESTIMATED DURATION: 10 days	

24. **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#	2,070	Premium Cement	215 sx	1.18	15.6
					Premium Cement	50 sx	1.18	15.6
7 7/8"	4 1/2"	I-80	11.6#	9,000	Premium Lite II	430 sx	3.38	11.0
					50/50 Poz G	1430 sx	1.31	14.3

25. **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 *Kevin McIntyre* DATE 6/25/2008

(This space for State use only)

Approved by the Utah Division of Oil, Gas and Mining

RECEIVED JUN 27 2008
DIV OF OIL, GAS & MINING

API NUMBER ASSIGNED: 43-047-40180 APPROVAL: _____

Date: 09-02-08
(See Instructions on Reverse Side)
By: *[Signature]*

(11/2001)

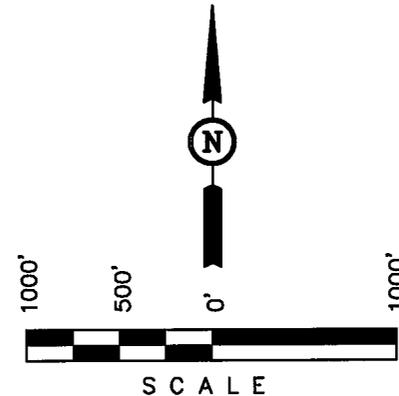
T9S, R22E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #922-32IT, located as shown in the NE 1/4 SE 1/4 of Section 32, T9S, R22E, S.L.B.&M., Uintah County, Utah.

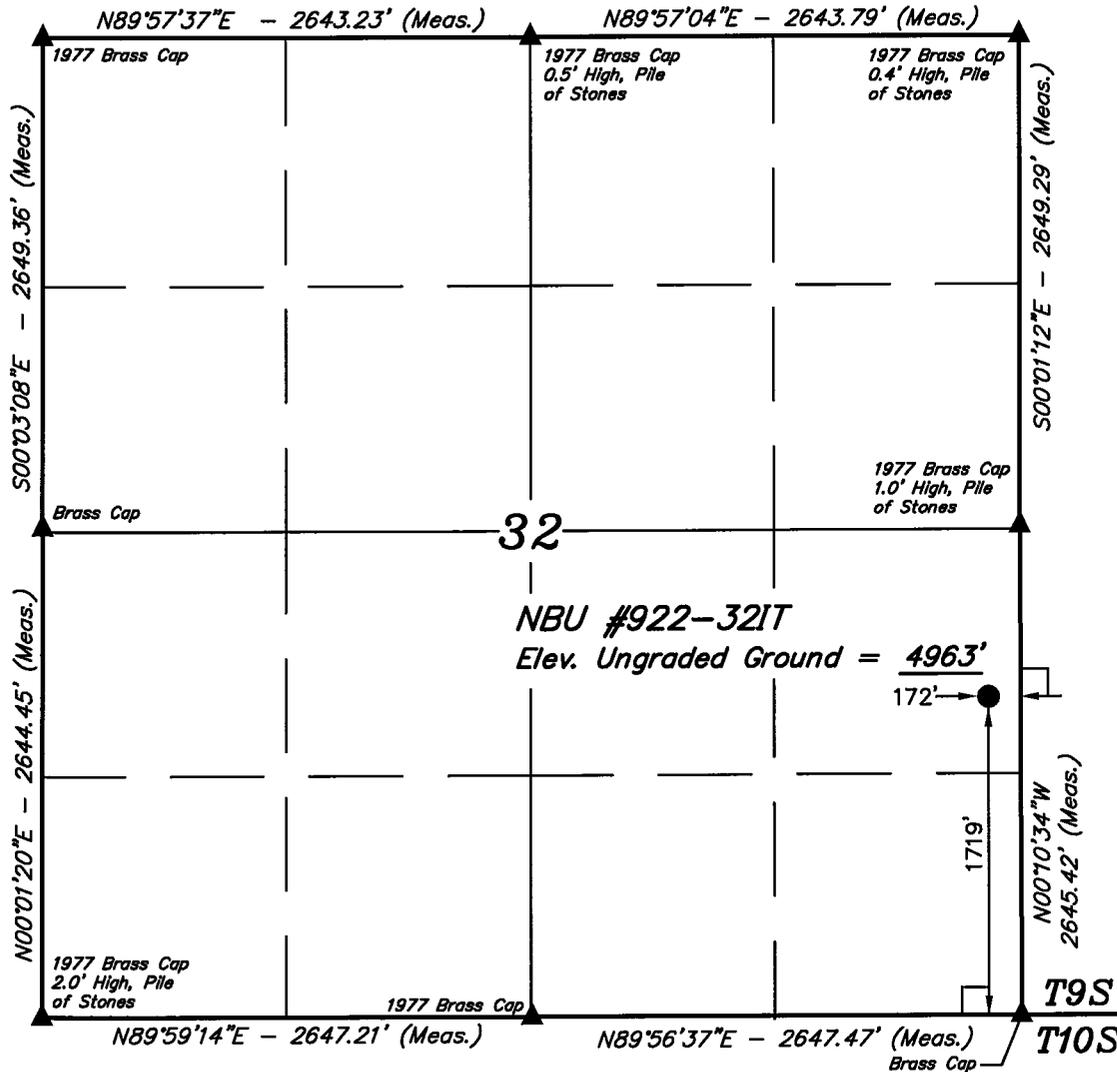
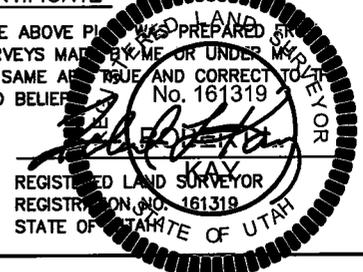
BASIS OF ELEVATION

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



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.



LEGEND:

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

(NAD 83)
 LATITUDE = 39°59'23.91" (39.989975)
 LONGITUDE = 109°27'18.09" (109.455025)
 (NAD 27)
 LATITUDE = 39°59'24.04" (39.990011)
 LONGITUDE = 109°27'15.63" (109.454342)

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

SCALE 1" = 1000'	DATE SURVEYED: 05-27-08	DATE DRAWN: 06-06-08
PARTY L.K. D.D. S.L.		REFERENCES G.L.O. PLAT
WEATHER COLD	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU 922-32IT
NESE Sec. 32, T9S,R22E
UINTAH COUNTY, UTAH
ST ML 22649**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1181'
Birds Nest	1514'
Mahogany	1993'
Wasatch	4393'
Mesaverde	6882'
MVU2	7775'
MVL1	8406'
TD	9000'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1181'
Water	Birds Nest	1514'
Water	Mahogany	1993'
Gas	Wasatch	4393'
Gas	Mesaverde	6882'
Gas	MVU2	7775'
Gas	MVL1	8406'
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 9000' TD, approximately equals 5580 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3600 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 blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

