

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 23609	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: Unit 891008900A	
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP			9. WELL NAME and NUMBER: NBU 1022-07B2DS	
3. ADDRESS OF OPERATOR: P.O. Box 173779 Denver Colorado 80217-3779			10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 630255 x 44253444 39.970112-109.474777 226' FNL & 674' FEL LAT 39.970133 LON -109.474808 (NAD 27) AT PROPOSED PRODUCING ZONE: 629902 x 44252474 39.969294 -109.478929 NWNE 531' FNL & 1838' FEL, Sec. 7, T 10S R 22E			11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE Sec. 7 T 10 S - R 22 E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 22.5 miles southeast of Ouray, Utah			12. COUNTY: Uintah	13. STATE UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 226'	16. NUMBER OF ACRES IN LEASE: 294.22	17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 10		
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) 500'	19. PROPOSED DEPTH: 9200 TVD 9464 MD	20. BOND DESCRIPTION: RLB0005237		
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5245' GR	22. APPROXIMATE DATE WORK WILL START: ASAP	23. ESTIMATED DURATION: 10 days		

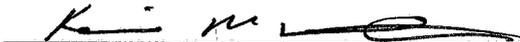
24. PROPOSED CASING AND CEMENTING PROGRAM

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#	2200'	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#	9200'	Premium Lite II	379 sx	3.38	11.0
			50/50 Poz G	1310 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  DATE July 15, 2008

(This space for State use only)

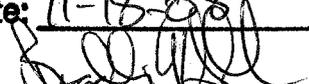
API NUMBER ASSIGNED: 43047-40249

**Approved by the
Utah Division of
Oil, Gas and Mining**

**RECEIVED
JUL 22 2008**

APPROVAL:

Date: 11-18-08

By: 

DIV. OF OIL, GAS & MINING

T10S, R22E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

Well location, NBU #1022-7B2DS, located as shown in the NE 1/4 NE 1/4 of Section 7, T10S, R22E, S.L.B.&M. Uintah County, Utah.

1977 Brass Cap 1.5'
Above 1' High Pile of
Stones, Steel Post Next
To Cap and Steel Post
S.L.Y.

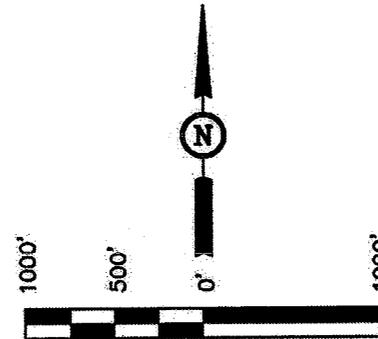
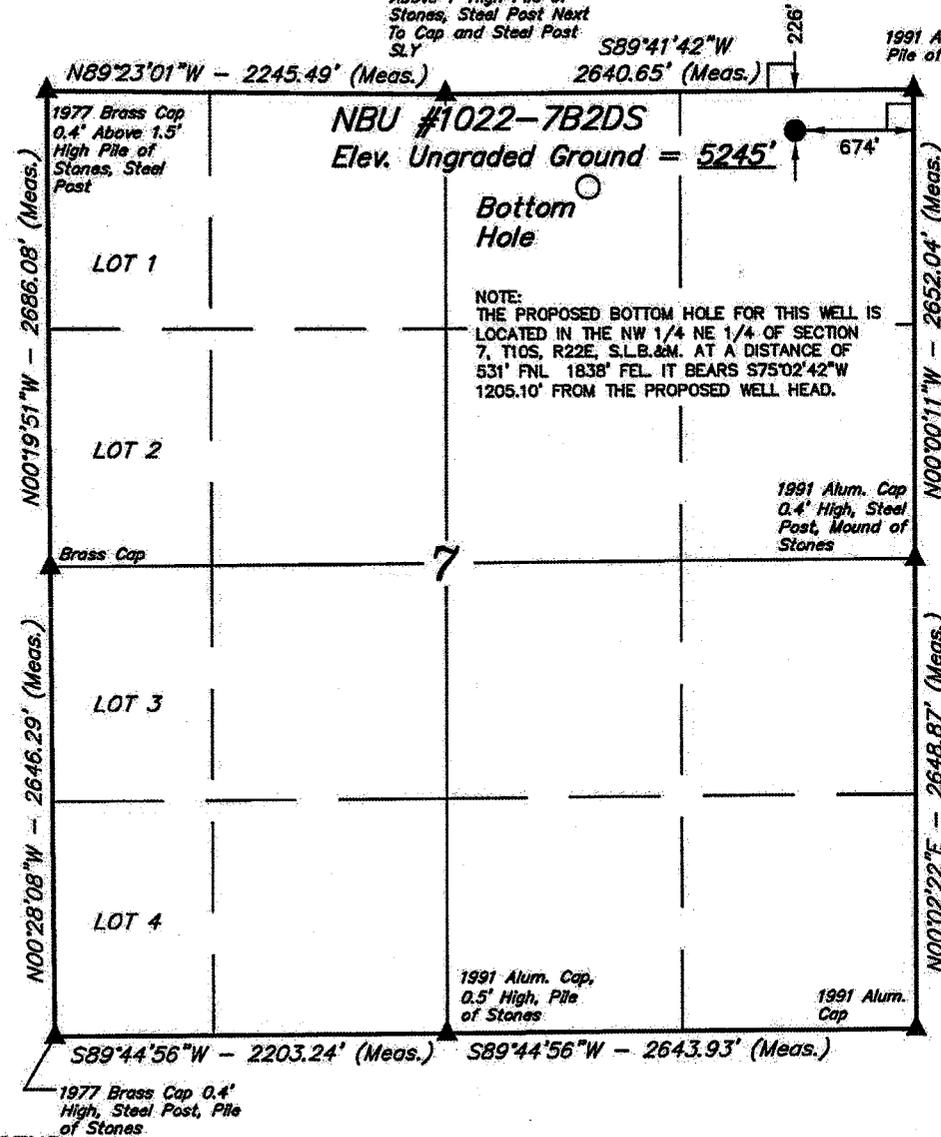
1991 Alum. Cap
Pile of Stones

BASIS OF ELEVATION

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

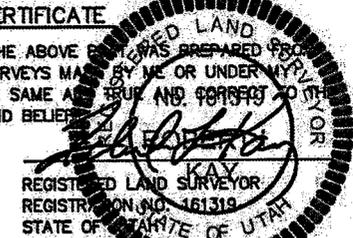
BASIS OF BEARINGS

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



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE SURVEY WAS PREPARED 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 (TARGET BOTTOM HOLE)	NAD 83 (SURFACE LOCATION)
LATITUDE = 39°58'09.28" (39.969244)	LATITUDE = 39°58'12.36" (39.970100)
LONGITUDE = 109°28'46.72" (109.479644)	LONGITUDE = 109°28'31.77" (109.475492)
NAD 27 (TARGET BOTTOM HOLE)	NAD 27 (SURFACE LOCATION)
LATITUDE = 39°58'09.41" (39.969281)	LATITUDE = 39°58'12.48" (39.970133)
LONGITUDE = 109°28'44.25" (109.478958)	LONGITUDE = 109°28'29.31" (109.474808)

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 05-29-08	DATE DRAWN: 06-17-08
PARTY L.K. D.D. S.L.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU 1022-07B2DS
NENE Sec. 7, T10S,R22E
UINTAH COUNTY, UTAH
ST ML 23609**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1313'
Birds Nest	1663'
Mahogany	2128'
Wasatch	4546'
Mesaverde	7124'
MVU2	8005'
MVL1	8624'
TVD	9200'
TD	9464'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1313'
Water	Birds Nest	1663'
Water	Mahogany	2128'
Gas	Wasatch	4546'
Gas	Mesaverde	7124'
Gas	MVU2	8005'
Gas	MVL1	8624'
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 9200' TD, approximately equals 5704 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3680 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.

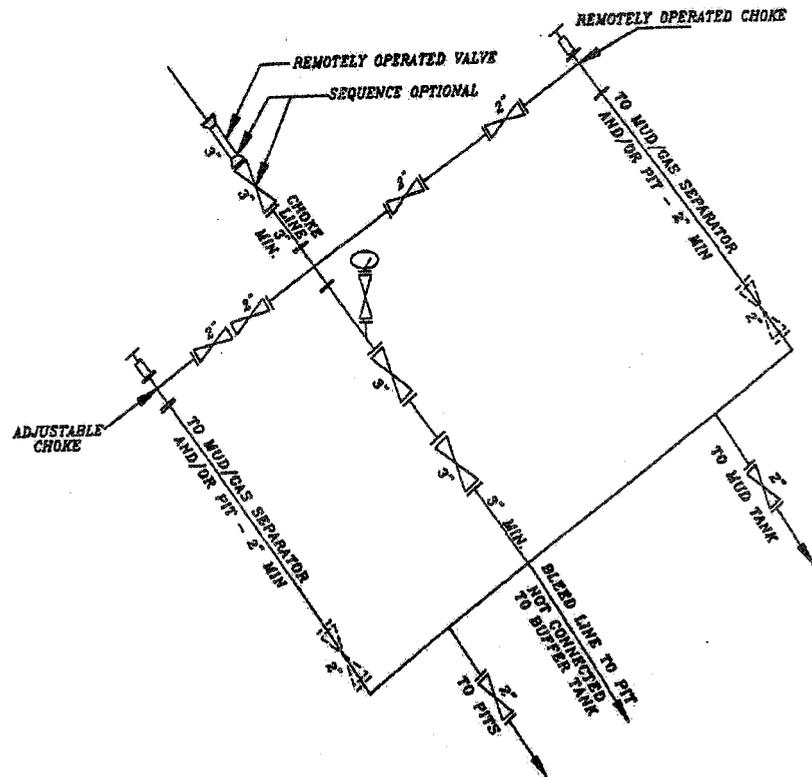
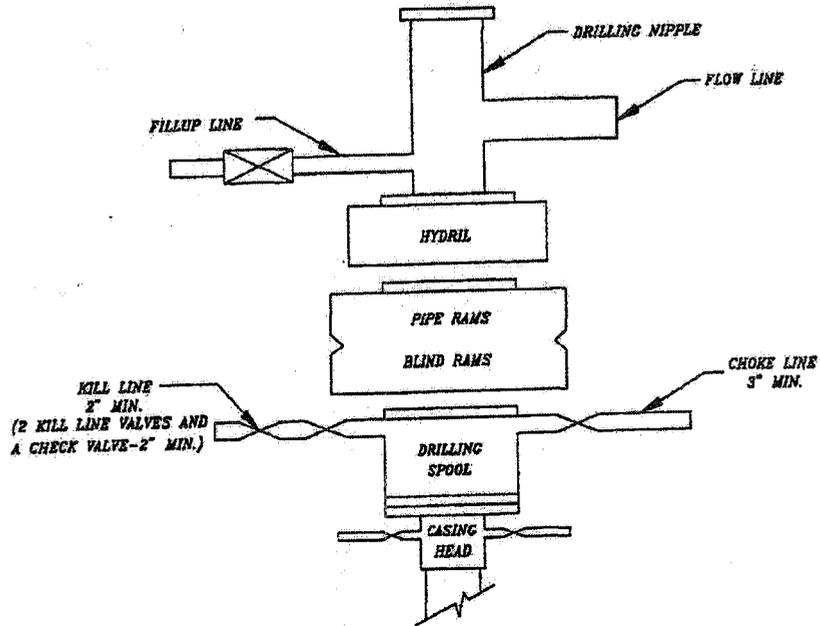
Conclusion

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 1022-07B2DS
NENE SEC. 7, T10S, R22E
UINTAH COUNTY, UTAH
ST ML 23609**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

Directional Drilling:

In accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, this well will be directionally drilled in order to access portions of our lease which are otherwise inaccessible due to topography.

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.

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

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 0.2 mi. +/- of new access road is proposed. Please refer to the attached Topo Map B.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

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.

The access road was centerline flagged during time of staking.

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.

Approximately 1481' of 4" pipeline is proposed. Refer to Topo D for the proposed pipeline.

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, 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 will be submitted when report becomes available.

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
P.O. 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.