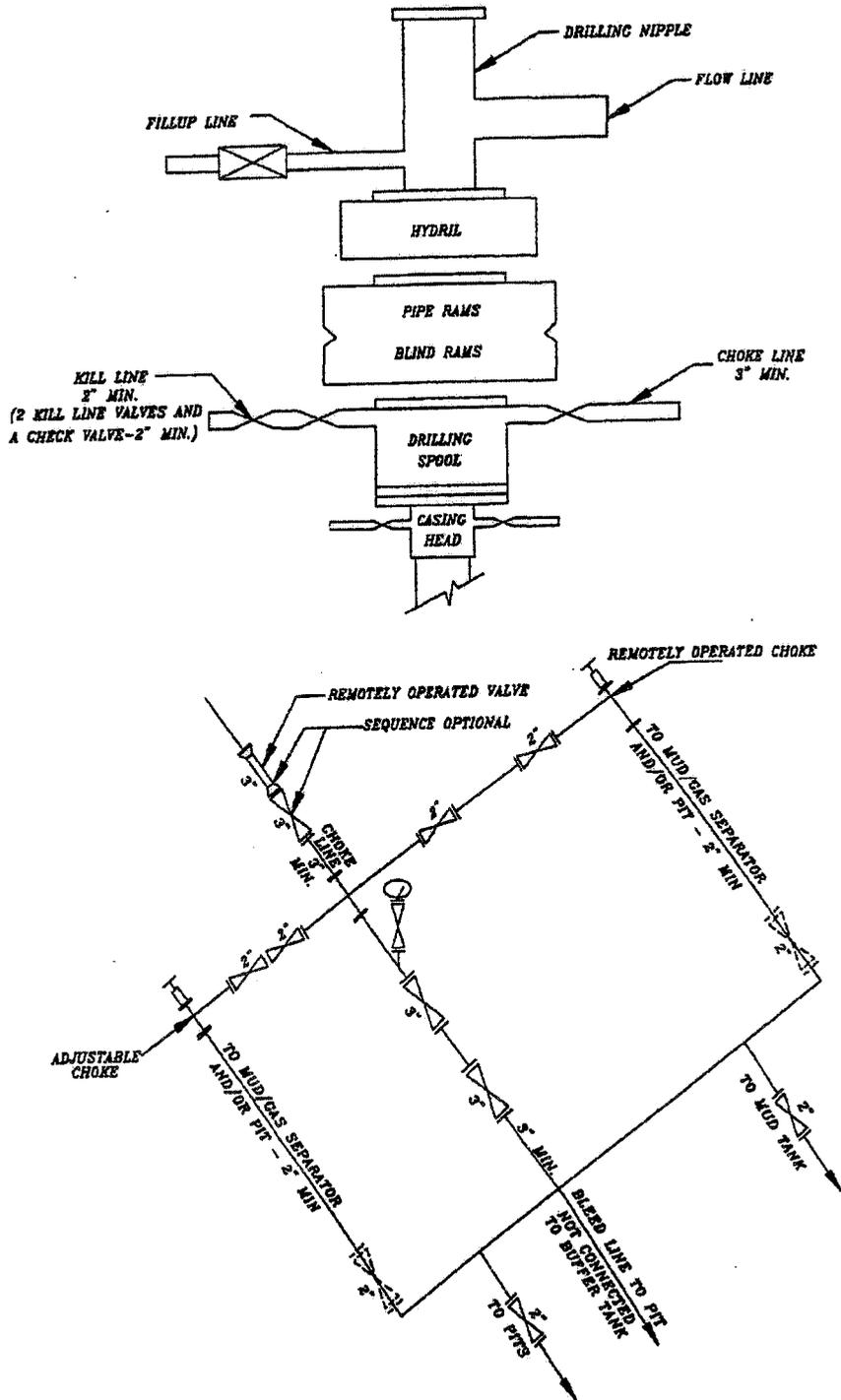
Conclusion

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 922-32IT
NESE Sec. 32, T9S, R22E
UINTAH COUNTY, UTAH
ST ML 22649

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 #282 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 #282 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

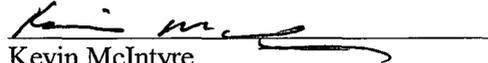
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				3520	2020	453000
SURFACE	9-5/8"	0 to 2070	36.00	J-55	LTC	0.99	2.09	7.74
PRODUCTION	4-1/2"	0 to 9000	11.60	I-80	LTC	2.20	1.15	2.21

- 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 3600 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)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE		NOTE: If well will circulate water to surface, option 2 will be utilized					
Option 2	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,890'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	430	60%	11.00	3.38
	TAIL	5,110'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1430	60%	14.30	1.31

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

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

DRILLING ENGINEER: _____
 Brad Laney

DATE: _____

DRILLING SUPERINTENDENT: _____
 Randy Bayne NBU 922-32IT.xls

DATE: _____

Kerr-McGee Oil & Gas Onshore LP
NBU #922-32IT
SECTION 32, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN 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 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE NBU #282 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.6 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #922-32IT

LOCATED IN UINTAH COUNTY, UTAH

SECTION 32, T9S, R22E, S.L.B.&M.

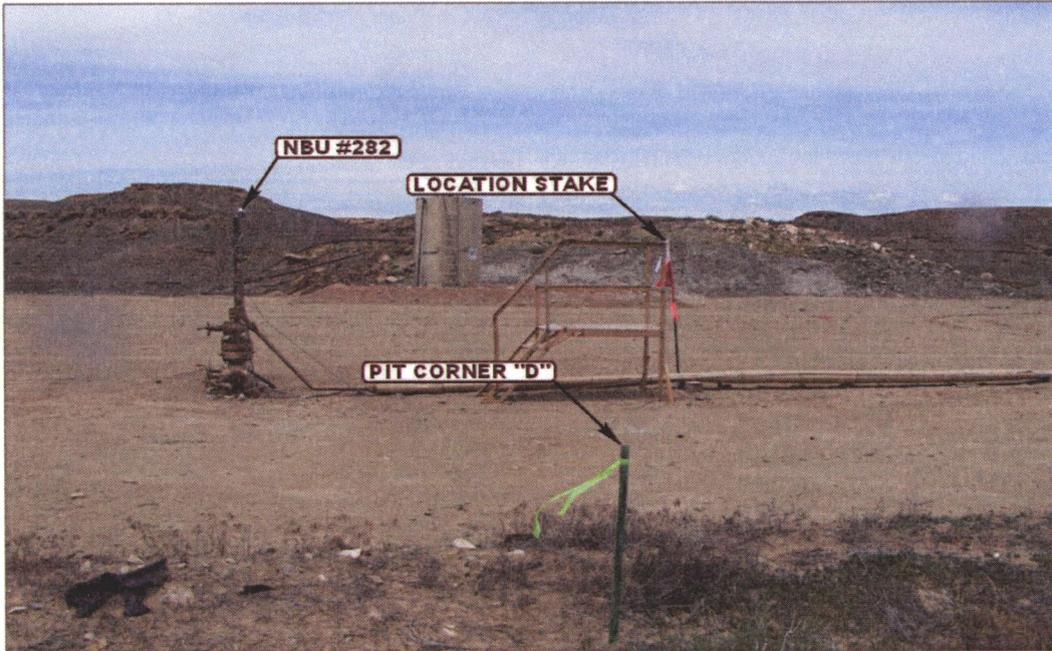


PHOTO: VIEW FROM PIT CORNER "D" TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

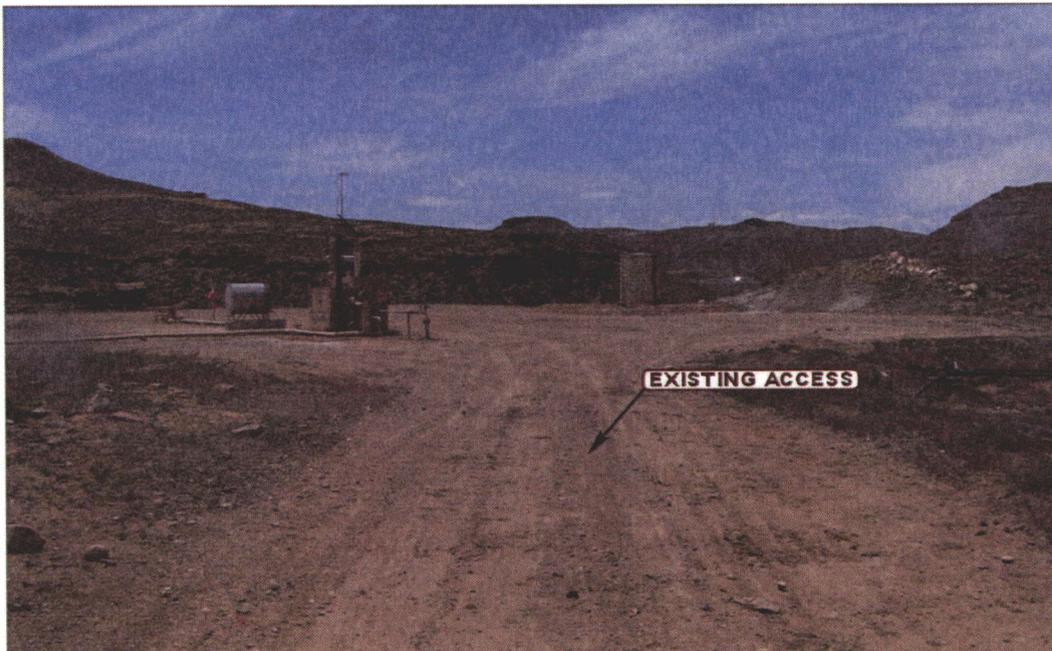


PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

06 12 08
MONTH DAY YEAR

PHOTO

TAKEN BY: L.K.

DRAWN BY: S.L.

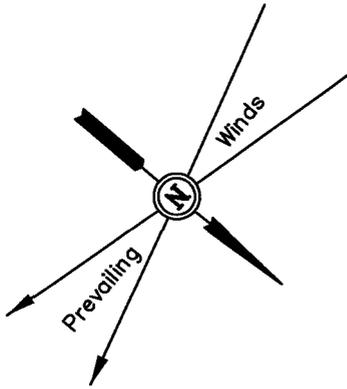
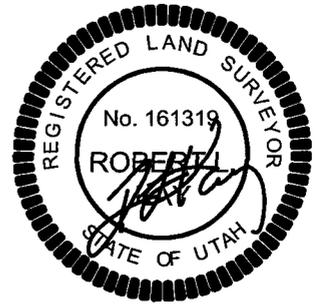
REVISED: 00-00-00

Kerr-McGee Oil & Gas Onshore LP

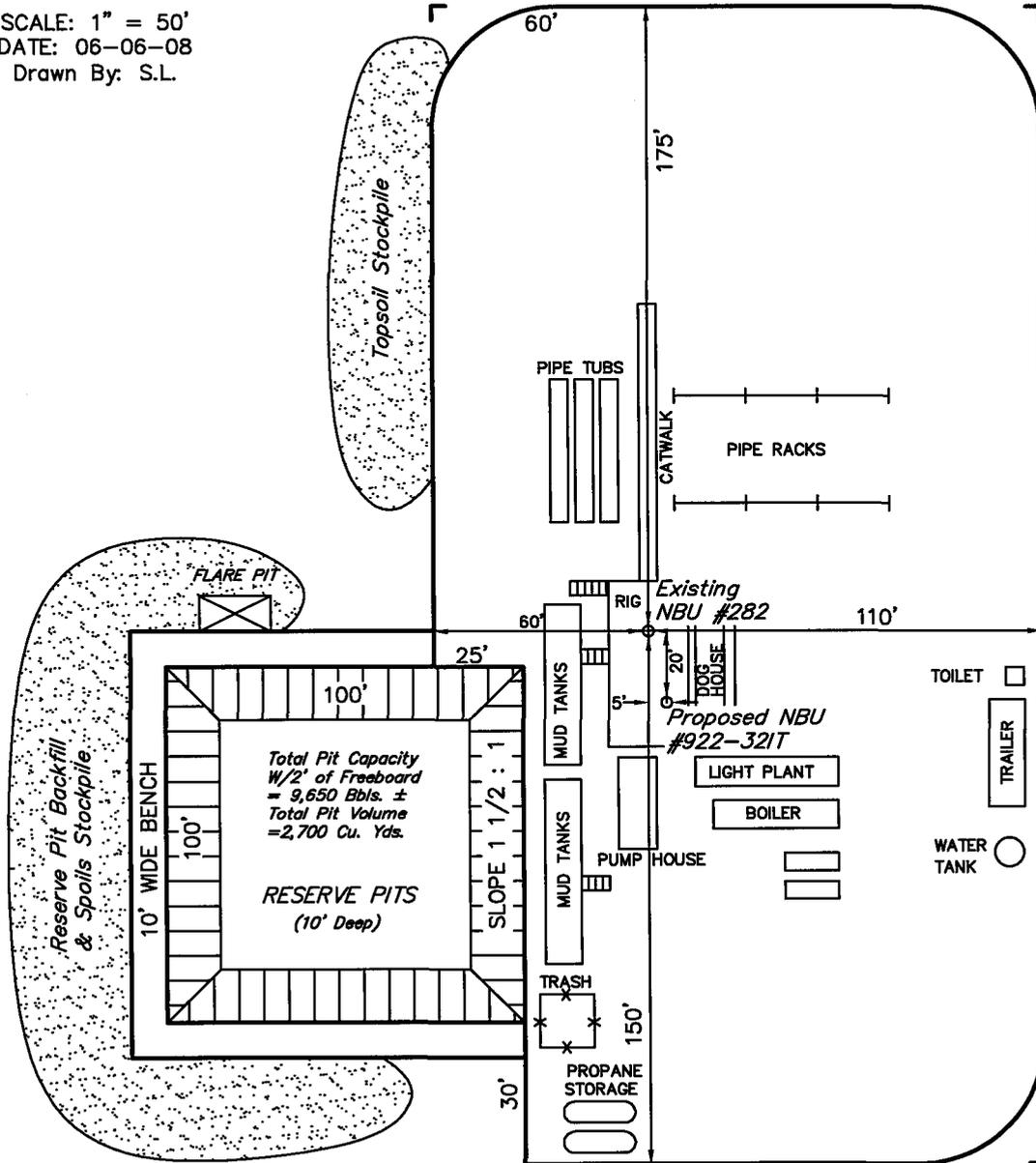
FIGURE #1

LOCATION LAYOUT FOR

NBU #922-32IT
SECTION 32, T9S, R22E, S.L.B.&M.
1719' FSL 172' FEL

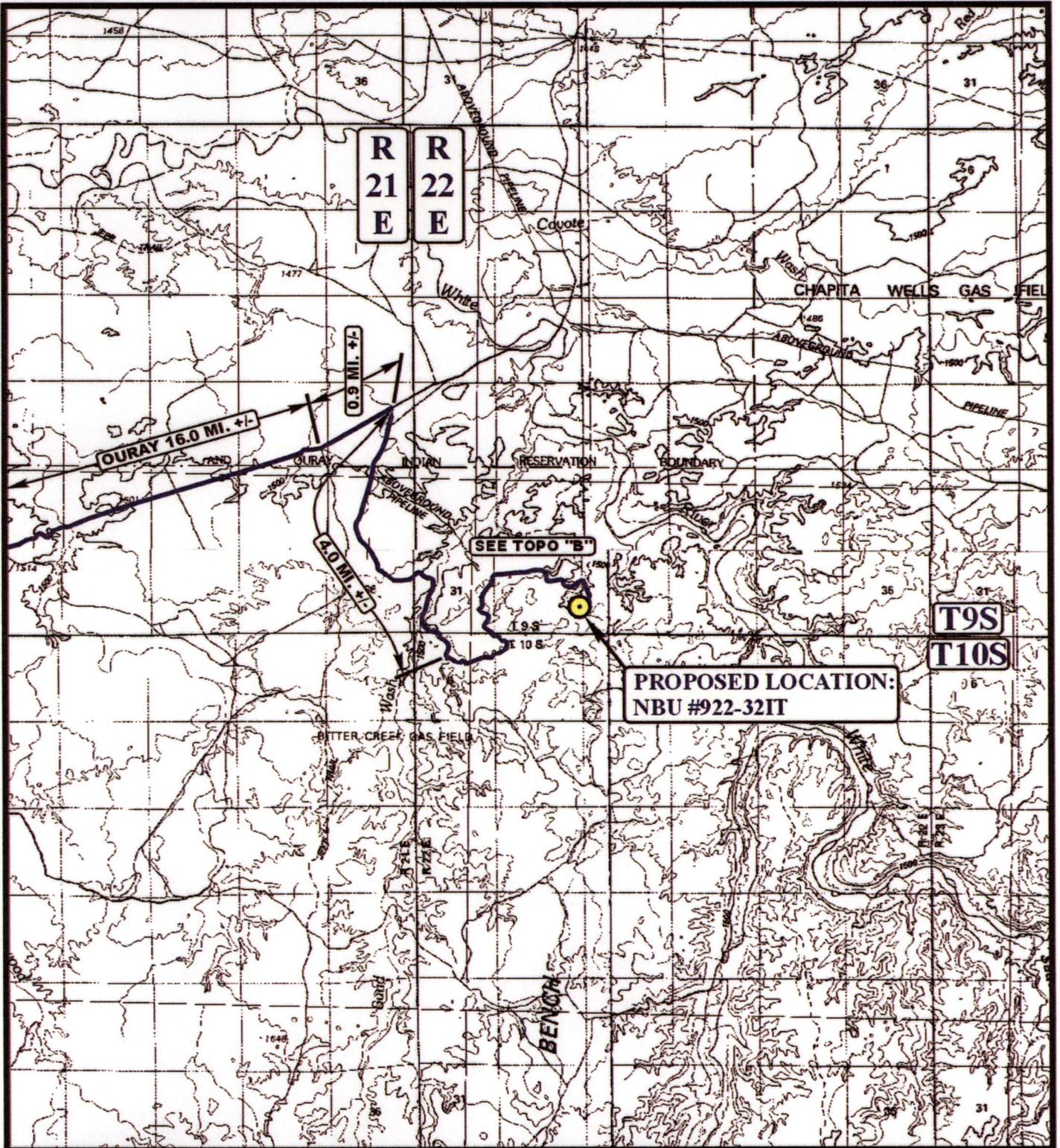


SCALE: 1" = 50'
 DATE: 06-06-08
 Drawn By: S.L.



NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4962.5'



LEGEND:

 PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

NBU #922-32IT

SECTION 32, T9S, R22E, S.L.B.&M.