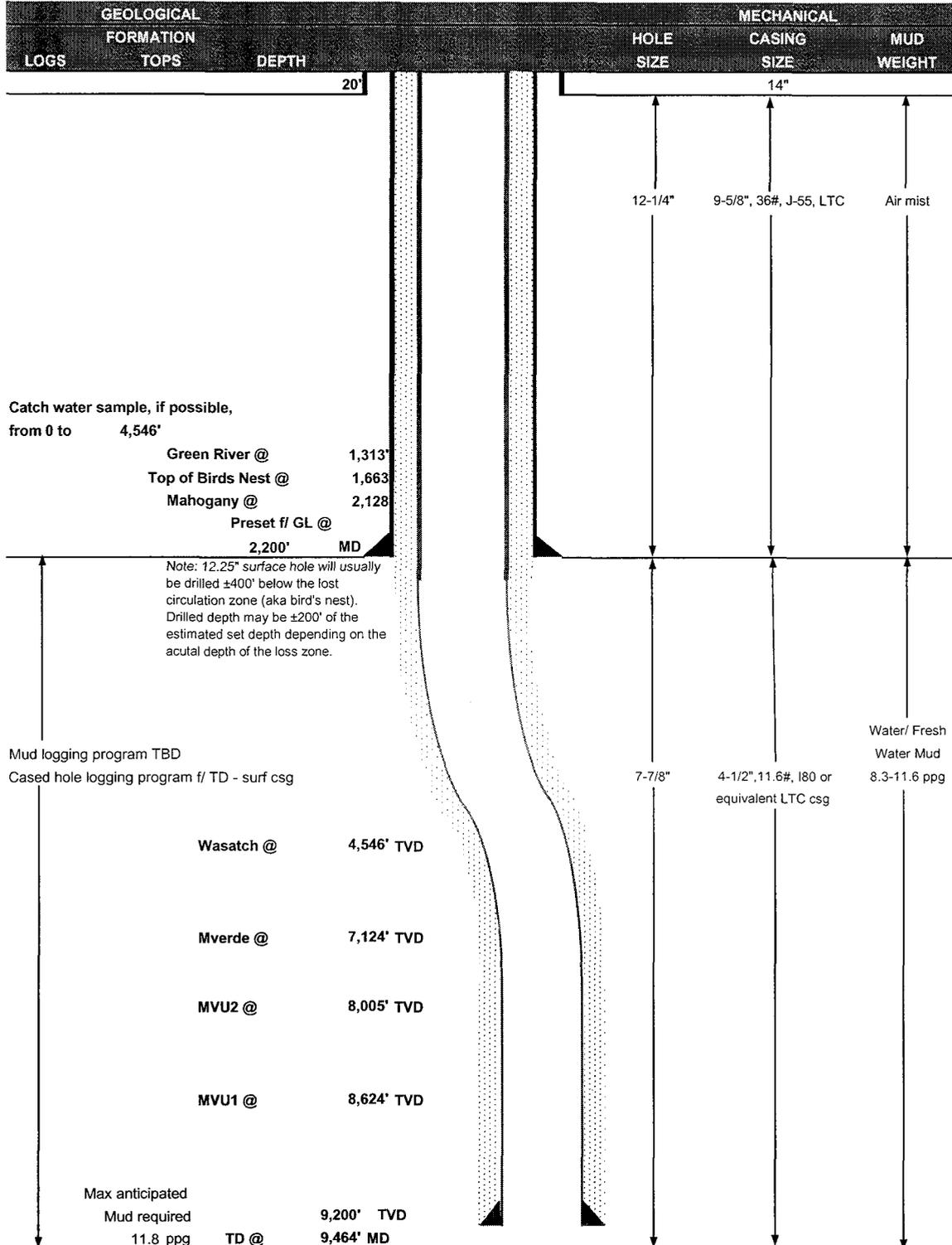

Kevin McIntyre

7/15/2008
Date



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	July 15, 2008	
WELL NAME	NBU 1022-07B2DS		TD	9,200'	TVD 9,464' MD
FIELD	Natural Buttes	COUNTY	Uintah	STATE	Utah
		ELEVATION	5,245' GL KB 5,260'		
SURFACE LOCATION	NENE 226' FNL & 674' FEL, Sec. 7, T 10S R 22E				
	Latitude:	39.970133	Longitude:	-109.474808	NAD 27
BTM HOLE LOCATION	NWNE 531' FNL & 1838' FEL, Sec. 7, T 10S R 22E				
	Latitude:	39.969281	Longitude:	-109.478958	NAD 27
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM (MINERALS AND SURFACE), BLM, Tri-County Health Dept.				





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

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				3520	2020	453000
SURFACE	9-5/8"	0 to 2200	36.00	J-55	LTC	0.97	1.96	7.28
PRODUCTION	4-1/2"	0 to 9200	11.60	I-80	LTC	2.15	1.12	201000

- 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 3680 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	65/35 Poz + 6% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOW	360	35%	12.60	1.81
	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	4,044'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	390	40%	11.00	3.38
	TAIL	5,420'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1330	40%	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 System for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____ **DATE:** _____
 Brad Laney

DRILLING SUPERINTENDENT: _____ **DATE:** _____
 Randy Bayne



Weatherford[®]

Drilling Services

Proposal



ANADARKO - KERR McGEE

NBU 1022 7B2DS

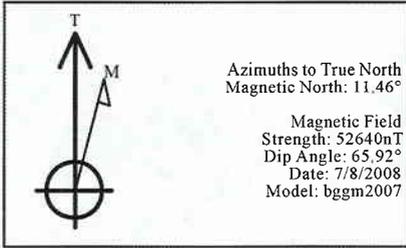
UINTAH COUNTY, UTAH

WELL FILE: PLAN 1

JULY 8, 2008

Weatherford International, Ltd.

15710 John F. Kennedy Blvd
Houston, Texas 77032 USA
+1.281.260.1300 Main
+1.281.260.4730 Fax
www.weatherford.com



SECTION DETAILS										
Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	255.05	0.00	0.00	0.00	0.00	0.00	0.00	
2	2260.00	0.00	255.05	2260.00	0.00	0.00	0.00	0.00	0.00	
3	3260.00	30.00	255.05	3214.93	-66.01	-247.21	3.00	255.05	255.87	
4	4388.38	30.00	255.05	4192.13	-211.57	-792.30	0.00	0.00	820.06	
5	5888.38	0.00	255.05	5624.53	-310.60	-1163.11	2.00	180.00	1203.87	
6	9463.85	0.00	255.05	9200.00	-310.60	-1163.11	0.00	0.00	1203.87	PBHL 7B2DS

KB = 5261
GR = 5243

WELL DETAILS							
Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
7B2DS	43.51	-42.04	602591.96	2567541.46	39°58'12.480N	109°28'29.310W	N/A

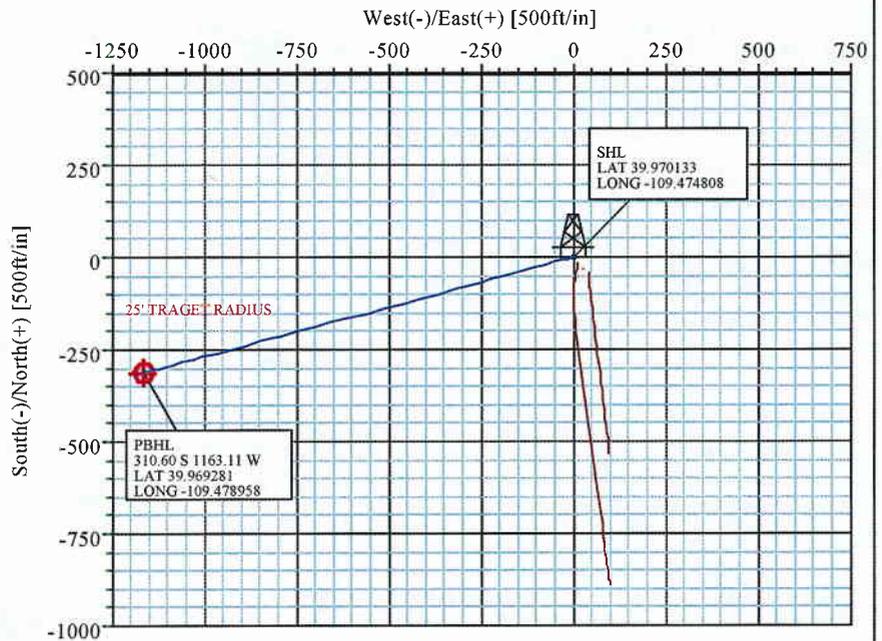
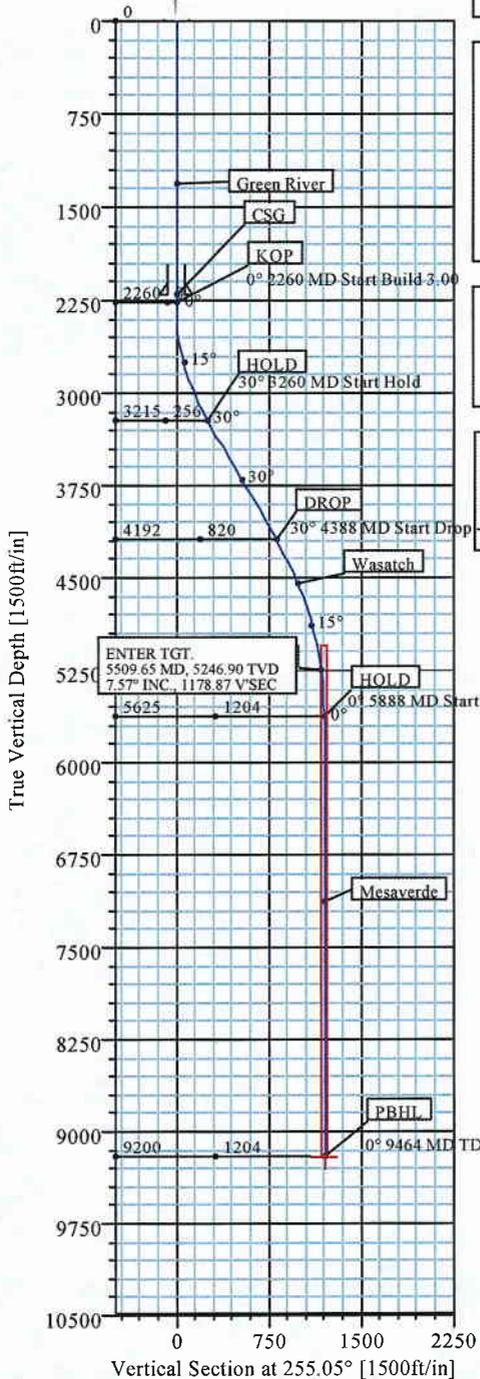
FORMATION TOP DETAILS				
No.	TVDPath	MDPath	Formation	
1	1313.00	1313.00	Green River	
2	4546.00	4782.60	Wasatch	
3	7124.00	7387.85	Mesaverde	

FIELD DETAILS
 UTAH COUNTY, UTAH (NAD 27)
 Geodetic System: US State Plane Coordinate System 1927
 Ellipsoid: NAD27 (Clarke 1866)
 Zone: Utah, Central Zone
 Magnetic Model: bggm2007
 System Datum: Mean Sea Level
 Local North: True North

CASING DETAILS				
No.	TVD	MD	Name	Size
1	2200.00	2200.00	CSG	0.00

LEGEND
 7A4BS (1)
 7A4CS (1)
 7AT (1)
 Plan #1

TARGET DETAILS							
Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape	
PBHL 7B2DS	9200.00	-310.60	-1163.11	39°58'09.410N	109°28'44.250W	Circle (Radius: 25)	





Weatherford WELL PLAN REPORT



Company: Anadarko-Kerr-McGee	Date: 7/8/2008	Time: 14:40:25	Page: 1
Field: UINTAH COUNTY, UTAH (NAD 27)	Co-ordinate(NE) Reference: Well: 7B2DS, True North		
Site: NBU 1022-7A PAD	Vertical (TVD) Reference: SITE 5261.0		
Well: 7B2DS	Section (VS) Reference: Well (0.00N,0.00E,255.05Azi)		
Wellpath: 1	Survey Calculation Method: Minimum Curvature	Db: Sybase	

Plan: Plan #1	Date Composed: 7/8/2008
Principal: Yes	Version: 1
	Tied-to: From Surface

Field: UINTAH COUNTY, UTAH (NAD 27)	
Map System: US State Plane Coordinate System 1927	Map Zone: Utah, Central Zone
Geo Datum: NAD27 (Clarke 1866)	Coordinate System: Well Centre
Sys Datum: Mean Sea Level	Geomagnetic Model: bggm2007

Site: NBU 1022-7A PAD			
Site Position:	Northing: 602549.42 ft	Latitude: 39 58 12.050 N	
From: Geographic	Easting: 2567584.48 ft	Longitude: 109 28 28.770 W	
Position Uncertainty: 0.00 ft		North Reference: True	
Ground Level: 5243.00 ft		Grid Convergence: 1.30 deg	

Well: 7B2DS		Slot Name:	
Well Position: +N/-S 43.51 ft	Northing: 602591.96 ft	Latitude: 39 58 12.480 N	
+E/-W -42.04 ft	Easting: 2567541.46 ft	Longitude: 109 28 29.310 W	
Position Uncertainty: 0.00 ft			

Wellpath: 1		Drilled From: Surface
Current Datum: SITE	Height 5261.00 ft	Tie-on Depth: 0.00 ft
Magnetic Data: 7/8/2008		Above System Datum: Mean Sea Level
Field Strength: 52640 nT		Declination: 11.46 deg
Vertical Section: Depth From (TVD)	+N/-S	Mag Dip Angle: 65.92 deg
ft	ft	+E/-W
		ft
0.00	0.00	0.00
		Direction
		deg
		255.05

Plan Section Information										
MD	Incl	Azim	TVD	+N/-S	+E/-W	DLS	Build	Turn	TFO	Target
ft	deg	deg	ft	ft	ft	deg/100ft	deg/100ft	deg/100ft	deg	
0.00	0.00	255.05	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2260.00	0.00	255.05	2260.00	0.00	0.00	0.00	0.00	0.00	0.00	
3260.00	30.00	255.05	3214.93	-66.01	-247.21	3.00	3.00	0.00	255.05	
4388.38	30.00	255.05	4192.13	-211.57	-792.30	0.00	0.00	0.00	0.00	
5888.38	0.00	255.05	5624.53	-310.60	-1163.11	2.00	-2.00	0.00	180.00	
9463.85	0.00	255.05	9200.00	-310.60	-1163.11	0.00	0.00	0.00	0.00	PBHL 7B2DS