1719' FSL 172' FEL



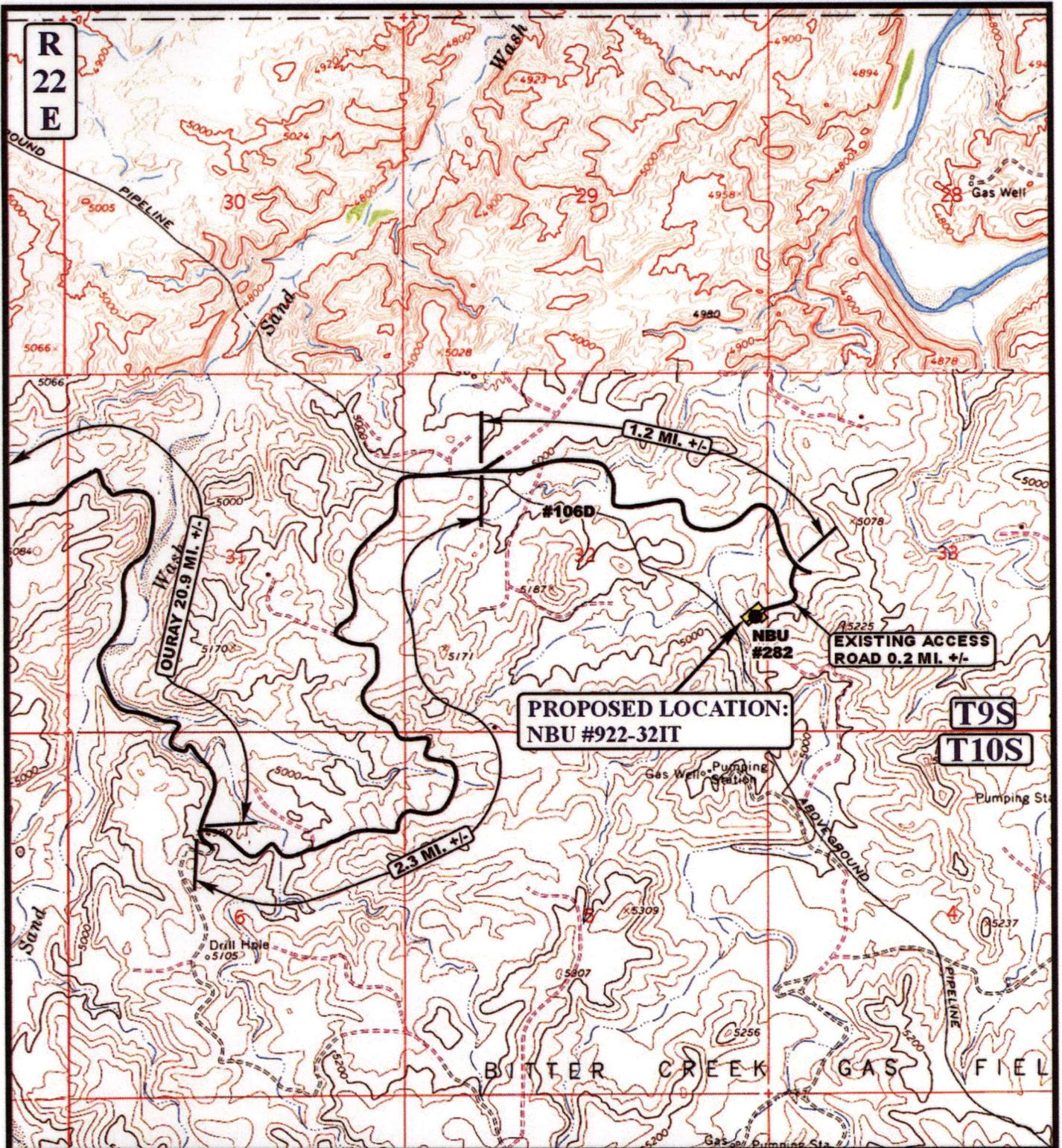
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

06	12	08
MONTH	DAY	YEAR

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





LEGEND:

————— EXISTING ROAD



Kerr-McGee Oil & Gas Onshore LP

NBU #922-32IT
SECTION 32, T9S, R22E, S.L.B.&M.
1719' FSL 172' FEL



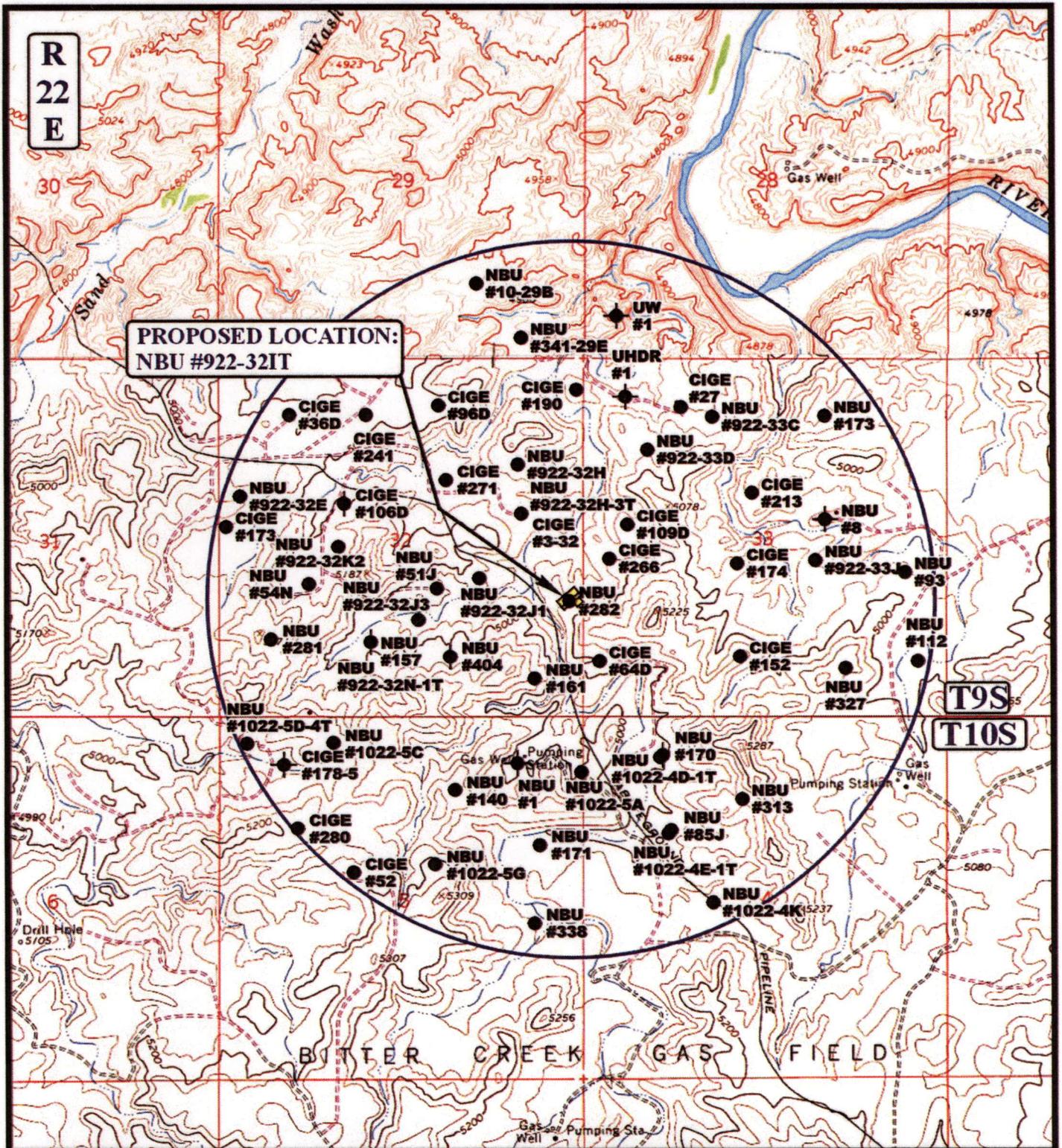
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

06 12 08
 MONTH DAY YEAR

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

B
TOPO



**PROPOSED LOCATION:
NBU #922-32IT**

LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- ◆ SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

Kerr-McGee Oil & Gas Onshore LP

NBU #922-32IT
SECTION 32, T9S, R22E, S.L.B.&M.
1719' FSL 172' FEL



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



TOPOGRAPHIC MAP

06 12 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: 43-047-40180

WELL NAME: NBU 922-32IT
 OPERATOR: KERR-MCGEE OIL & GAS (N2995)
 CONTACT: KEVIN MCINTYRE

PHONE NUMBER: 720-929-6226

PROPOSED LOCATION:

NESE 32 090S 220E
 SURFACE: 1719 FSL 0172 FEL
 BOTTOM: 1719 FSL 0172 FEL
 COUNTY: UINTAH
 LATITUDE: 39.98997 LONGITUDE: -109.4542
 UTM SURF EASTINGS: 631971 NORTHINGS: 4427578
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	8/28/08
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ST ML 22649
 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' B wldg & uncomm. Tract
- _____ R649-3-11. Directional Drill

COMMENTS: Needs Permit (06-18-08)

STIPULATIONS: 1- STATEMENT OF BASIS
2- OIL SHALE
3- Surface (cont step)

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
856	43-047-40180-00-00		GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, L.P.		Surface Owner-APD		
Well Name	NBU 922-32IT		Unit		
Field	UNDESIGNATED		Type of Work		
Location	NESE 32 9S 22E S 1719 FSL 172 FEL		GPS Coord (UTM) 631971E 4427578N		

Geologic Statement of Basis

Kerr McGee proposes to set 2,070' 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 3,500'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 32. 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. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole. 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 922-32IT gas well is on the existing location of the NBU 282 gas well. This well is planned to be plugged. A reserve pit 100' x 100' x 10' deep will be re-dug in the southeast 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

6/19/2008
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 922-32IT
API Number 43-047-40180-0 **APD No** 856 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NESE **Sec** 32 **Tw** 9S **Rng** 22E 1719 FSL 172 FEL
GPS Coord (UTM) 631964 4427579 **Surface Owner**

Participants

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

Regional/Local Setting & Topography

The proposed NBU 922-32IT gas well is on the existing location of the NBU 282 gas well. This well is planned to be plugged. A reserve pit 100' x 100' x 10' deep will be re-dug in the southeast 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 1 **Sensitivity Level**

Characteristics / Requirements

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

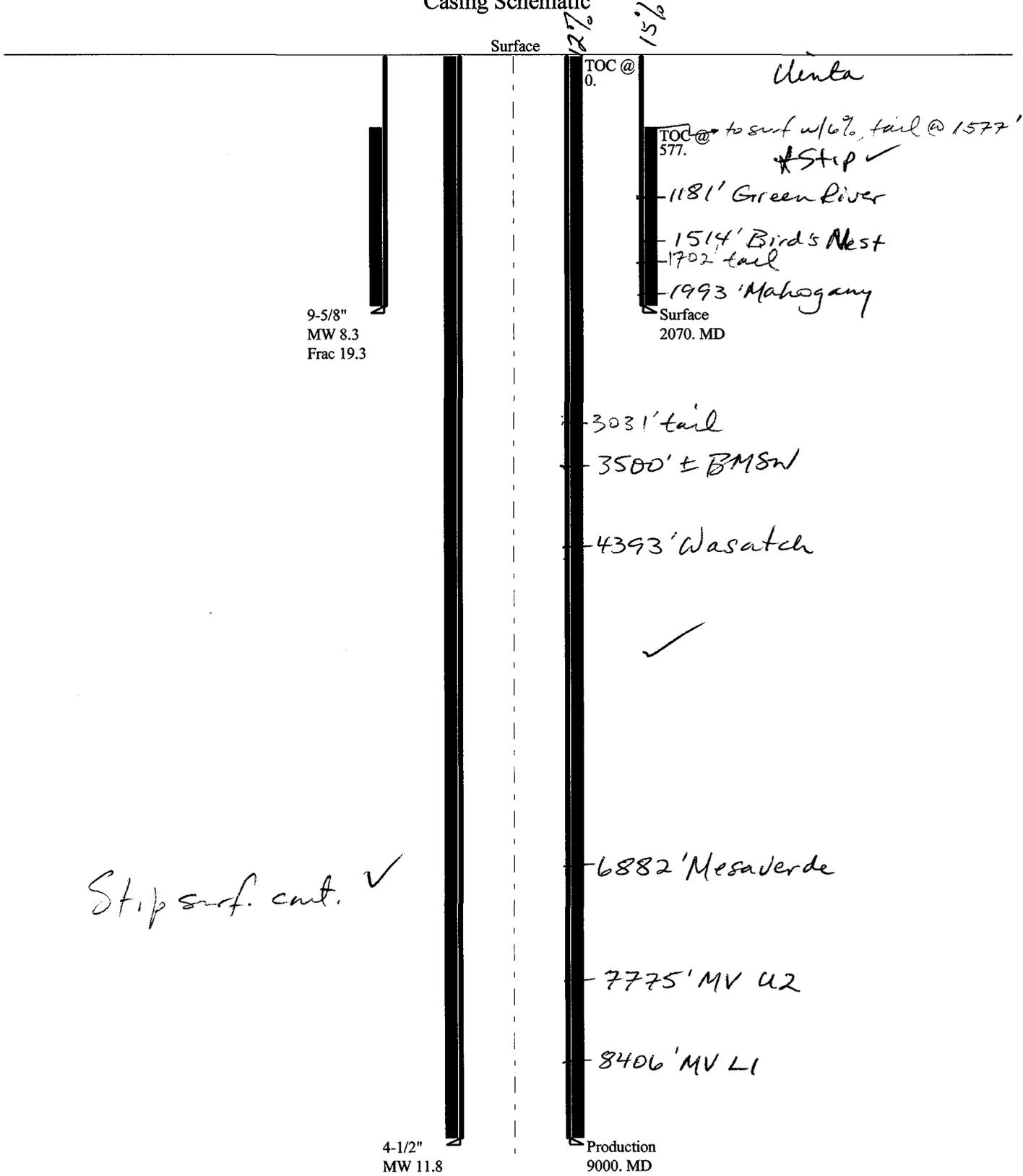
Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

Floyd Bartlett
Evaluator

6/19/2008
Date / Time

Casing Schematic



Well name:

43047401800000 NBU 922-32IT

Operator: Kerr McGee Oil & Gas Onshore L.P.

String type: Surface

Project ID:

43-047-40180-0000

Location: Uintah County, Utah

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 1,822 psi
Internal gradient: 0.120 psi/ft
Calculated BHP: 2,070 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: 1,815 ft

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 104 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 577 ft

Completion type is subs
Non-directional string.

Re subsequent strings:

Next setting depth: 9,000 ft
Next mud weight: 11.800 ppg
Next setting BHP: 5,517 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,070 ft
Injection pressure: 2,070 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 (ft³)
1	2070	9.625	36.00	J-55	LT&C	2070	2070	8.796	898.5
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	896	2020	2.255	2070	3520	1.70	65	453	6.93 J

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

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

Date: August 14, 2008
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2070 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:

43047401800000 NBU 922-32IT

Operator: **Kerr McGee Oil & Gas Onshore L.P.**

String type: Production

Project ID:

43-047-40180-0000

Location: Uintah County, Utah

Design parameters:

Collapse

Mud weight: 11.800 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 201 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft

Burst:

Design factor 1.00

Cement top: Surface

Burst

Max anticipated surface pressure: 3,537 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,517 psi

No backup mud specified.

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)

Completion type is subs
Non-directional string.

Tension is based on air weight.
Neutral point: 7,412 ft

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 (ft³)
1	9000	4.5	11.60	I-80	LT&C	9000	9000	3.875	785.4
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	5517	6360	1.153	5517	7780	1.41	104	212	2.03 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 9000 ft, a mud weight of 11.8 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.

BOPE REVIEW

Kerr-McGee NBU 922-32IT API 43-047-40180-0000

INPUT

Well Name	Kerr-McGee NBU 922-32IT API 43-047-40180-0000		
Casing Size (")	String 1	String 2	
Setting Depth (TVD)	9 5/8	4 1/2	
Previous Shoe Setting Depth (TVD)	2070	9000	
Max Mud Weight (ppg)	40	2070	
BOPE Proposed (psi)	8.4	11.6	
Casing Internal Yield (psi)	500	5000	
Operators Max Anticipated Pressure (psi)	3520	7780	
	5580	11.9 ppg	

Calculations	String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =	904	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	656	NO <i>ok.</i> Air Drill to surface shoe with diverter
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	449	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	458	NO <i>No expected pressures - Birds Nest LL possible</i>
Required Casing/BOPE Test Pressure		2070 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		40 psi	*Assumes 1psi/ft frac gradient

Calculations	String 2	4 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =	5429	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	4349	YES ✓
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	3449	YES
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	3904	NO <i>Reasonable</i>
Required Casing/BOPE Test Pressure		5000 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		2070 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; Whitney, Diana
Date: 8/13/2008 8:26 AM
Subject: Kerr Mc Gee Approvals

CC: Raleen.White@anadarko.com

The following wells have been granted SITLA approval, including arch and paleo clearance.

4304740180 S	NBU 922-32IT	Kerr-McGee Oil & Gas	Natural Buttes	NESE	32	090S	220E
4304740147 S	NBU 922-32AT	Kerr-McGee Oil & Gas	Natural Buttes	NENE	32	090S	220E
4304740116 S	NBU 922-32O1T	Kerr-McGee Oil & Gas	Natural Buttes	SWSE	32	090S	220E
4304740117 S	NBU 922-32MT	Kerr-McGee Oil & Gas	Natural Buttes	SWSW	32	090S	220E
4304740118 S	NBU 922-36NT	Kerr-McGee Oil & Gas	Natural Buttes	SESW	36	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 922-32IT Well, 1719' FSL, 172' FEL, NE SE, Sec. 32, T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40180.

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 922-32IT
API Number: 43-047-40180
Lease: ST ML 22649

Location: NE SE Sec. 32 T. 9 South R. 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

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.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

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

Well Name: NBU 922-32IT

Api No: 43-047-40180 Lease Type: STATE

Section 32 Township 09S Range 22E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

SPUDDED:

Date 10/31/08

Time 8:00 AM

How DRY

Drilling will Commence: _____

Reported by LEW WELDON

Telephone # (435) 828-7035

Date 11/03/08 Signed CHD

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

FORM 6

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740180	NBU 922-32IT		NESE	32	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>B</i>	99999	<i>2900</i>	10/31/2008		<i>11/10/08</i>		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 10/31/2008 AT 0800 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740134	NBU 922-31GT		SWNE	31	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>B</i>	99999	<i>2900</i>	10/30/2008		<i>11/10/08</i>		
Comments: MIRU PETE MARTIN BUCKET RIG. <i>MVRD = WSMVD</i> SPUD WELL LOCATION ON 10/30/2008 AT 1300 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

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

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

Title

Sheila Upchego
11/3/2008

Date

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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 ML 22649

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:
891008900A

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
NBU 922-32IT

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

9. API NUMBER:
4304740180

3. ADDRESS OF OPERATOR:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES UNIT

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1719' FSL, 172' FEL**

COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NESE 32 9S 22E**

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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WELL SPUD
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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 10/31/2008 AT 0800 HRS.