Survey										
MD	Incl	Azim	TVD	N/S	E/W	VS	DLS	Build	Turn	Comment
ft	deg	deg	ft	ft	ft	ft	deg/100ft	deg/100ft	deg/100ft	
2200.00	0.00	255.05	2200.00	0.00	0.00	0.00	0.00	0.00	0.00	CSG
2260.00	0.00	255.05	2260.00	0.00	0.00	0.00	0.00	0.00	0.00	KOP
2300.00	1.20	255.05	2300.00	-0.11	-0.40	0.42	3.00	3.00	0.00	
2400.00	4.20	255.05	2399.87	-1.32	-4.96	5.13	3.00	3.00	0.00	
2500.00	7.20	255.05	2499.37	-3.89	-14.55	15.06	3.00	3.00	0.00	
2600.00	10.20	255.05	2598.21	-7.79	-29.16	30.18	3.00	3.00	0.00	
2700.00	13.20	255.05	2696.12	-13.02	-48.75	50.46	3.00	3.00	0.00	
2800.00	16.20	255.05	2792.83	-19.56	-73.27	75.83	3.00	3.00	0.00	
2900.00	19.20	255.05	2888.09	-27.41	-102.64	106.23	3.00	3.00	0.00	
3000.00	22.20	255.05	2981.62	-36.53	-136.78	141.58	3.00	3.00	0.00	
3100.00	25.20	255.05	3073.18	-46.90	-175.61	181.77	3.00	3.00	0.00	
3200.00	28.20	255.05	3162.51	-58.49	-219.02	226.69	3.00	3.00	0.00	
3260.00	30.00	255.05	3214.93	-66.01	-247.21	255.87	3.00	3.00	0.00	HOLD
3300.00	30.00	255.05	3249.57	-71.17	-266.53	275.87	0.00	0.00	0.00	
3400.00	30.00	255.05	3336.17	-84.07	-314.84	325.87	0.00	0.00	0.00	

Company: Anadarko-Kerr-McGee	Date: 7/8/2008	Time: 14:40:25	Page: 2
Field: Uintah County, Utah (NAD 27)	Co-ordinate(NE) Reference: Well: 7B2DS, True North		
Site: NBU 1022-7A PAD	Vertical (TVD) Reference: SITE 5261.0		
Well: 7B2DS	Section (VS) Reference: Well (0.00N,0.00E,255.05Azi)		
Wellpath: 1	Survey Calculation Method: Minimum Curvature	Db: Sybase	

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Comment
3500.00	30.00	255.05	3422.78	-96.97	-363.15	375.87	0.00	0.00	0.00	
3600.00	30.00	255.05	3509.38	-109.87	-411.45	425.87	0.00	0.00	0.00	
3700.00	30.00	255.05	3595.98	-122.77	-459.76	475.87	0.00	0.00	0.00	
3800.00	30.00	255.05	3682.58	-135.67	-508.07	525.87	0.00	0.00	0.00	
3900.00	30.00	255.05	3769.19	-148.57	-556.38	575.87	0.00	0.00	0.00	
4000.00	30.00	255.05	3855.79	-161.47	-604.68	625.87	0.00	0.00	0.00	
4100.00	30.00	255.05	3942.39	-174.37	-652.99	675.87	0.00	0.00	0.00	
4200.00	30.00	255.05	4028.99	-187.27	-701.30	725.87	0.00	0.00	0.00	
4300.00	30.00	255.05	4115.60	-200.17	-749.61	775.87	0.00	0.00	0.00	
4388.38	30.00	255.05	4192.13	-211.57	-792.30	820.06	0.00	0.00	0.00	DROP
4400.00	29.77	255.05	4202.21	-213.07	-797.89	825.85	2.00	-2.00	0.00	
4500.00	27.77	255.05	4289.86	-225.48	-844.39	873.98	2.00	-2.00	0.00	
4600.00	25.77	255.05	4379.14	-237.10	-887.90	919.01	2.00	-2.00	0.00	
4700.00	23.77	255.05	4469.94	-247.91	-928.37	960.90	2.00	-2.00	0.00	
4782.60	22.12	255.05	4546.00	-256.22	-959.48	993.10	2.00	-2.00	0.00	Wasatch
4800.00	21.77	255.05	4562.14	-257.89	-965.76	999.60	2.00	-2.00	0.00	
4900.00	19.77	255.05	4655.64	-267.04	-1000.01	1035.06	2.00	-2.00	0.00	
5000.00	17.77	255.05	4750.32	-275.34	-1031.10	1067.23	2.00	-2.00	0.00	
5100.00	15.77	255.05	4846.06	-282.78	-1058.97	1096.07	2.00	-2.00	0.00	
5200.00	13.77	255.05	4942.76	-289.36	-1083.59	1121.56	2.00	-2.00	0.00	
5300.00	11.77	255.05	5040.28	-295.06	-1104.94	1143.66	2.00	-2.00	0.00	
5400.00	9.77	255.05	5138.51	-299.88	-1122.99	1162.34	2.00	-2.00	0.00	
5500.00	7.77	255.05	5237.34	-303.81	-1137.72	1177.58	2.00	-2.00	0.00	
5509.65	7.57	255.05	5246.90	-304.15	-1138.96	1178.87	2.00	-2.00	0.00	ENTER TGT.
5600.00	5.77	255.05	5336.64	-306.85	-1149.10	1189.37	2.00	-2.00	0.00	
5700.00	3.77	255.05	5436.29	-309.00	-1157.13	1197.68	2.00	-2.00	0.00	
5800.00	1.77	255.05	5536.16	-310.24	-1161.80	1202.51	2.00	-2.00	0.00	
5888.38	0.00	255.05	5624.53	-310.60	-1163.11	1203.87	2.00	-2.00	0.00	HOLD
5900.00	0.00	255.05	5636.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6000.00	0.00	255.05	5736.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6100.00	0.00	255.05	5836.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6200.00	0.00	255.05	5936.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6300.00	0.00	255.05	6036.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6400.00	0.00	255.05	6136.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6500.00	0.00	255.05	6236.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6600.00	0.00	255.05	6336.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6700.00	0.00	255.05	6436.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6800.00	0.00	255.05	6536.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
6900.00	0.00	255.05	6636.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7000.00	0.00	255.05	6736.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7100.00	0.00	255.05	6836.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7200.00	0.00	255.05	6936.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7300.00	0.00	255.05	7036.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7387.85	0.00	255.05	7124.00	-310.60	-1163.11	1203.87	0.00	0.00	0.00	Mesaverde
7400.00	0.00	255.05	7136.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7500.00	0.00	255.05	7236.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7600.00	0.00	255.05	7336.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7700.00	0.00	255.05	7436.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7800.00	0.00	255.05	7536.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
7900.00	0.00	255.05	7636.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
8000.00	0.00	255.05	7736.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
8100.00	0.00	255.05	7836.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
8200.00	0.00	255.05	7936.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	

Company: Anadarko-Kerr-McGee
Field: UINTAH COUNTY, UTAH (NAD 27)
Site: NBU 1022-7A PAD
Well: 7B2DS
Wellpath: 1

Date: 7/8/2008 **Time:** 14:40:25 **Page:** 3
Co-ordinate(NE) Reference: Well: 7B2DS, True North
Vertical (TVD) Reference: SITE 5261.0
Section (VS) Reference: Well (0.00N,0.00E,255.05Azi)
Survey Calculation Method: Minimum Curvature **Db:** Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Comment
8300.00	0.00	255.05	8036.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
8400.00	0.00	255.05	8136.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
8500.00	0.00	255.05	8236.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
8600.00	0.00	255.05	8336.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
8700.00	0.00	255.05	8436.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
8800.00	0.00	255.05	8536.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
8900.00	0.00	255.05	8636.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
9000.00	0.00	255.05	8736.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
9100.00	0.00	255.05	8836.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
9200.00	0.00	255.05	8936.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
9300.00	0.00	255.05	9036.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
9400.00	0.00	255.05	9136.15	-310.60	-1163.11	1203.87	0.00	0.00	0.00	
9463.85	0.00	255.05	9200.00	-310.60	-1163.11	1203.87	0.00	0.00	0.00	PBHL

Targets

Name	Description Dip.	Dir.	TVD	+N/-S	+E/-W	Map Northing	Map Easting	<--- Latitude ---> Deg Min Sec		<--- Longitude ---> Deg Min Sec	

Casing Points

MD ft	TVD ft	Diameter in	Hole Size in	Name
2200.00	2200.00	0.00	0.00	CSG

Annotation

MD ft	TVD ft	
2260.00	2260.00	KOP
3260.00	3214.93	HOLD
4388.38	4192.14	DROP
5509.65	5246.90	ENTER TGT.
5888.38	5624.53	HOLD
9463.84	9199.99	PBHL

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
1313.00	1313.00	Green River		0.00	0.00
4782.60	4546.00	Wasatch		0.00	0.00
7387.85	7124.00	Mesaverde		0.00	0.00



Weatherford

Weatherford Drilling Services

GeoDec v4.3.065

Report Date: July 08, 2008
 Job Number: _____
 Customer: ANADARKO
 Well Name: NBU 1022-7B2DS
 API Number: _____
 Rig Name: _____
 Location: UINTAH COUNTY, UTAH
 Block: _____
 Engineer: R JOYNER

Geodetic Latitude / Longitude	Geodetic Latitude / Longitude
System: Latitude / Longitude	System: Latitude / Longitude
Projection: Geodetic Latitude and Longitude	Projection: Geodetic Latitude and Longitude
Datum: NAD 1927 (NADCON CONUS)	Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866	Ellipsoid: Clarke 1866
Latitude 39.9701330 DEG	Latitude 39 58 12.4788000 DMS
Longitude -109.4748080 DEG	Longitude -109 28 29.3088000 DMS
	Grid Convergence: 1.29735870°
	Total Correction: +10.1672°

Geodetic Location WGS84	Elevation =	0.0 Meters
Latitude =	39.97013° N	39° 58 min 12.479 sec
Longitude =	109.47481° W	109° 28 min 29.309 sec

Magnetic Declination =	11.4650°	[True North Offset]	
Local Gravity =	.9995 g		
Local Field Strength =	52640 nT	Magnetic Vector X =	21048 nT
Magnetic Dip =	65.9220°	Magnetic Vector Y =	4269 nT
Magnetic Model =	bggm2007	Magnetic Vector Z =	48060 nT
Spud Date =	Jul 08, 2008	Magnetic Vector H =	21476 nT

Signed: _____

Date: _____

Company: Anadarko-Kerr-McGee	Date: 7/8/2008	Time: 14:39:45	Page: 1
Field: UINTAH COUNTY, UTAH (NAD 27)			
Reference Site: NBU 1022-7A PAD	Co-ordinate(NE) Reference: Well: 7B2DS, True North		
Reference Well: 7B2DS	Vertical (TVD) Reference: SITE 5261.0		
Reference Wellpath: 1			Db: Sybase

NO GLOBAL SCAN: Using user defined selection & scan criteria		Reference: Plan: Plan #1
Interpolation Method: MD + Stations Interval: 100.00 ft	Error Model: ISCWSA Ellipse	
Depth Range: 0.00 to 9376.38 ft	Scan Method: Closest Approach 3D	
Maximum Radius: 10000.00 ft	Error Surface: Ellipse	

Plan: Plan #1	Date Composed: 7/8/2008	
	Version: 1	
Principal: Yes	Tied-to: From Surface	

Summary

Site	Offset Wellpath Well	Wellpath	Reference MD ft	Offset MD ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
NBU 1022-7A PAD	7A4CS	1 V0 Plan: Plan #1 V1	2260.00	2260.00	20.66	11.44	2.24	

Site: NBU 1022-7A PAD
 Well: 7A4CS
 Wellpath: 1 V0 Plan: Plan #1 V1
 Inter-Site Error: 0.00 ft

Reference MD ft	TVD ft	Offset		Semi-Major Axis			Offset Location		Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
		MD ft	TVD ft	Ref ft	Offset ft	TFO-HS deg	North ft	East ft				
0.00	0.00	0.00	0.00	0.00	0.00	137.30	-15.18	14.01	20.66			No Data
100.00	100.00	100.00	100.00	0.09	0.09	137.30	-15.18	14.01	20.66	20.49	120.28	
200.00	200.00	200.00	200.00	0.30	0.30	137.30	-15.18	14.01	20.66	20.07	34.98	
300.00	300.00	300.00	300.00	0.50	0.50	137.30	-15.18	14.01	20.66	19.65	20.46	
400.00	400.00	400.00	400.00	0.71	0.71	137.30	-15.18	14.01	20.66	19.23	14.46	
500.00	500.00	500.00	500.00	0.92	0.92	137.30	-15.18	14.01	20.66	18.81	11.18	
600.00	600.00	600.00	600.00	1.13	1.13	137.30	-15.18	14.01	20.66	18.39	9.12	
700.00	700.00	700.00	700.00	1.34	1.34	137.30	-15.18	14.01	20.66	17.97	7.69	
800.00	800.00	800.00	800.00	1.55	1.55	137.30	-15.18	14.01	20.66	17.55	6.66	
900.00	900.00	900.00	900.00	1.76	1.76	137.30	-15.18	14.01	20.66	17.13	5.86	
1000.00	1000.00	1000.00	1000.00	1.97	1.97	137.30	-15.18	14.01	20.66	16.72	5.24	
1100.00	1100.00	1100.00	1100.00	2.18	2.18	137.30	-15.18	14.01	20.66	16.30	4.74	
1200.00	1200.00	1200.00	1200.00	2.39	2.39	137.30	-15.18	14.01	20.66	15.88	4.32	
1300.00	1300.00	1300.00	1300.00	2.60	2.60	137.30	-15.18	14.01	20.66	15.46	3.97	
1400.00	1400.00	1400.00	1400.00	2.81	2.81	137.30	-15.18	14.01	20.66	15.04	3.68	
1500.00	1500.00	1500.00	1500.00	3.02	3.02	137.30	-15.18	14.01	20.66	14.62	3.42	
1600.00	1600.00	1600.00	1600.00	3.23	3.23	137.30	-15.18	14.01	20.66	14.20	3.20	
1700.00	1700.00	1700.00	1700.00	3.44	3.44	137.30	-15.18	14.01	20.66	13.78	3.01	
1800.00	1800.00	1800.00	1800.00	3.65	3.65	137.30	-15.18	14.01	20.66	13.36	2.83	
1900.00	1900.00	1900.00	1900.00	3.86	3.86	137.30	-15.18	14.01	20.66	12.95	2.68	
2000.00	2000.00	2000.00	2000.00	4.07	4.07	137.30	-15.18	14.01	20.66	12.53	2.54	
2100.00	2100.00	2100.00	2100.00	4.27	4.27	137.30	-15.18	14.01	20.66	12.11	2.42	
2200.00	2200.00	2200.00	2200.00	4.48	4.48	137.30	-15.18	14.01	20.66	11.69	2.30	
2260.00	2260.00	2260.00	2260.00	4.61	4.61	137.30	-15.18	14.01	20.66	11.44	2.24	
2300.00	2300.00	2299.78	2299.78	4.69	4.61	242.00	-15.52	13.95	21.06	11.76	2.26	
2400.00	2399.87	2399.07	2398.99	4.90	4.41	239.79	-19.33	13.28	25.64	16.34	2.76	
2500.00	2499.37	2497.87	2497.44	5.12	4.21	237.07	-27.33	11.87	35.37	26.06	3.80	
2600.00	2598.21	2596.41	2595.29	5.35	4.03	234.33	-38.77	9.85	49.91	40.56	5.34	
2700.00	2696.12	2694.63	2692.78	5.61	3.86	229.80	-50.56	7.77	67.94	58.53	7.22	
2800.00	2792.83	2791.93	2789.36	5.91	3.71	224.94	-62.24	5.71	89.84	80.34	9.46	
2900.00	2888.09	2886.57	2883.24	6.28	3.58	220.75	-74.05	3.83	116.34	106.72	12.10	
3000.00	2981.62	2977.60	2973.10	6.72	3.50	218.28	-88.48	2.83	149.21	139.40	15.21	
3100.00	3073.18	3065.81	3059.60	7.25	3.48	217.03	-105.75	2.73	188.29	178.18	18.63	
3200.00	3162.51	3150.82	3142.29	7.88	3.53	216.55	-125.43	3.44	233.19	222.66	22.14	
3260.00	3214.93	3200.14	3189.92	8.32	3.58	216.53	-138.20	4.22	262.78	251.93	24.21	
3300.00	3249.57	3232.46	3220.99	8.62	3.65	216.21	-147.11	4.88	283.28	272.15	25.46	



Weatherford Anticollision Report



Company: Anadarko-Kerr-McGee	Date: 7/8/2008	Time: 14:39:45	Page: 2
Field: UINTAH COUNTY, UTAH (NAD 27)			
Reference Site: NBU 1022-7A PAD	Co-ordinate(NE) Reference:	Well: 7B2DS, True North	
Reference Well: 7B2DS	Vertical (TVD) Reference:	SITE 5261.0	
Reference Wellpath: 1	Db: Sybase		

Site: NBU 1022-7A PAD
Well: 7A4CS
Wellpath: 1 V0 Plan: Plan #1 V1

Inter-Site Error: 0.00 ft

Reference		Offset		Semi-Major Axis			Offset Location		Ctr-Ctr	Edge	Separation	Warning
MD	TVD	MD	TVD	Ref	Offset	TFO-HS	North	East	Distance	Distance	Factor	
ft	ft	ft	ft	ft	ft	deg	ft	ft	ft	ft		
3400.00	3336.17	3312.12	3296.99	9.43	3.84	215.93	-170.85	6.99	335.62	323.75	28.27	
3500.00	3422.78	3390.03	3370.49	10.27	4.12	216.12	-196.54	9.72	389.46	376.74	30.61	
3600.00	3509.38	3466.08	3441.36	11.15	4.47	216.61	-223.92	13.03	444.77	431.06	32.44	
3700.00	3595.98	3545.32	3514.41	12.04	4.89	217.27	-254.38	17.01	501.29	486.48	33.85	
3800.00	3682.58	3627.60	3590.17	12.96	5.37	217.84	-286.18	21.20	557.96	541.98	34.92	
3900.00	3769.19	3709.88	3665.94	13.89	5.87	218.30	-317.99	25.38	614.66	597.47	35.76	
4000.00	3855.79	3792.16	3741.71	14.84	6.40	218.69	-349.79	29.57	671.38	652.98	36.48	
4100.00	3942.39	3874.44	3817.48	15.79	6.95	219.01	-381.59	33.75	728.12	708.45	37.02	
4200.00	4028.99	3956.72	3893.24	16.76	7.50	219.29	-413.40	37.94	784.88	763.92	37.45	
4300.00	4115.60	4039.00	3969.01	17.73	8.07	219.53	-445.20	42.12	841.64	819.38	37.82	
4388.38	4192.13	4111.71	4035.97	18.59	8.57	219.72	-473.31	45.82	891.82	868.40	38.08	
4400.00	4202.21	4121.28	4044.79	18.68	8.64	219.64	-477.01	46.31	898.40	874.86	38.16	
4500.00	4289.86	4204.44	4121.36	19.29	9.23	219.08	-509.15	50.54	953.81	929.38	39.04	
4600.00	4379.14	4288.93	4199.17	19.87	9.83	218.69	-541.81	54.83	1006.97	981.66	39.80	
4700.00	4469.94	4374.66	4278.11	20.42	10.44	218.46	-574.95	59.19	1057.85	1031.65	40.38	
4800.00	4562.14	4469.68	4365.79	20.93	11.07	218.38	-611.26	63.97	1106.24	1079.15	40.83	
4900.00	4655.64	4573.03	4462.09	21.40	11.64	218.37	-648.44	68.86	1151.27	1123.36	41.24	
5000.00	4750.32	4679.34	4562.18	21.82	12.18	218.37	-683.98	73.54	1192.73	1164.06	41.60	
5100.00	4846.06	4788.48	4665.92	22.19	12.71	218.40	-717.58	77.96	1230.49	1201.12	41.89	
5200.00	4942.76	4900.27	4773.14	22.52	13.21	218.44	-748.94	82.09	1264.43	1234.40	42.11	
5300.00	5040.28	5014.52	4883.62	22.80	13.68	218.50	-777.75	85.88	1294.44	1263.84	42.30	
5400.00	5138.51	5131.00	4997.11	23.02	14.12	218.58	-803.74	89.30	1320.42	1289.32	42.45	
5500.00	5237.34	5249.44	5113.28	23.19	14.51	218.69	-826.64	92.31	1342.28	1310.75	42.57	
5600.00	5336.64	5369.59	5231.78	23.31	14.86	218.81	-846.21	94.89	1359.93	1328.05	42.66	
5700.00	5436.29	5491.12	5352.23	23.38	15.16	218.96	-862.24	96.99	1373.31	1341.16	42.72	
5800.00	5536.16	5613.72	5474.19	23.39	15.40	219.13	-874.55	98.61	1382.36	1350.03	42.76	
5888.38	5624.53	5722.69	5582.88	23.37	15.56	219.13	-882.23	99.62	1386.72	1349.18	36.93	
5900.00	5636.15	5737.05	5597.22	23.37	15.57	219.13	-883.01	99.73	1387.06	1349.50	36.93	
6000.00	5736.15	5860.80	5720.89	23.42	15.70	219.13	-887.54	100.32	1389.02	1351.32	36.84	
6100.00	5836.15	5976.07	5836.15	23.48	15.73	219.13	-888.35	100.43	1389.37	1351.58	36.77	
6200.00	5936.15	6076.07	5936.15	23.53	15.76	219.13	-888.35	100.43	1389.37	1351.48	36.67	
6300.00	6036.15	6176.07	6036.15	23.59	15.81	219.13	-888.35	100.43	1389.37	1351.37	36.56	
6400.00	6136.15	6276.07	6136.15	23.66	15.86	219.13	-888.35	100.43	1389.37	1351.25	36.45	
6500.00	6236.15	6376.07	6236.15	23.72	15.91	219.13	-888.35	100.43	1389.37	1351.12	36.33	
6600.00	6336.15	6476.07	6336.15	23.78	15.96	219.13	-888.35	100.43	1389.37	1350.99	36.21	
6700.00	6436.15	6576.07	6436.15	23.85	16.02	219.13	-888.35	100.43	1389.37	1350.86	36.08	
6800.00	6536.15	6676.07	6536.15	23.92	16.08	219.13	-888.35	100.43	1389.37	1350.72	35.95	
6900.00	6636.15	6776.07	6636.15	23.99	16.14	219.13	-888.35	100.43	1389.37	1350.58	35.82	
7000.00	6736.15	6876.07	6736.15	24.06	16.20	219.13	-888.35	100.43	1389.37	1350.43	35.68	
7100.00	6836.15	6976.07	6836.15	24.13	16.27	219.13	-888.35	100.43	1389.37	1350.28	35.55	
7200.00	6936.15	7076.07	6936.15	24.20	16.34	219.13	-888.35	100.43	1389.37	1350.12	35.40	
7300.00	7036.15	7176.07	7036.15	24.28	16.41	219.13	-888.35	100.43	1389.37	1349.96	35.26	
7400.00	7136.15	7276.07	7136.15	24.36	16.48	219.13	-888.35	100.43	1389.37	1349.80	35.11	
7500.00	7236.15	7376.07	7236.15	24.44	16.55	219.13	-888.35	100.43	1389.37	1349.63	34.97	
7600.00	7336.15	7476.07	7336.15	24.52	16.63	219.13	-888.35	100.43	1389.37	1349.46	34.81	
7700.00	7436.15	7576.07	7436.15	24.60	16.71	219.13	-888.35	100.43	1389.37	1349.28	34.66	
7800.00	7536.15	7676.07	7536.15	24.68	16.79	219.13	-888.35	100.43	1389.37	1349.10	34.51	
7900.00	7636.15	7776.07	7636.15	24.77	16.88	219.13	-888.35	100.43	1389.37	1348.92	34.35	
8000.00	7736.15	7876.07	7736.15	24.85	16.97	219.13	-888.35	100.43	1389.37	1348.73	34.19	
8100.00	7836.15	7976.07	7836.15	24.94	17.05	219.13	-888.35	100.43	1389.37	1348.54	34.03	
8200.00	7936.15	8076.07	7936.15	25.03	17.15	219.13	-888.35	100.43	1389.37	1348.34	33.87	



Weatherford Anticollision Report



Company: Anadarko-Kerr-McGee **Date:** 7/8/2008 **Time:** 14:39:45 **Page:** 3
Field: Uintah County, Utah (NAD 27)
Reference Site: NBU 1022-7A PAD **Co-ordinate(NE) Reference:** Well: 7B2DS, True North
Reference Well: 7B2DS **Vertical (TVD) Reference:** SITE 5261.0
Reference Wellpath: 1 **Db:** Sybase

Site: NBU 1022-7A PAD
Well: 7A4CS
Wellpath: 1 V0 Plan: Plan #1 V1

Inter-Site Error: 0.00 ft

Reference		Offset		Semi-Major Axis			Offset Location		Ctr-Ctr Distance	Edge Distance	Separation Factor	Warning
MD	TVD	MD	TVD	Ref	Offset	TFO-HS	North	East				
ft	ft	ft	ft	ft	ft	deg	ft	ft	ft	ft		
8300.00	8036.15	8176.07	8036.15	25.12	17.24	114.57	-888.35	100.43	1389.37	1348.14	33.70	
8400.00	8136.15	8276.07	8136.15	25.21	17.33	114.57	-888.35	100.43	1389.37	1347.94	33.54	
8500.00	8236.15	8376.07	8236.15	25.31	17.43	114.57	-888.35	100.43	1389.37	1347.73	33.37	
8600.00	8336.15	8476.07	8336.15	25.40	17.53	114.57	-888.35	100.43	1389.37	1347.52	33.20	
8700.00	8436.15	8576.07	8436.15	25.50	17.63	114.57	-888.35	100.43	1389.37	1347.31	33.04	
8800.00	8536.15	8676.07	8536.15	25.60	17.73	114.57	-888.35	100.43	1389.37	1347.09	32.87	
8900.00	8636.15	8776.07	8636.15	25.70	17.84	114.57	-888.35	100.43	1389.37	1346.87	32.70	
9000.00	8736.15	8876.07	8736.15	25.80	17.94	114.57	-888.35	100.43	1389.37	1346.65	32.53	
9100.00	8836.15	8976.07	8836.15	25.90	18.05	114.57	-888.35	100.43	1389.37	1346.43	32.35	
9200.00	8936.15	9076.07	8936.15	26.00	18.16	114.57	-888.35	100.43	1389.37	1346.20	32.18	
9300.00	9036.15	9176.07	9036.15	26.10	18.27	114.57	-888.35	100.43	1389.37	1345.96	32.01	

**Kerr-McGee Oil & Gas Onshore LP
NBU#1022-7A4BS, #1022-7AT,
#1022-7A4CS & #1022-7B2DS
SECTION 7, T10S, 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 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 3.8 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 5.4 MILES TO THE PROPOSED ACCESS ROAD TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 53.5 MILES.