NAME (PLEASE PRINT) **SHEILA UPCHEGO**

TITLE **REGULATORY ANALYST**

SIGNATURE *Sheila Upchego me*

DATE **11/3/2008**

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DIV. OF OIL, GAS & MINING

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

FORM 9

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.

		5. LEASE DESIGNATION AND SERIAL NUMBER: ST ML 22649
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		8. WELL NAME and NUMBER: NBU 922-32IT
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		9. API NUMBER: 4304740180
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES FIELD
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1719' FSL, 172' FEL		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 9S 22E		STATE: UTAH

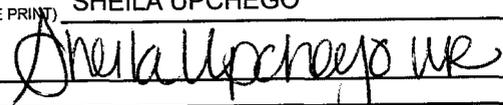
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>SET SURFACE CSG</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

MIRU PROPETRO AIR RIG ON 11/3/2008. DRILLED 12 1/4" SURFACE HOLE TO 2400'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/ 350 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/ 350 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 480 +/- BBL CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/ 100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK. TOP OUT S/ 175 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>REGULATORY ANALYST</u>
SIGNATURE 	DATE <u>11/10/2008</u>

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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 ML-22649
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:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____			7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP			8. WELL NAME and NUMBER: NBU 922-32IT
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	9. API NUMBER: 4304740180
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1719'FSL, 172'FEL			10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 9S, 22E			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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: FINAL DRILLING OPERATIONS
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

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

FINISHED DRILLING FROM 2400' TO 8915 ON 01/01/2009. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/400 SX PREM LITE II @9.3 PPG 8.45 YIELD. TAILED CMT W/1175 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/138 BBLS FINAL CIRC 2600 PSI FLOATS HELD. ND BOP TO SET MANUAL SLIPS CLEAN PITS PICKLE PUMPS AND LINES.

RELEASED PIONEER RIG 38 ON 01/03/2009 AT 1600 HRS

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE	DATE 1/5/2009

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JAN 12 2009
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 ML-22649

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME:
UNIT #891008900A

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
NBU 922-32IT

2. NAME OF OPERATOR:
KERR MCGEE OIL & GAS ONSHORE LP

9. API NUMBER:
4304740180

3. ADDRESS OF OPERATOR:
1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 781-7024

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1719'FSL, 172'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 9S, 22E

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 (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
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	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <u>PRODUCTION</u>
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<u>START-UP</u>

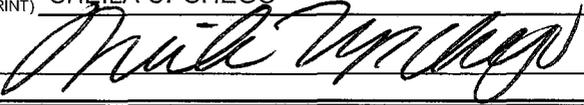
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 02/02/2009 AT 1:30 PM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE 

DATE 2/5/2009

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FEB 09 2009

DIV. OF OIL, GAS & MINING

ROCKIES

Operation Summary Report

Well: NBU 922-32IT		Spud Conductor: 10/31/2008		Spud Date: 11/3/2008	
Project: UTAH		Site: UINTAH		Rig Name No: PIONEER 38/38, PROPETRO/	
Event: DRILLING		Start Date: 11/3/2008		End Date: 1/5/2009	
Active Datum: RKB @4,979.00ft (above Mean Sea Level)		UWI: 0/9/S/22/E/32/0/NESE/6/PM/S/1,719.00/E/0/172.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
11/3/2008	16:30 - 0:00	7.50	DRLSUR	02		P		MOVE IN AND RIG UP AIR RIG SPUD WELL @ 1630 HR 11/3/08 DA AT REPORT TIME 510'
11/4/2008	0:00 - 12:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD NO WATER 1140'
	12:00 - 0:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD NO WATER 1290'
11/5/2008	0:00 - 12:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD NO WATER 1470'
	12:00 - 0:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD HIT TRONA WATER @ 1500' CIRCULATING WITH SKID PUMP 1620'
11/6/2008	0:00 - 12:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 1860' DA
	12:00 - 0:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 2160'
11/7/2008	0:00 - 12:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP 2290'
	12:00 - 20:00	8.00	DRLSUR	02		P		RIG T/D @ 2400' CONDITION HOLE 1 HR
	20:00 - 0:00	4.00	DRLSUR	05		P		TRIP DP OUT OF HOLE
11/8/2008	0:00 - 3:30	3.50	DRLSUR	11		P		RUN 2365' OF 9 5/8 CSG AND RIG DOWN AIR RIG
	3:30 - 4:30	1.00	DRLSUR	15		P		CEMENT 1ST STAGE WITH 350 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK NO RETURNS + - 480 PSI LIFT
	4:30 - 5:00	0.50	DRLSUR	15		P		1ST TOP JOB 100 SKS DOWN BS WOC
	5:00 - 7:00	2.00	DRLSUR	15		P		2ND TOP JOB 175 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	7:00 - 7:00	0.00	DRLSUR					NO VISIBLE LEAKS PIT 50% FULL WORT
12/20/2008	2:00 - 7:00	5.00	RDMO	01	E	P		PREP F/MOVE
	7:00 - 19:00	12.00	RDMO	01	A	P		MOVE FRONT YARD W/2-TRUCKS,CONT RDRT
	19:00 - 0:00	5.00	RDMO	12	D	P		SDFN
12/21/2008	0:00 - 6:00	6.00	MIRU	12	D	P		SDFN
	6:00 - 18:00	12.00	MIRU	01	A	P		MOVE W/RW JONES,8 TRUCKS 2-FORKLFTS
	18:00 - 0:00	6.00	MIRU	01	B	P		RURT
12/22/2008	0:00 - 19:00	19.00	MIRU	01	B	P		RURT,TEST EQUIPMENT
	19:00 - 22:00	3.00	PRPSPD	13	A	P		NUBOP,INSTALL FLARE LINES& IGNITOR
	22:00 - 0:00	2.00	PRPSPD	06	D	P		CUT & SLIP 130' DRLG LINE
12/23/2008	0:00 - 2:00	2.00	PRPSPD	06	D	P		CUT & SLIP DRLG LINE
	2:00 - 3:00	1.00	PRPSPD	13	C	P		TEST BOP
	3:00 - 6:00	3.00	PRPSPD	12	E	Z		WAIT ON QUIK TEST TO REPAIR TEST TRUCK
	6:00 - 11:00	5.00	PRPSPD	13	C	P		TEST CHOKE& RAMS 5K,CSG 1500,ANN FAILED
	11:00 - 18:00	7.00	PRPSPD	06	C	Z		REPLACE ANNULAR ELEMENT
	18:00 - 19:00	1.00	PRPSPD	13	C	P		RETEST ANNULAR 2.5K
	19:00 - 0:00	5.00	PRPSPD	05	A	P		R/U TESCO ,RU,P/U BHA & DRILL PIPE
12/24/2008	0:00 - 3:00	3.00	PRPSPD	05	A	P		P/U BHA DP,KELLY UP BREAK CIRC
	3:00 - 5:00	2.00	PRPSPD	02	F	P		INSTALL DRIVE BUSHING,DRILL CEMENT&FE
	5:00 - 5:30	0.50	DRLPRO	02	B	P		DRILL F/2416 TO 2428,,WT 9.1/32 VIS
	5:30 - 6:00	0.50	DRLPRO	09	B	P		SURVEY =.75 DEV 195 AZI 2348'
	6:00 - 8:00	2.00	DRLPRO	02	B	P		DRILL F/2428 TO 2568,AVG 70 WT 9.1/32
	8:00 - 9:00	1.00	DRLPRO	07	A	P		REPLACE OILER PUMP ON DRAWWORKS
	9:00 - 10:00	1.00	DRLPRO	02	B	P		DRILL F/2568 TO 2682,AVG 114 WT9.1/33
	10:00 - 10:30	0.50	DRLPRO	09	B	P		SURVEY@2602=1.5 AZI 178
	10:30 - 15:00	4.50	DRLPRO	02	B	P		DRILL F/2682 TO 2936,AVG 56 WT 9.2/33
	15:00 - 15:30	0.50	DRLPRO	09	B	P		SURVEY@2856=1.75 179 AZI

ROCKIES

Operation Summary Report

Well: NBU 922-32IT

Spud Conductor: 10/31/2008

Spud Date: 11/3/2008

Project: UTAH

Site: UINTAH

Rig Name No: PIONEER 38/38, PROPETRO/

Event: DRILLING

Start Date: 11/3/2008

End Date: 1/5/2009

Active Datum: RKB @4,979.00ft (above Mean Sea Level)