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT,

#1022-7A4CS & #1022-7B2DS

LOCATED IN UTAH COUNTY, UTAH

SECTION 7, T10S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHERLY



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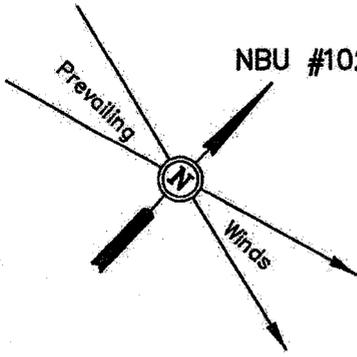
LOCATION PHOTOS	06	18	08	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: Z.L.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR

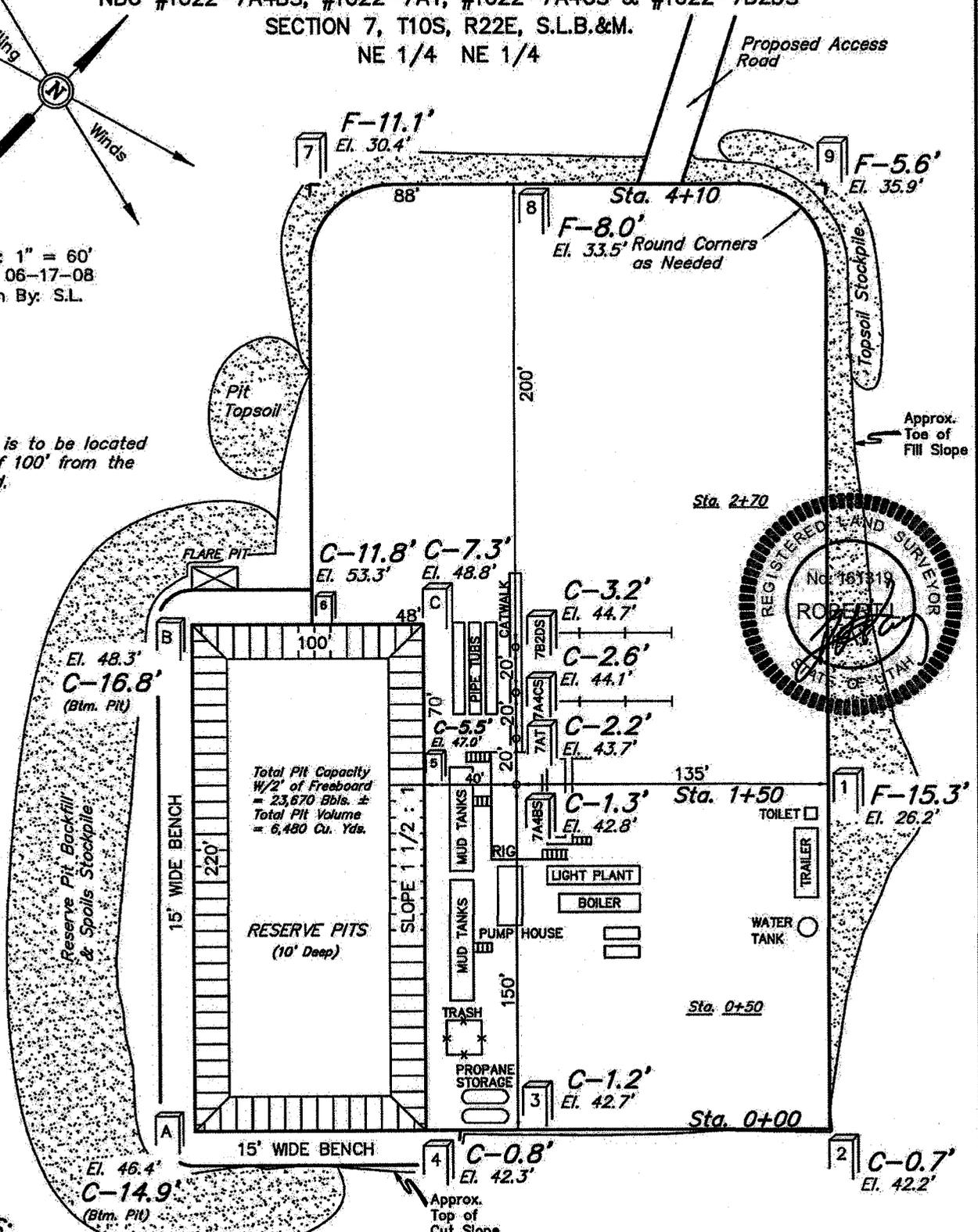
NBU #1022-7A4BS, #1022-7AT, #1022-7A4CS & #1022-7B2DS
SECTION 7, T10S, R22E, S.L.B.&M.
NE 1/4 NE 1/4



SCALE: 1" = 60'
DATE: 06-17-08
Drawn By: S.L.

NOTE:

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



NOTES:

Elev. Ungraded Ground #1022-7A4BS At Loc. Stake = 5242.8'
FINISHED GRADE ELEV. #1022-7A4BS AT LOC. STAKE = 5241.5'

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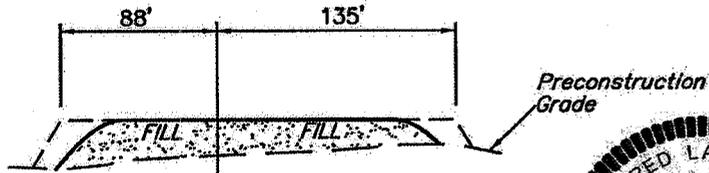
Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

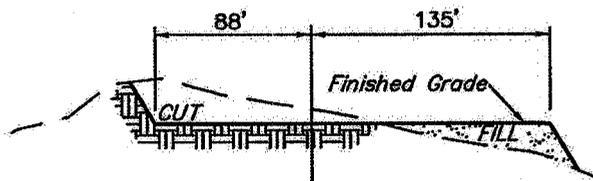
1" = 40'
X-Section
Scale
1" = 100'

TYPICAL CROSS SECTION FOR
NBU #1022-7A4BS, #1022-7AT, #1022-7A4CS & #1022-7B2DS
SECTION 7, T10S, R22E, S.L.B.&M.
NE 1/4 NE 1/4

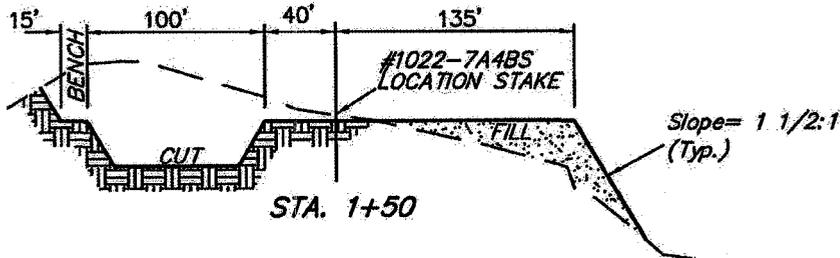
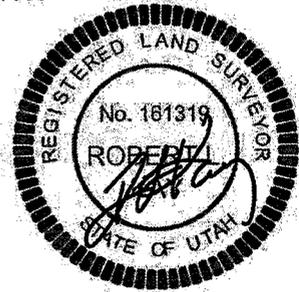
DATE: 06-17-08
DRAWN BY: S.L.



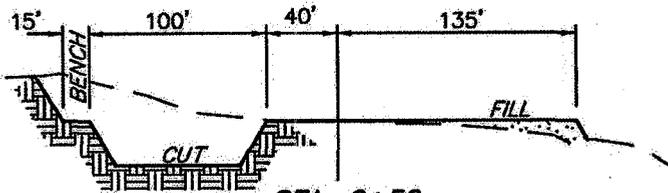
STA. 4+10



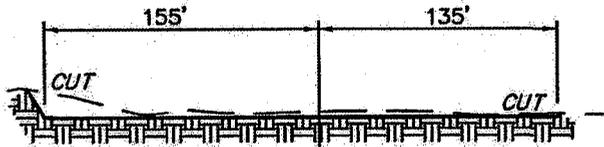
STA. 2+70



STA. 1+50



STA. 0+50



STA. 0+00

NOTE:

Topsill should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	2,400 Cu. Yds.
Remaining Location	=	16,230 Cu. Yds.
TOTAL CUT	=	18,630 CU.YDS.
FILL	=	12,990 CU.YDS.

EXCESS MATERIAL	=	5,640 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	5,640 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 788-1017



LEGEND:

● PROPOSED LOCATION

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT,
 #1022-7A4CS & #1022-7B2DS
 SECTION 7, T10S, R22E, S.L.B.&M.
 NE 1/4 NE 1/4



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

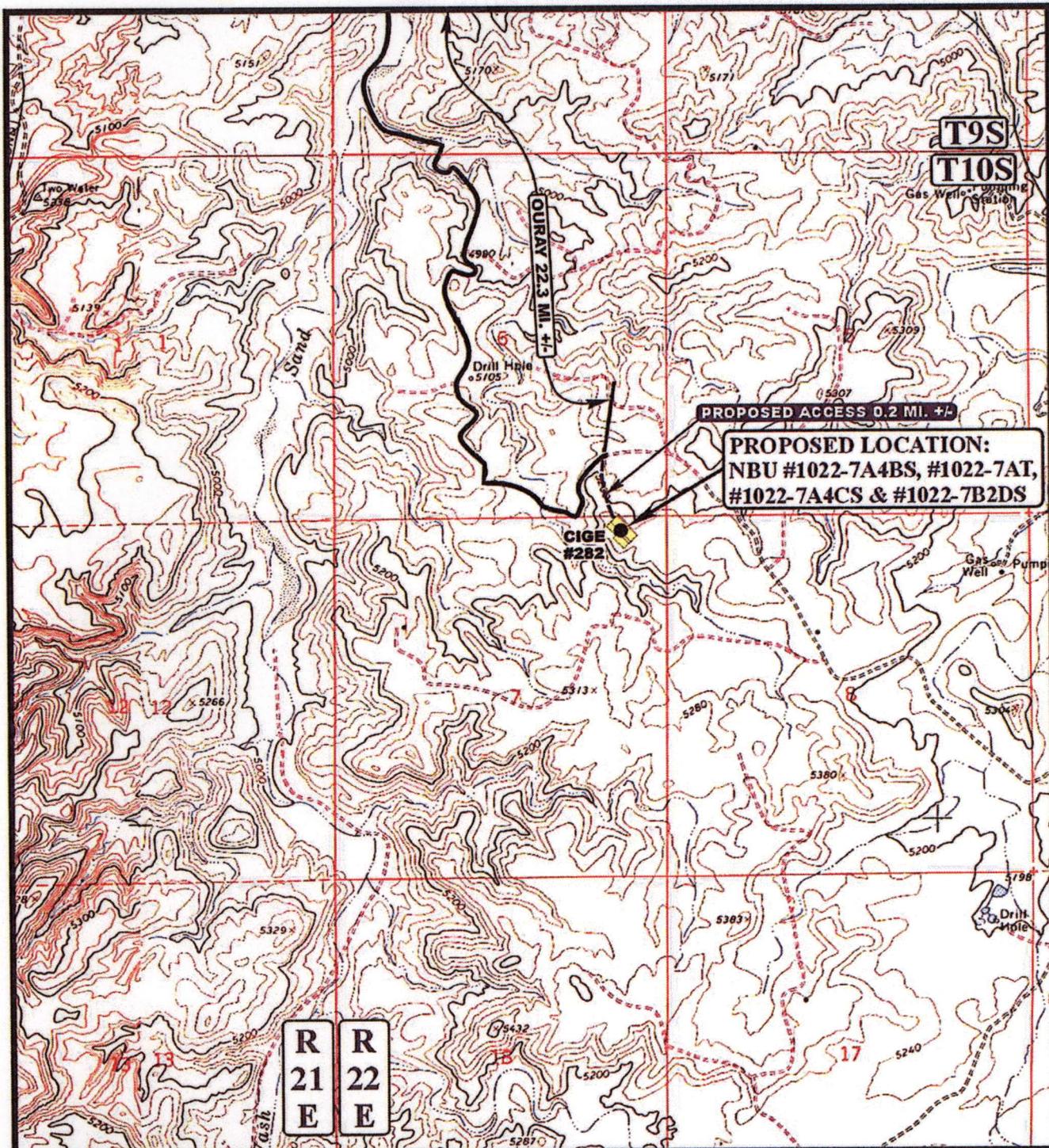


**TOPOGRAPHIC
 MAP**

06 18 08
 MONTH DAY YEAR

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





LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD



Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT,
 #1022-7A4CS & #1022-7B2DS
 SECTION 7, T10S, R22E, S.L.B.&M.
 NE 1/4 NE 1/4



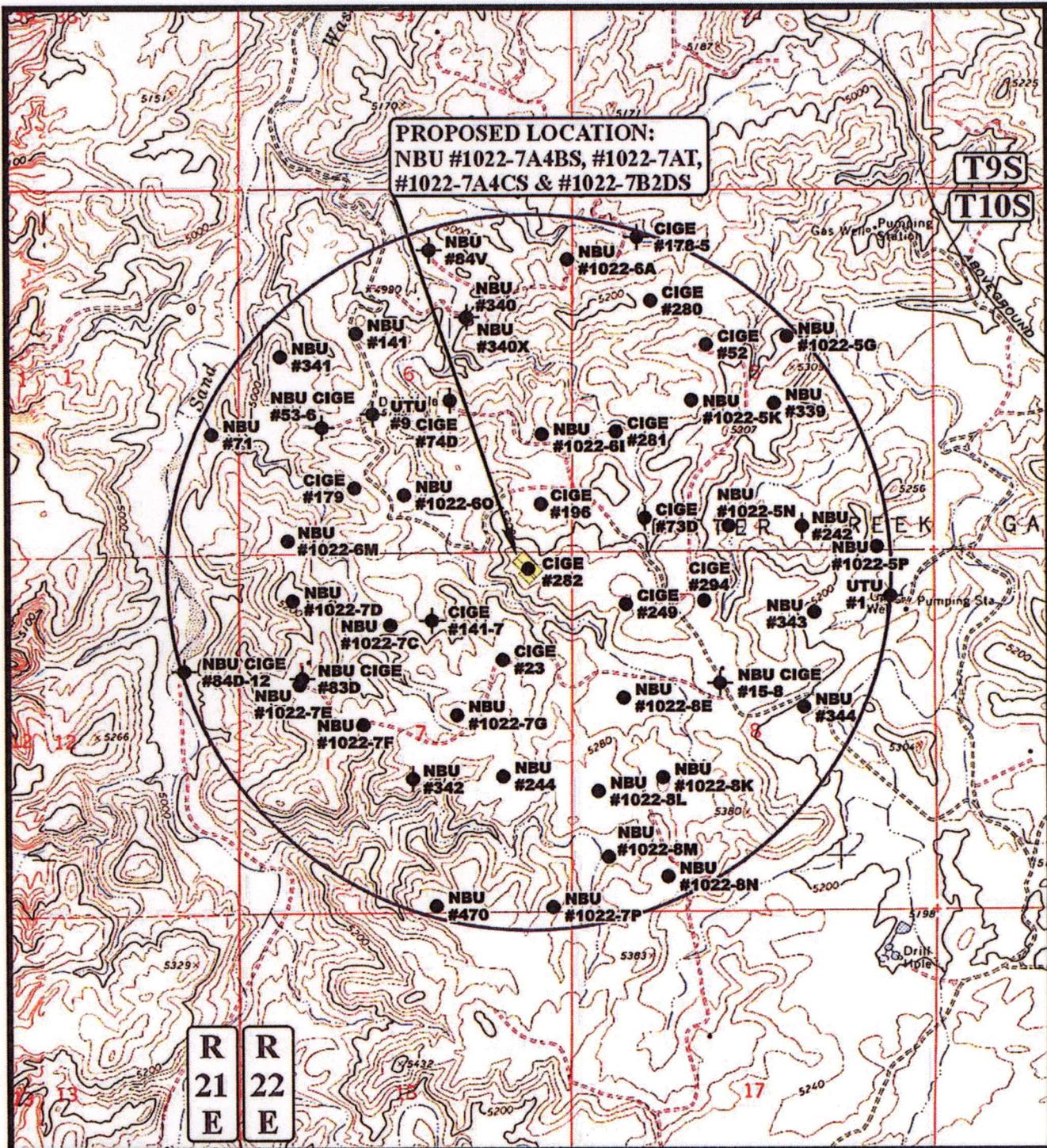
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
 MAP**

06 18 08
 MONTH DAY YEAR

**B
 TOPO**

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



PROPOSED LOCATION:
 NBU #1022-7A4BS, #1022-7AT,
 #1022-7A4CS & #1022-7B2DS

T9S
T10S

R
21
E

R
22
E

LEGEND:

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

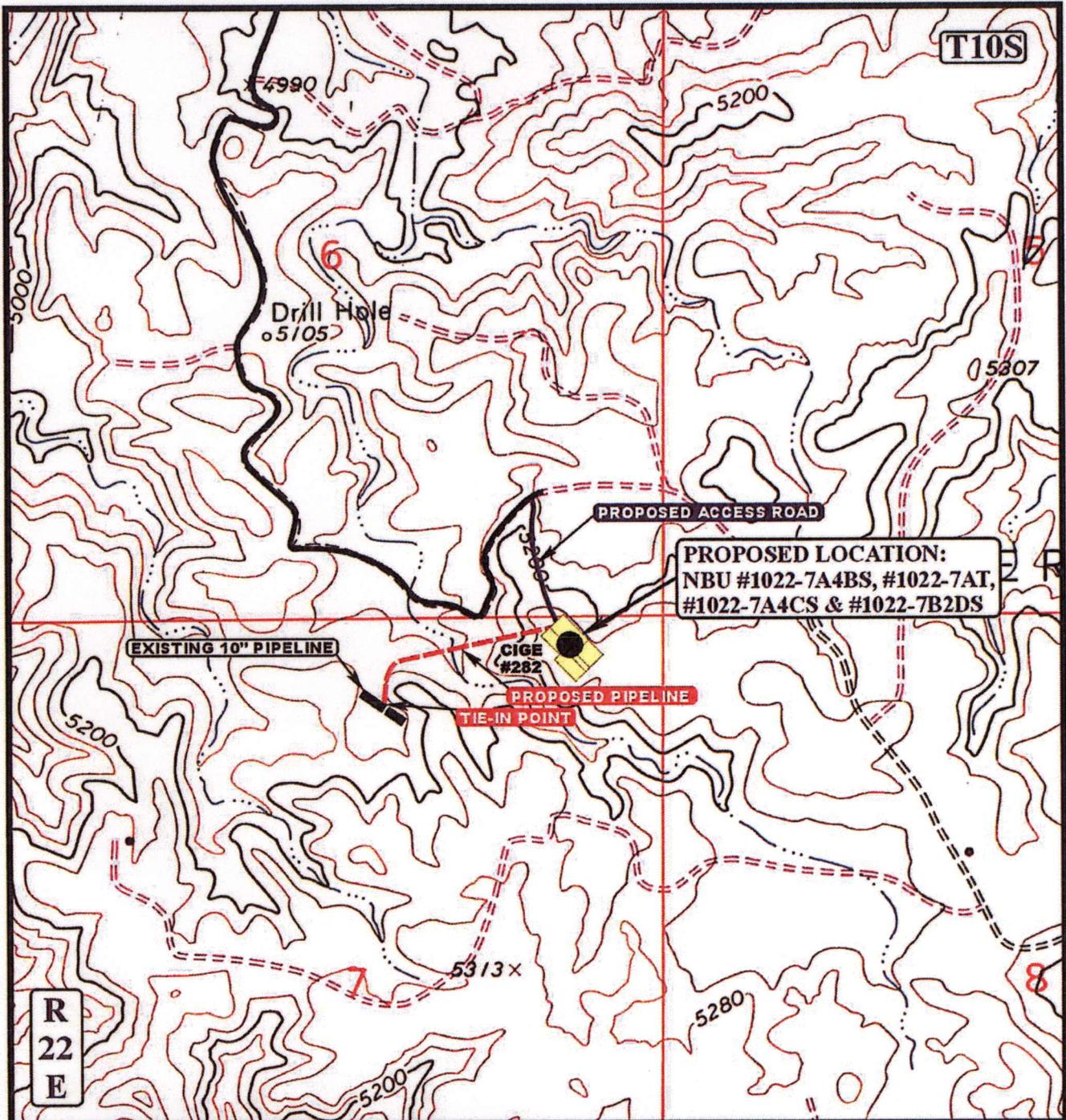
Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT,
 #1022-7A4CS & #1022-7B2DS
 SECTION 7, T10S, R22E, S.L.B.&M.
 NE 1/4 NE 1/4

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

TOPOGRAPHIC **06 18 08**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: Z.L. REVISED: 00-00-00

C
TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,481' +/-

LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT,
 #1022-7A4CS & #1022-7B2DS
 SECTION 7, T10S, R22E, S.L.B.&M.
 NE 1/4 NE 1/4



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



**TOPOGRAPHIC
 MAP**

06 18 08
 MONTH DAY YEAR

**D
 TOPO**

SCALE: 1" = 1000' DRAWN BY: Z.L. REVISED: 06-25-08



Kerr-McGee Oil & Gas Onshore LP
1999 Broadway, Suite 3700
Denver, CO 80205

July 15, 2008

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

Re: Directional Drilling R649-3-11
NBU 1022-07B2DS
T10S R22E
Section 7: NWNE
NENE 226' FNL, 674' FEL (surface)
NWNE 531' FNL, 1838' FEL (bottom hole)
Uintah County, Utah

Dear Mrs. Mason:

Pursuant to the filing of Kerr-McGee Oil & Gas Onshore LP's (Kerr-McGee) Application for Permit to Drill regarding the above referenced well, we are hereby submitting this letter in accordance with Oil & Gas Conservation Rule R649-3-11 pertaining to the Exception to Location and Siting of Wells.

- Kerr-McGee's NBU 1022-07B2DS is located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing road and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore and the North half of section 7 (state lease UT ST ML 23609).

Therefore, based on the above stated information Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP



Jason K. Rayburn
Landman

RECEIVED
JUL 22 2008
DIV. OF OIL, GAS & MINING

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/22/2008

API NO. ASSIGNED: 43-047-40249

WELL NAME: NBU 1022-07B2DS

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 720-929-6226

CONTACT: KEVIN MCINTYRE

PROPOSED LOCATION:

NENE 07 100S 220E
 SURFACE: 0226 FNL 0674 FEL
 BOTTOM: 0531 FNL 1838 FEL
 COUNTY: UINTAH
 LATITUDE: 39.97011 LONGITUDE: -109.4748
 UTM SURF EASTINGS: 630255 NORTHINGS: 4425344
 FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKD	9/30/08
Geology		
Surface		

LEASE TYPE: 3 - State
 LEASE NUMBER: ST ML 23609
 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)

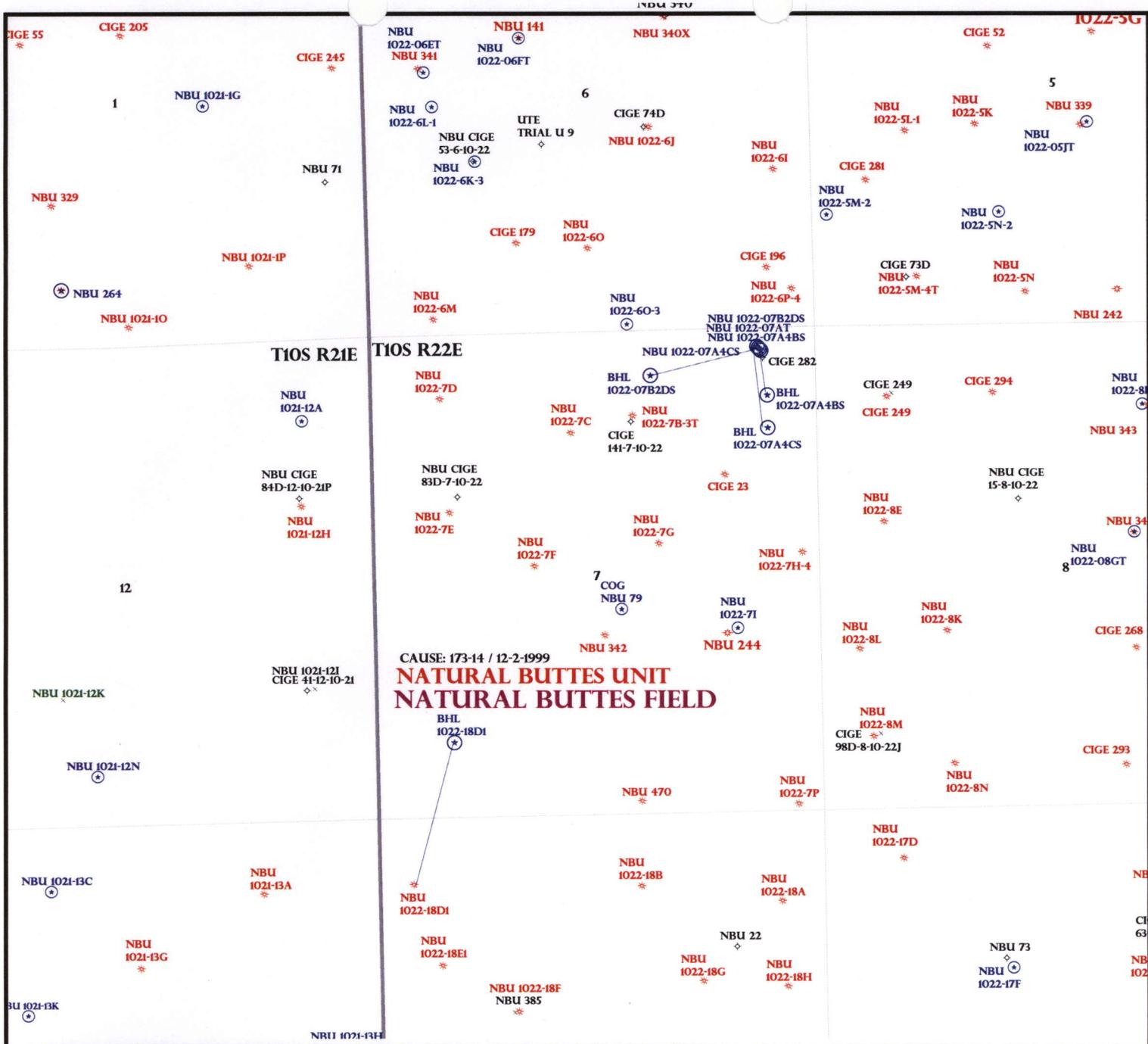
LOCATION AND SITING:

- _____ 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' for utility & uncomm. Tracts
- R649-3-11. Directional Drill

COMMENTS: Needs Presite (06-18-08)

STIPULATIONS: 1- STATEMENT OF BASIS

- 2- OIL SHALE
- 3- Surface Csg Cont Strip



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 7 T.10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

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

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

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



OIL, GAS & MINING



PREPARED BY: DIANA MASON
DATE: 23-JULY-2008

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

8/20/2008

Page 1

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
911	43-047-40249-00-00		GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, L.P.		Surface Owner-APD		
Well Name	NBU 1022-07B2DS	Unit	NATURAL BUTTES		
Field	NATURAL BUTTES		Type of Work		
Location	NENE 7 10S 22E S 226 FNL 674 FEL		GPS Coord (UTM) 630255E 4425344N		

Geologic Statement of Basis

Kerr McGee proposes to set 2,200' 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 4,700'. A search of Division of Water Rights records shows 1 water well within a 10,000 foot radius of the proposed location. This well is over a mile from the proposed location and owned by the BLM. The well is listed as being 1,850 feet deep and used for stock watering. 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.

Brad Hill
APD Evaluator

8/20/2008
Date / Time

Surface Statement of Basis

This location is in the middle Sand Wash area of the Natural Buttes Unit approximately 22.3 road miles southeast of Ouray, Ut.. The Seep Ridge Road, Uintah County roads and existing or planned oil field development roads to within 0.2 mile of the site, which will require re-construction, accesses it.

Sand Wash drains northerly to the White River a distance of approximately 7 miles. The area is characterized by rolling hills, which are frequently divided by somewhat gentle draws. Sand Wash is an ephemeral drainage. No springs, seeps or streams exist in the area. An occasional pond constructed to supply water for cattle and antelope exists. The washes are sometimes rimed with steep side hills, which have exposed sand stone bedrock cliffs along the rims.

Four gas wells are proposed on this pad. The pad has been recently re-contoured and re-claimed from a previous well. Excavation will begin near the top of a ridge on the south with the fill moved northeasterly down slope to construct the pad. No drainages intersect the location and no diversions will be required. The reserve pit will be re-dug in the area used for the previous location. The selected site has no apparent concerns for constructing a pad, drilling and operating the planned wells and is the best location in the immediate area.