UWI: 0/9/S/22/E/32/0/NESE/6/PM/S/1,719.00/E/0/172.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
12/25/2008	15:30 - 0:00	8.50	DRLPRO	02	B	P		DRILL F/2936 TO 3445,AVG 62 WT 9.2/34
	0:00 - 1:30	1.50	DRLPRO	02	B	P		DRILL F/3381 -3445,AVG 43,WT 9.2/34
	1:30 - 2:00	0.50	DRLPRO	09	B	P		SURVEY@3365=1.9 AZI 154
	2:00 - 11:00	9.00	DRLPRO	02	B	P		DRILL F/3445 TO 3951,AVG 56 WT 9.4/36
	11:00 - 11:30	0.50	DRLPRO	09	B	P		SURVEY@3871=2.4 AZI 146
	11:30 - 13:00	1.50	DRLPRO	02	B	P		DRILL F/3951 TO 4078,AVG 85 WT 9.4/38
	13:00 - 13:30	0.50	DRLPRO	06	A	P		RIG SERVICE
	13:30 - 20:00	6.50	DRLPRO	02	B	P		DRILL F/4078 TO 4363,AVG 44 WT 9.5/38
	20:00 - 20:30	0.50	DRLPRO	09	B	P		SURVEY@4283=2.3 AZI 153
12/26/2008	20:30 - 0:00	3.50	DRLPRO	02	B	P		DRILL F/4363 TO 4490,AVG 36 WT 9.6/39
	0:00 - 10:00	10.00	DRLPRO	02	B	P		DRILL F/4490' TO 4873,AVG 40 WT 9.9/40
	10:00 - 10:30	0.50	DRLPRO	09	B	P		SURVEY@4793=
	10:30 - 16:00	5.50	DRLPRO	02	B	P		DRILL F/4873 TO 5064,AVG 36 WT 10/42
12/27/2008	16:00 - 16:30	0.50	DRLPRO	06	A	P		RIG SERVICE
	16:30 - 0:00	7.50	DRLPRO	02	B	P		DRILL F/5064 TO 5360,AVG 40 WT 10.1/42 3%
	0:00 - 0:30	0.50	DRLPRO	02	B	P		DRILL F/5360-5380,AVG 40 WT 10.1/44 3%LCM
	0:30 - 1:00	0.50	DRLPRO	09	B	P		SURVEY@5300=2.1 W/176 AZI
	1:00 - 15:30	14.50	DRLPRO	02	B	P		DRILL F/5380-5856,avg 35 WT 10.2/48
12/28/2008	15:30 - 16:00	0.50	DRLPRO	06	A	P		RIG SERVICE
	16:00 - 0:00	8.00	DRLPRO	02	B	P		DRILL F/5856 TO 6100,AVG 30 WT 10.1/44
	0:00 - 7:00	7.00	DRLPRO	02	B	P		DRILL F/6100 TO 6236,
	7:00 - 8:00	1.00	DRLPRO	04	C	P		CIRCULATEF/TRIP,THAW FILLUPLINE,PUMPPILL
	8:00 - 13:30	5.50	DRLPRO	05	A	P		,BLOW KELLY,TRIPOUT,L/D IBS,CHANGE MTR&BIT
12/29/2008	13:30 - 19:00	5.50	DRLPRO	05	A	P		TIH ,BREAK CIRC@2300',TIH
	19:00 - 0:00	5.00	DRLPRO	02	B	P		DRILL F/6230-6373,AVG 30 WT 10.1/42
	0:00 - 10:30	10.50	DRLPRO	02	B	P		DRILL F/6373 TO6768 ,AVG 38 ,WT 10.3/44
	10:30 - 11:00	0.50	DRLPRO	06	A	P		RIG SERVICE
	11:00 - 11:30	0.50	DRLPRO	09	B	P		SURVEY@6698'=2.7 154.4 AZI
12/30/2008	11:30 - 0:00	12.50	DRLPRO	02	B	P		DRILL F/6768 TO 7270 ,,,AVG 40,WT 10.8/44
	0:00 - 12:00	12.00	DRLPRO	02	B	P		DRILL F/7270 TO 7656,AVG 32,WT 11.0/47
	12:00 - 12:30	0.50	DRLPRO	06	A	P		RIG SERVICE
12/31/2008	12:30 - 13:00	0.50	DRLPRO	09	B	P		SURVEY@7586=2.1,,,153-AZI
	13:00 - 0:00	11.00	DRLPRO	02	B	P		DRILL F/7656 TO 8040,AVG 35 WT 11.5/44
	0:00 - 9:00	9.00	DRLPRO	02	B	P		DRILL F/8040 TO 8293,,AVG 28,WT 11.7/44
	9:00 - 15:00	6.00	DRLPRO	05	A	P		PUMPPILL,BLOW KELLY,TRIP OUT,L/D MTR&MONELDC
	15:00 - 21:00	6.00	DRLPRO	05	A	P		TIH W/BIT #3,NO PROBLEMS
1/1/2009	21:00 - 21:30	0.50	DRLPRO	03	D	P		WASH & REAM 94'TO BOTTOM,15' FLARE
	21:30 - 0:00	2.50	DRLPRO	02	B	P		DRILL F/8293 TO 8362,AVG28 WT 12.0/45
	0:00 - 15:30	15.50	DRLPRO	02	A	P		DRILL F/8362 TO TD 8915,AVG WT 12.2/50
	15:30 - 16:00	0.50	DRLPRO	06	A	P		RIG SERVICE
	16:00 - 17:00	1.00	DRLPRO	05	E	P		SHORTTRIP TO 8000',
1/2/2009	17:00 - 20:00	3.00	DRLPRO	04	C	P		CIRC & CONDITION F/LOGS,20' FLARE BTMS UP,,WT 12.3/55
	20:00 - 0:00	4.00	DRLPRO	05	B	P		PUMPPILL,BLOW KELLY,L/D DP F/LOGS
	0:00 - 7:00	7.00	DRLPRO	05	B	P		LDDP& BHA,BREAKKELLY,PULL WEARRING
	7:00 - 11:30	4.50	DRLPRO	08	A	P		R/U HALLIBURTON,TRIPLELOG(LOGGERS 8918 LOG UP TO 4700',PULL OUT ,TO RUN CSG,WELL STARTING TO BURP

ROCKIES

Operation Summary Report

Well: NBU 922-32IT

Spud Conductor: 10/31/2008

Spud Date: 11/3/2008

Project: UTAH

Site: UINTAH

Rig Name No: PIONEER 38/38, PROPETRO/

Event: DRILLING

Start Date: 11/3/2008

End Date: 1/5/2009

Active Datum: RKB @4,979.00ft (above Mean Sea Level)

UWI: 0/9/S/22/E/32/0/NESE/6/PM/S/1,719.00/E/0/172.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
	11:30 - 22:00	10.50	CSG	11	B	P		R/U TESCO RUN CSG TO 8881,CIRC EVERY 2000' TO BOTTOM
	22:00 - 0:00	2.00	CSG	04	E	P		CIRC OUT GAS F/CEMENT
1/3/2009	0:00 - 4:00	4.00	CSG	15	A	P		PUMP 400SX LEAD,1175 SXTAIL,DISPLACE 138 BBLS,FINAL CIRC PSI 2600,FLOATS HELD
	4:00 - 11:00	7.00	RDMO	13	A	S		ND BOP,TO SET MANUAL SLIPS
	11:00 - 16:00	5.00	RDMO	01	E	P		CLEAN PITS,PICKLE PUMPS& LINES
	16:00 - 0:00	8.00	RDMO	01	E	P		RELEASE RIG @1600 1/3/09,RDRT F/STACK
1/4/2009	0:00 - 7:00	7.00	RDMO	01	E	P		RDRT
	7:00 - 0:00	17.00	RDMO	01	A	P		TRUCK RIG TO VERNAL
1/5/2009	0:00 - 7:00	7.00	RDMO	01	A	P		SDFN
	7:00 - 18:00	11.00	RDMO	01	F	P		PICK DERRICK OFF,TRUCK TO VERNAL
	18:00 - 18:00	0.00	RDMO					

ROCKIES

Operation Summary Report

Well: NBU 922-32IT		Spud Conductor: 10/31/2008		Spud Date: 11/3/2008	
Project: UTAH		Site: UINTAH		Rig Name No: KEY 243/243	
Event: COMPLETION		Start Date: 1/22/2009		End Date:	
Active Datum: RKB @4,979.00ft (above Mean Sea Level)		UWI: 0/9/S/22/E/32/0/NESE/6/PM/S/1,719.00/E/0/172.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
1/23/2009	-							ROAD RIG FROM NBU 922-31GT TO NBU 922-32IT. MIRU SPOT EQUIP. N/D WELL HEAD, N/U BOPS, P/U 3 7/8 MILL, TALLEY & P/U PWR SWIVEL EST CIRC C/O TO 8860' CIRC HOLE CLEAN, POOH L/O 15 JNTS SWIFW.
1/24/2009	7:00 -							OPEN WELL 0# L/D 25 JNTS POOH STNDG BACK W/ JNTS. R/D TBG EQUIP. N/D BOPS, N/U FRAC VALVES MIRU B&C TESTERS P/T CSG WOULD NOT TEST. MIRU CUTTERS WIRE LINE P/U RIH W/ CIBP, SET @ 8852' (PBSD) P/T CSG & FRAC VALVES TO 7500# GOOD TEST PREP WELL FOR MON FRAC SWI
1/26/2009	7:00 -							MIRU WEATHERFORD FRAC & CUTTERS WIRELINE. P/U RIH W/ PERF GUN. PERM MESA VERDE 3 3/8 EXPEND, 23 GRM, 0.36" HOLE, 4SPF, 90 PH, 8816' - 8822' 24 HOLES, 8794' - 8798' 16 HOLES (24 HOLES) WEATHERFORD BROKE DN SWIFN.
1/27/2009	9:10 -							OPEN WELL FRAC STG #1 MESAVERDE 8794' - 8822' STG# 1) WHP=1400#, INJT PSI=4120#, INJT RT=41.1, ISIP=2668# FG=.75, PMP'D 2714.9 BBLS SLK ATR W/ 55000# 30/50 MESH W/5000# RESIN COAT IN TAIL. ISIP=2912#, FG=.77, AR=43.7, AP=4355#, MR=44.3, MP=5629#, NPI=244# 40/40 CALC PERFS OPEN STG # 2) OPEN WELL @ 1:20 PROBLEMS W/ WEATHERFORD EQUIP.) P/U RIH W/ BKR 8K CBP & PERF GUN, SET CBP @ 8586'. PERF MESAVERDE USING 3 3/8 EXPEND, 23 GRM, 0.36" HOLE, 3 SPF, 120 PH, 8548' - 8556' 24 HOLES 8444' * 8448' 12 HOLES, 8368' - 8370' 6 HOLES (42 HOLES). WHP=100, BRK DN PERFS @ 2481#, INJT PSI=4500#, INJT RT=50.5 ISIP=1643#, FG=.64, PUMP'D 3656.4 BBLS SLK WTR W/66000# 30/50 MESH W/5000# RESIN COAT IN TAIL. ISIP=2913#, FG=.79, AR=4.33, AP=4342#, MR=50.5, MP=5627#, NPI=1270#, 28/40 CALC PERFS OPEN. STG# 3) P/U RIH W/ BRK 8K CBP & PERF GUN. SET CBP @ 8264' PERF MESAVERDE USING 3 3/8 EXPEND, 23 GRM, 0.36" HOLE, 8230' - 8234' 4 SPF, 90 PH, 16 HOLES, 8170' - 8176' 3 SPF, 120 PH, 6 HOLES (40 HOLES) WHP=1650#, BRK DN PERFS @ 3477#, INJT PSI=4545# INJT RT=51.2 ISIP=1941#, FG=.68, PUMP'D 4278.5 BBLS SLK WTR W/153928# 30/50 MESH W/5077# RESIN COAT IN TAIL. ISIP=2778#, FG=.78 AR=50.7, AP=4213#, MR=57.8, MP=6619#, NPI=837#, 31/40 CALC PERFS OPEN.

ROCKIES

Operation Summary Report

Well: NBU 922-32IT		Spud Conductor: 10/31/2008		Spud Date: 11/3/2008	
Project: UTAH		Site: UINTAH		Rig Name No: KEY 243/243	
Event: COMPLETION		Start Date: 1/22/2009		End Date:	
Active Datum: RKB @4,979.00ft (above Mean Sea Level)		UWI: 0/9/S/22/E/32/0/NESE/6/PM/S/1,719.00/E/0/172.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode2	P/U	MD From (ft)	Operation
1/28/2009	-							<p>STG# 4) OPEN WELL P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 8064'. PERF MESAVERDE USING 3 3/8 EXPEND, 23 GRM, 0.36" HOLE, 3 SPF, 120 PH, 8230' - 8234' 16 HOLES, 8170' - 8176' 18 HOLES, 8136' - 8138' 6 HOLES. (42 HOLES)</p> <p>WHP=120#, BRK DN PERFS @ 3118, INJT PSI = 4480#, INJT RT=42.5, ISIP=2282#, FG=.73, PUMP'D 2644.8 BBLS SLK WTR W/121803# 30/50 MESH W/5230# RESIN COAT IN TAIL. ISIP=2524#, FG=.76, AR=49.2, AP=4113#, MR=54.1, MP=5003#, NPI=242#, 36/42 CALC PERFS OPEN.</p> <p>STG# 5) P/U RIH W/ BKR 8K CBP & PERF GUN. SET CBP @ 7592', PERF MESAVERDE USING 3 3/8 EXPEND, 23 GRM, .036" HOLE, 4 SPF, 90 PH, 7555' - 7562' 28 HOLES, 7457' - 7460' 12 HOLES (40 HOLES)</p> <p>WHP=660#, BRK DN PERFS @ 3907#, INJT PSI= ,INJT RT=, ISIP = 1806#, FG=.68, PUMP'D 2183.5 BBLS SLK WTR W/ 78861# 30/50 MESH/5133# RESIN COAT IN TAIL. ISIP = 2193#, FG=.74, AR = 51.8, AP = 3569#, MR = 54.3, MP=4401#, NPI = 387#, 37/40 CALC PERFS OPEN.</p> <p>STG# 6) P/U RIH W/BKR 8K CBP & PERF GUN SET CBP @ 7206', PERF MESAVERDE USING 3 3/8 EXPEND, 23 GRM, 0.36" HOLE, 4 SPF, 90 PH, 7172' - 7176' 16 HOLES, 7140' - 7142' 8 HOLES, 7073' - 7077' 16 HOLES (40 HOLES).</p> <p>WHP=0#, BRK DN PERFS @ 3591#, INJT PSI=4280#, INJT RT=54.1, ISIP-1841#, FG=.70, ISIP=2180, AR=53.8, AP=3984#, MR=54.5. MP=5356#, NPI=339#, 35/40 CALC PERFS OPEN.</p>
1/30/2009	7:00 -			33	A			<p>STG# 7)</p> <p>7 AM FLBK REPORT: CP 2100#, TP 2000#, 20/64" CK, 80 BWPH, 1 CUP SAND, - GAS TTL BBLS RECOVERED: 2300 BBLS LEFT TO RECOVER: 14887</p>
1/31/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 2600#, TP 2200#, 20/64" CK, 40 BWPH, 1/4 CUP SAND, - GAS TTL BBLS RECOVERED: 3595 BBLS LEFT TO RECOVER: 13592</p>
2/1/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 2400#, TP 2200#, 20/64" CK, 35 BWPH, - SAND, - GAS TTL BBLS RECOVERED: 4470 BBLS LEFT TO RECOVER: 12717</p>
2/2/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 3100#, TP 2250#, 20/64" CK, 30 BWPH, - SAND, - GAS TTL BBLS RECOVERED: 5235 BBLS LEFT TO RECOVER: 11952</p>
	13:30 -		PROD					<p>WELL TURNED TO SALES @ 1330 HRO N 2/2/09 - FTP 2425#, CP 3120#, CK 18/64", 1400 MCFD, 600 BWPD</p>

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 ML-22649
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 UNIT #891008900A
3. ADDRESS OF OPERATOR: 1368 S 1200 E CITY VERNAL STATE UT ZIP 84078		8. WELL NAME and NUMBER: NBU 922-321T
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1719'FSL, 172'FEL AT TOP PRODUCING INTERVAL REPORTED BELOW: AT TOTAL DEPTH:		9. API NUMBER: 4304740180
10. FIELD AND POOL, OR WILDCAT NATURAL BUTTES		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 32 9S, 22E
12. COUNTY UINTAH		13. STATE UTAH

14. DATE SPUDED: 10/31/2008	15. DATE T.D. REACHED: 1/1/2009	16. DATE COMPLETED: 2/2/2009	ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>	17. ELEVATIONS (DF, RKB, RT, GL): 4963'GL
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18. TOTAL DEPTH: MD 8,915 TVD	19. PLUG BACK T.D.: MD 8,852 TVD	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-CCL-GR SD, DSN, ACTR	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)
--	---

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	34		2,400		625			
7 7/8"	4 1/2 I-80	11.4		8,915		1575			

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	8,338							

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS	
(A) MESAVERDE	6,860	8,822			6,860 8,822	0.36	284	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"/>

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6860'-8822'	PMP 17,188 BBLS SLICK H2O & 668,066# 30/50 OTTOWA SD

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: _____	30. WELL STATUS: PROD
--	---------------------------------

RECEIVED

MAR 05 2009

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 2/2/2009		TEST DATE: 2/8/2009		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 20	GAS - MCF: 2,379	WATER - BBL: 467	PROD. METHOD: FLOWING
CHOKE SIZE: 18/64	TBG. PRESS. 783	CSG. PRESS. 2,603	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 20	GAS - MCF: 2,379	WATER - BBL: 467	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	1,134				
BIRDS NEST	1,513				
MAHOGANY	1,998				
WASATCH	4,402	6,644			
MESAVERDE	6,843	8,856			

35. ADDITIONAL REMARKS (Include plugging procedure)

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

NAME (PLEASE PRINT) SHEILA UPCHEGO

TITLE REGULATORY ANALYST

SIGNATURE 

DATE 3/3/2009

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- 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