Both the surface and minerals are owned by SITLA. Jim Davis of SITLA reviewed the site and had no concerns regarding the proposal.

Ben Williams of the Utah Division of Wildlife Resources was invited the pre-site visit and did not attend

Floyd Bartlett
Onsite Evaluator

6/18/2008
Date / Time

Application for Permit to Drill

Statement of Basis

Utah Division of Oil, Gas and Mining

8/20/2008

Page 2

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 1022-07B2DS
API Number 43-047-40249-0 **APD No** 911 **Field/Unit** NATURAL BUTTES
Location: 1/4,1/4 NENE **Sec** 7 **Tw** 10S **Rng** 22E 226 FNL 674 FEL
GPS Coord (UTM) **Surface Owner**

Participants

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

Regional/Local Setting & Topography

This location is in the middle Sand Wash area of the Natural Buttes Unit approximately 22.3 road miles southeast of Ouray, Ut.. The Seep Ridge Road, Uintah County roads and existing or planned oil field development roads to within 0.2 mile of the site, which will require re-construction, accesses it.

Sand Wash drains northerly to the White River a distance of approximately 7 miles. The area is characterized by rolling hills, which are frequently divided by somewhat gentle draws. Sand Wash is an ephemeral drainage. No springs, seeps or streams exist in the area. An occasional pond constructed to supply water for cattle and antelope exists. The washes are sometimes rimmed with steep side hills, which have exposed sand stone bedrock cliffs along the rims.

Four gas wells are proposed on this pad. The pad has been recently re-contoured and re-claimed from a previous well. Excavation will begin near the top of a ridge on the south with the fill moved northeasterly down slope to construct the pad. No drainages intersect the location and no diversions will be required. The reserve pit will be re-dug in the area used for the previous location. The selected site has no apparent concerns for constructing a pad, drilling and operating the planned wells and is the best location in the immediate area.

Both the surface and minerals are owned by SITLA. J

Surface Use Plan

Current Surface Use

- Grazing
- Recreational
- Wildlife Habitat
- Existing Well Pad

New Road

Miles	Well Pad		Src Const Material	Surface Formation
0.2	Width 290	Length 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Vegetation has not re-established on the site except for cheatgrass and halogeton.

Cattle, antelope and small mammals and birds.

Soil Type and Characteristics

Soils are a shallow rocky sandy loam..

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? **Paleo Potental Observed?** N **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

The reserve pit is planned in an area of cut in the southwest corner of the location. Dimensions are 100' x 220' x 10' deep with 2' of freeboard. A liner with a minimum thickness of 16 mils. and a felt sub-liner are required.

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

Surface

12 1/2" 15 1/2"

Uinta

9-5/8"
MW 8.3
Frac 19.3

4-1/2"
MW 11.8

TOC @
0.

TOC @ 703. → to surf w/ 4%, tail 1641'
* Strip ✓

1313' Green River

1663' Bird's Nest
1832' tail

2128' Mahogany

Surface
2200. MD
2200. TVD

3913' tail

4546' Wasatch

4700' ± BMSW

✓ Strip, surf, cont.

✓

7124' Mesaverde

8005' MV U2

8624' MV L1

Production
9464. MD
9200. TVD

Well name:

43047402490000 NBU 1022-07B2DS

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

String type: Surface

Project ID:

43-047-40249-0000

Location: Uintah County, Utah

Design parameters:**Collapse**Mud weight: 8.330 ppg
Design is based on evacuated pipe.**Burst**Max anticipated surface
pressure: 1,936 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,200 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: 1,929 ft**Environment:**H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 106 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 703 ft

Completion type is subs
Non-directional string.**Re subsequent strings:**Next setting depth: 9,200 ft
Next mud weight: 11.800 ppg
Next setting BHP: 5,640 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,200 ft
Injection pressure: 2,200 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	2200	9.625	36.00	J-55	LT&C	2200	2200	8.796	954.9

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	952	2020	2.122	2200	3520	1.60	69	453	6.52 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: September 22, 2008
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 2200 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:

43047402490000 NBU 1022-07B2DS

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

String type: Surface

Project ID:

43-047-40249-0000

Location: Uintah County, Utah

Design parameters:**Collapse**Mud weight: 8.330 ppg
Design is based on evacuated pipe.**Burst**Max anticipated surface
pressure: 1,936 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,200 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: 1,929 ft**Environment:**H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 106 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 703 ft

Completion type is subs
Non-directional string.**Re subsequent strings:**Next setting depth: 9,200 ft
Next mud weight: 11.800 ppg
Next setting BHP: 5,640 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,200 ft
Injection pressure: 2,200 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	2200	9.625	36.00	J-55	LT&C	2200	2200	8.796	954.9
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	952	2020	2.122	2200	3520	1.60	69	453	6.52 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: September 22, 2008
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 2200 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:

43047402490000 NBU 1022-07B2DSOperator: **Kerr McGee Oil & Gas Onshore L.P.**

String type: Production

Project ID:

43-047-40249-0000

Location: Uintah County, Utah

Design parameters:**Collapse**Mud weight: 11.800 ppg
Internal fluid density: 2.300 ppg**Minimum design factors:****Collapse:**

Design factor 1.125

Environment:H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 204 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,500 ft**Burst:**

Design factor 1.00

Cement top: Surface

BurstMax anticipated surface pressure: 3,616 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,640 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

Directional well information:Kick-off point 0 ft
Departure at shoe: 1204 ft
Maximum dogleg: 3 °/100ft
Inclination at shoe: 0 °

Tension is based on buoyed weight.

Neutral point: 7,841 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 (ft ³)
1	9464	4.5	11.60	I-80	LT&C	9200	9464	3.875	825.9
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	4540	6360	1.401	5640	7780	1.38	88	212	2.41 J

Prepared Helen Sadik-Macdonald
by: Div of Oil, Gas & MineralsPhone: (801) 538-5357
FAX: (801) 359-3940Date: September 22, 2008
Salt Lake City, Utah**Remarks:**

Collapse is based on a vertical depth of 9200 ft, a mud weight of 11.8 ppg. An internal gradient of 1.119 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.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

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

BOPE REVIEW

Kerr-McGee NBU 1022-07B2DS API 43-047-40249-0000

INPUT

Well Name	Kerr-McGee NBU 1022-07B2DS API 43-047-40249-0000		
Casing Size (")	String 1	String 2	
Setting Depth (TVD)	9 5/8	4 1/2	
Previous Shoe Setting Depth (TVD)	2200	9200	
Max Mud Weight (ppg)	20 40	2200	
BOPE Proposed (psi)	8.4	11.8	✓
Casing Internal Yield (psi)	500	5000	
Operators Max Anticipated Pressure (psi)	3520	7780	
	5704	11.9 ppg	✓

Calculations	String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =	961	
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	697	BOPE Adequate For Drilling And Setting Casing at Depth? NO <i>OK</i> . Air Drill to surface shoe with diverter
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	477	YES
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	486	*Can Full Expected Pressure Be Held At Previous Shoe? NO <i>Reasonable depth in area - no expected pressures</i>
Required Casing/BOPE Test Pressure		2200 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 =	5645	
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	4541	BOPE Adequate For Drilling And Setting Casing at Depth? YES ✓
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	3621	YES
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	4105	*Can Full Expected Pressure Be Held At Previous Shoe? NO <i>Reasonable</i>
Required Casing/BOPE Test Pressure		5000 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		2200 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 24, 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)		
43-047-40248	NBU 1022-07AT	Sec 07 T10S R22E 0255 FNL 0646 FEL
43-047-40249	NBU 1022-07B2DS	Sec 07 T10S R22E 0226 FNL 0674 FEL BHL Sec 07 T10S R22E 0531 FNL 1838 FEL
43-047-40250	NBU 1022-07A4BS	Sec 07 T10S R22E 0270 FNL 0632 FEL BHL Sec 07 T10S R22E 0760 FNL 0575 FEL
43-047-40251	NBU 1022-07A4CS	Sec 07 T10S R22E 0241 FNL 0660 FEL BHL Sec 07 T10S R22E 1116 FNL 0574 FEL

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

From: Jim Davis
To: DIANA WHITNEY@utah.gov, EDBONNER@utah.gov, LAVONNEGARRISON@utah.gov
Date: 11/11/2008 10:21 AM
Subject: Well aprovals 11/11/08

The following wells have been approved by SITLA including paleo and arch clearance.

- 4304740248 NBU 1022-07AT Kerr-McGee Oil & Gas Natural Buttes NENE 07 100S 220E S UINTAH
- 4304740249 NBU 1022-07B2DS Kerr-McGee Oil & Gas Natural Buttes NENE 07 100S 220E S UINTAH
- 4304740250 NBU 1022-07A4BS Kerr-McGee Oil & Gas Natural Buttes NENE 07 100S 220E S UINTAH
- 4304740251 NBU 1022-07A4CS Kerr-McGee Oil & Gas Natural Buttes NENE 07 100S 220E S UINTAH

- 4304739954 NBU 1022-02F Kerr McGee Natural Buttes SENW 02 100S 220E S UINTAH
- 4304739955 NBU 1022-02D Kerr McGee Natural Buttes NWNW 02 100S 220E S UINTAH
- 4304739959 NBU 1022-13H Kerr McGee Natural Buttes SENE 13 100S 220E S UINTAH

-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

November 18, 2008

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

Re: NBU 1022-07B2DS Well, 226' FNL, 674' FEL, NE NE, Sec. 7, T. 10 South, R. 22 East,
Bottom Location 531' FNL, 1838' FEL, NW NE, Sec. 7, T. 10 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 43-047-40249.

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 1022-07B2DS
API Number: 43-047-40249
Lease: ST ML 23609

Location: NE NE **Sec. 7** **T. 10 South** **R. 22 East**
Bottom Location: NW NE **Sec. 7** **T. 10 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 Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.
7. 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.
8. 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 1022-07B2DS

Api No: 43-047-40249 Lease Type: STATE

Section 07 Township 10S Range 22E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

SPUDDED:

Date 01/22/2009

Time 2:00 PM

How DRY

Drilling will Commence: _____

Reported by JAMES GOBLE

Telephone # (435) 828-7024

Date 01/26/2009 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
4304740249	NBU 1022-07B2DS		NENE	7	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	1/22/2009			<u>1/29/09</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSTMVD BHL=NWNE</u> SPUD WELL LOCATION ON 01/22/2009 AT 1400 HRS							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740251	NBU 1022-07A4CS		NENE	7	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	1/22/2009			<u>1/29/09</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSTMVD</u> SPUD WELL LOCATION ON 01/22/2009 AT 1200 HRS. <u>BHL = NENE</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740248	NBU 1022-07AT		NENE	7	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<u>B</u>	99999	<u>2900</u>	1/22/2009			<u>1/29/09</u>	
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSTMVD</u> SPUD WELL LOCATION ON 01/22/2009 AT 1000 HRS.							

ACTION CODES:

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

RECEIVED
JAN 26 2009

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

Title

1/23/2009

Date

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-23609
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 1022-07B2DS
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 781-7024	9. API NUMBER: 4304740249
4. LOCATION OF WELL FOOTAGES AT SURFACE: 226'FNL, 674'FEL			10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 7 10S 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 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>WELL SPUD</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 PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 01/22/2009 AT 1400 HRS

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>REGULATORY ANALYST</u>
SIGNATURE 	DATE <u>1/23/2009</u>

(This space for State use only)

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JAN 26 2009

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.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ST ML-23609
2. NAME OF OPERATOR: KERR MCGEE OIL & GAS ONSHORE LP		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: UNIT #891008900A
4. LOCATION OF WELL FOOTAGES AT SURFACE: 226'FNL, 674'FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 7 10S 22E		8. WELL NAME and NUMBER: NBU 1022-07B2DS
		9. API NUMBER: 4304740249
		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
		COUNTY: UINTAH
		STATE: UTAH

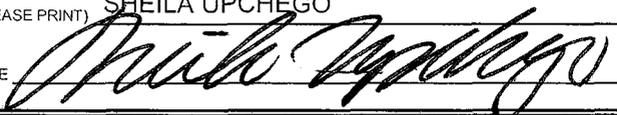
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (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: SET SURFACE CSG
	<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 02/13/2009. DRILLED 12 1/4" SURFACE HOLE TO 2250'. RAN 9 5/8" 36# J-55 SURFACE CSG. CMT W/350 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS THROUGH OUT JOB 50 PSI LIFT LAND PLUG FLOATS HELD. TOP OUT W/350 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

NAME (PLEASE PRINT) SHEILA UPCHEGO	TITLE REGULATORY ANALYST
SIGNATURE 	DATE 2/20/0209

(This space for State use only)

RECEIVED
FEB 23 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 23609
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 1022-07B2DS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047402490000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6587 Ext
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0226 FNL 0674 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 07 Township: 10.0S Range: 22.0E 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: 6/6/2009	<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.

FINISHED DRILLING FROM 2250' TO 9562' ON 06/04/2009. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/655 SX PREM LITE II @11.7 PPG 2.45 YIELD. TAILED CMT W/1350 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DISPLACE W/148 BBLs WATER BUMP PLUG W/500 OVER FINAL CIRC PRESSURE OF 2500 GOT BACK 28 BBLs CMT TO PIT. L/D LANDING JOINT SEAL ON HANGER & TEST 5000 PSI. NIPPLE DOWN BOPS WASH AND CLEAN OUT MUD TANKS. RELEASED ENSIGN RIG 139 ON 06/06/2009 AT 0000 HRS.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 June 10, 2009

NAME (PLEASE PRINT) Sheila Upchego	PHONE NUMBER 435 781-7024	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 6/10/2009	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: ST ML 23609
---	--

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 1022-07B2DS
------------------------------------	--

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047402490000
---	---

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: 0226 FNL 0674 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 07 Township: 10.0S Range: 22.0E 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 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: 8/22/2009	<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 LOCATION WAS PLACED ON PRODUCTION ON
 08/22/2009 AT 8:33 AM. PLEASE REFER TO THE ATTACHED
 CHRONOLOGICAL WELL HISTORY.

**Accepted by the
 Utah Division of
 Oil, Gas and Mining**

FOR RECORD ONLY
 August 24, 2009

NAME (PLEASE PRINT) Sheila Wopsock	PHONE NUMBER 435 781-7024	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 8/24/2009

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7B2DS (RED) Spud Conductor: 1/22/2009 Spud Date: 2/13/2009
 Project: UTAH-UINTAH Site: NBU 1022-7A PAD Rig Name No: ENSIGN 139/139, PROPETRO/
 Event: DRILLING Start Date: 2/13/2009 End Date:
 Active Datum: RKB @5,258.00ft (above Mean Sea Level) UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/226.00/E/0/674.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
2/13/2009	21:00 - 0:00	3.00	DRLSUR	02		P		MOVE IN AND RIG UP AIR RIG SPUD WELL @ 2100 HR 2/13/09 DA AT REPORT TIME 300'
2/14/2009	0:00 - 12:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD NO WATER 900'
	12:00 - 0:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD NO WATER 1350'
2/15/2009	0:00 - 12:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP NO RETURNS 1500'
	12:00 - 0:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP NO RETURNS RUN SURVEY @ 1710' 1 DEG. BACK WEIGHT OFF BIT 1770' @ REPORT TIME DA
2/16/2009	0:00 - 12:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD CIRCULATING WITH SKID PUMP NO RETURNS 2010' DA
	12:00 - 0:00	12.00	DRLSUR	02		P		RIG T/D @ 2250' CONDITION HOLE 1 HR RUN SURVEY 1 DEG. @ T/D
2/17/2009	0:00 - 4:00	4.00	DRLSUR	06		P		TRIP DP OUT OF HOLE
	4:00 - 9:00	5.00	DRLSUR	12		P		RUN 2214' OF 9 5/8 CSG AND RIG DOWN AIR RIG
	9:00 - 10:00	1.00	DRLSUR	12		P		CEMENT 1ST STAGE WITH 350 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK NO RETURNS THRU OUT JOB 50 PSI LIFT LAND PLUG FLOATS HELD
	10:00 - 10:30	0.50	DRLSUR	12		P		1ST TOP JOB 100 SKS DOWN BS WOC
	10:30 - 12:30	2.00	DRLSUR	12		P		2ND TOP JOB 150 SKS DOWN BS WOC
	12:30 - 14:30	2.00	DRLSUR	12		P		3RD TOP JOB 100 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	14:30 - 14:30	0.00	DRLSUR					NO VISIBLE LEAKS PIT 5% FULL WORT
5/27/2009	2:00 - 5:00	3.00	MIRU	01	E	P		RDRT - SKID RIG - RURT
	5:00 - 7:00	2.00	DRLPRO	14	A	P		N/UP BOP EQUIPMENT
	7:00 - 11:00	4.00	DRLPRO	15	A	P		TEST BOP BLINDS-PIPE RAMS - HCR - 2-4" VALVES - CHOKE MAINFOLD - 250 LOW 5,000 HIGH - HYDRIL 250 LOW - 2500 HIGH - CASING 1500 PSI.
	11:00 - 12:30	1.50	DRLPRO	14	A	P		RIG UP FLARE LINE & INSTALL WEAR BUSHING
	12:30 - 13:30	1.00	DRLPRO	23		P		RIG INSPECTION & HELD SAFETY MEETING ON PRE SPUD.W/ CREWS - DIR HANDS
	13:30 - 14:30	1.00	DRLPRO	06	A	P		P/U MOTOR & BIT & SCRIBE DIR TOOLS
	14:30 - 16:30	2.00	DRLPRO	06	A	P		T.I.H & TAG CEMENT @ 2160
	16:30 - 18:00	1.50	DRLPRO	02	F	P		DRILL CEMENT & F.E
	18:00 - 0:00	6.00	DRLPRO	02	D	P		DRILL-SLIDE F/ 2263 TO 2620 - 357' - @ 59.5 FPH - RPM 40 - MRPM 71 - TORQ 3/5 - WOB 12/14 - MUD WT 8.5 VIS 27 - GPM 500 .
5/28/2009	0:00 - 11:30	11.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 2620 TO 3397 - 777' @ 67.5 FPH W/ 8.5 MUD WT - RPM 45 - MRPM 71 - TORQ 4/8 - WOB 12/15 - GPM 500
	11:30 - 12:00	0.50	DRLPRO	07	A	P		SER RIG
	12:00 - 0:00	12.00	DRLPRO	02	D	P		DRILL-SLIDE F/ 3397 TO 4310 - 913' - @ 76.08 FPH W/ 8.5 MUD WT - RPM 45 - MRPM 71 - TORQ 4/8 WOB 12/15 - GPM 500
5/29/2009	0:00 - 10:30	10.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 4310 TO 5028 - 718' @ 68.3 FPH W/ MUD WT 8.5 - RPM 45 - MRPM 71 - TORQ -6/10 - WOB 12/16 - GPM 500
	10:30 - 11:00	0.50	DRLPRO	07	A	P		SER RIG
	11:00 - 0:00	13.00	DRLPRO	02	D	P		DRILL-SLIDE F/ 5028 TO 5845 - 817' @ 62.8 FPH W/ 8.5 MUD WT - RPM 45 - MRPM 71 TORQ 6/11 WOB 12/16 - GPM 500

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US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7B2DS (RED)	Spud Conductor: 1/22/2009	Spud Date: 2/13/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 2/13/2009	End Date:
Active Datum: RKB @5,258.00ft (above Mean Sea Level)		UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/226.00/E/0/674.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
5/30/2009	0:00 - 10:30	10.50	DRLPRO	02	D	P		DRILL SLIDE F/ 5845 TO 6474 - 629' @ 59.9 FPHW/ 8.7 MUD WT - RPM 45 - MRPM 71 - TORQ 8/12 - WOB 14/18 - - GPM 500
	10:30 - 11:30	1.00	DRLPRO	02	D	P		ATTEMPTED TO OPERATE DIR SLIDER SOFTWARE
	11:30 - 15:00	3.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 6474 TO 6655 - 181' @ 51.7 FPH W/ MUD WT 9.0 VIS 36 - RPM 45 - MRPM 71 - TORQ - 8/12 - WOB 14/18 - GPM 500
	15:00 - 15:30	0.50	DRLPRO	07	A	P		SER RIG
	15:30 - 16:30	1.00	DRLPRO	02	D	P		ATTEMPTED USING SLIDER OPERATION (COULDN'T HOLD TOOL FACE)
	16:30 - 0:00	7.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 6655 TO 7000 - 345' @ 46.0 FPH W/ MUD WT 9.3 VIS 38 - RPM 45 - MRPM 71 - TORQ 8/12 - WOB 14/18 - GPM 500
5/31/2009	0:00 - 12:00	12.00	DRLPRO	02	D	P		DRILL- SLIDE F/ 7000 TO 7470 - 470' @ 39.1 FPH W/ MUD WT 10.1 VIS 40 - RPM 45 - MRPM 71 - TORQ 9/13 - WOB 16/20 - GPM 500
	12:00 - 12:30	0.50	DRLPRO	07	A	P		SER RIG
	12:30 - 0:00	11.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 7470 TO 7846 - 376' @ 32.6 FPH W/ MUD WT 10.5 VIS 40 - RPM 45 - MPRPM 71 - TORQ 9/13 - WOB 16/20 - GPM 500
6/1/2009	0:00 - 14:30	14.50	DRLPRO	02	D	P		DRILL-SLIDE F/ 7846 TO 8285 - 439' @ 30.2 FPH W/ 10.8 MUD WT - RPM 45 - MRPM 71 - TORQ 9/13 - GPM - 500
	14:30 - 15:00	0.50	DRLPRO	07	A	P		SER RIG
	15:00 - 0:00	9.00	DRLPRO	02	D	P		DRILL SLIDE F/ 8285 TO 8446 - 161' @ 17.8 FPH W/ 11.3 MUD WT - RPM 45 - MRPM 71 - TORQ 9/13 - GPM 500
6/2/2009	0:00 - 9:00	9.00	DRLPRO	02	D	P		DRILL-SLIDE F/ 8446 TO 8632 - 186' @ 20.6 FPH W/ 11.3 PPG MUD WT - RPM 45 - MRPM 71 - TORQ - 10/14 - WOB 18/20 - GPM 500
	9:00 - 11:30	2.50	DRLPRO	06	A			T.F.N.B & BACKREAM FIRST 2 STANDS W/ PUMP & ROT OVER PULL 80-100 K - THE NEXT 8 STANDS ROTARY ONLY OVER PULL 60-80 K OVER
6/3/2009	11:30 - 19:00	7.50	DRLPRO	06	A	P		PUMP SLUG & CONT T.O.H W/ 60-80 OVER (NO ROTARY OR PUMP)
	19:00 - 21:00	2.00	DRLPRO	06	A	P		L/D MOTOR & BIT - MWD & P/U - C/O SAME.
	21:00 - 22:00	1.00	DRLPRO	08	A	P		WORK ON IRON DERRICKHAND POWER SHOE FAIL TO OPEN.
	22:00 - 0:00	2.00	DRLPRO	06	A	P		CONT. T.I.H
	0:00 - 7:00	7.00	DRLPRO	06	A	P		CONT. T.I.H
	7:00 - 7:30	0.50	DRLPRO	03	E	P		WASH TO BTM F/ 8532 TO 8632 (NO FILL)
6/4/2009	7:30 - 10:30	3.00	DRLPRO	02	D	P		DRILL-SLIDE F/ 8632 TO 8738 - 106 - @ 35.3 FPH W/ 11.4 PPG MUD WT - RPM 45 - MRPM 71 - WOB 16/18 - TORQ 10/14 - GPM 500
	10:30 - 11:00	0.50	DRLPRO	07	A	P		SER RIG
	11:00 - 0:00	13.00	DRLPRO	02	D	P		DRILL F/ 8738 TO 9240 - 502' - @ 38.6 FPH W/ 11.5 PPG MUD WT - RPM 55 - MRPM 71 - WOB 16/18 - TORQ 11/15 - GPM 500
	0:00 - 10:30	10.50	DRLPRO	02	D	P		DRILL F/ 9240 TO 9562 - 322' @ 30.6 FPH W/ 11.6 PPG MUD WT - VIS 49 - RPM 55 - MRPM 71 - TORQ 12/19 - WOB 18/20 - GPM 500
6/4/2009	10:30 - 11:30	1.00	DRLPRO	05	A	P		CIRC BTM UP
	11:30 - 20:30	9.00	DRLPRO	06	E	P		SHORT TRIP F/ 9562 TO 5028 - FIRST 13 STANDS W/ PUMP & ROT PULL 100 K OVER STRING WT 200 K - THEN ROTARY ONLY F/ 8 STANDS 80-100 K OVER - THEN PULLED 6 STANDS W/ 80/100 THEN CONT. T.I.H @ 7108 70 - 80 OVER TILL @ 6927 THE WT FELL OFF CONT. T.I.H. TO 5028 -

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US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7B2DS (RED)	Spud Conductor: 1/22/2009	Spud Date: 2/13/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 2/13/2009	End Date:
Active Datum: RKB @5,258.00ft (above Mean Sea Level)		UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/226.00/E/0/674.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
6/5/2009	20:30 - 0:00	3.50	DRLPRO	06	E	P		T.I.H TO 9507 (NO PROBLEMS)
	0:00 - 0:30	0.50	DRLPRO	06	E	P		CONT WIPER TRIP
	0:30 - 1:00	0.50	DRLPRO	03	E	P		WASH 55' TO BTM (NO FILL)
	1:00 - 2:30	1.50	DRLPRO	05	A	P		CIRC BTM UP
	2:30 - 6:30	4.00	DRLPRO	06	B	P		PUMPED & ROT OUT 16 W/ 100K OVER - ROT ONLY 5 STANDS 80/90 K OVER - PULL 2 STANDS 70/80 OVER
	6:30 - 22:00	15.50	DRLPRO	06	B	P		PUMP SLUG & L.D.D.P & MOTOR - DIR TOOLS - BIIT,
	22:00 - 22:30	0.50	DRLPRO	06	A	P		PULL WEAR BUSHING
6/6/2009	22:30 - 0:00	1.50	DRLPRO	11	D	P		HELD SAFETY MEETING & R/U HALLIBURTON WIRELINE & RUN TRIPLE COMBO TO @ 9,460
	-		DRLPRO	14	A	P		WASH & CLEAN OUT PITS.
	0:00 - 4:00	4.00	DRLPRO	11	D	P		RUN TRIPLE COMBO LOG TO @ 9460 - R/D
	4:00 - 12:30	8.50	DRLPRO	12	C	P		HELD SAFETY MEETING - R/U KUMZEY CASING & RUN 4 1/2 PRODUCTION STRING.
	12:30 - 14:00	1.50	DRLPRO	05	D	P		R/U CEMENT HEAD & CIRC BTM UP
	14:00 - 17:00	3.00	DRLPRO	12	E	P		HELD SAFETY MEETING W/ HALLIBURTON & TESTED LINES 5000 PSI & CEMENT W/ 40 BBLS FRESH WATER & F/ LEAD 655 SKS @ 11.7 PPG YIELD 2.45 - F/ TAIL 1350 SKS 14.3 PPG YIELD 1.25 & DISPLACED W/ 148 BBLS WATER BUMP PLUG W/ 500 OVER FINAL CIRC PRESSURE OF 2500 GOT BACK 28 BBLS CEMENT TO PIT. R/D & SHOE SET @ 9531 & F/C 9487.
	17:00 - 19:00	2.00	DRLPRO	14	A	P		L/D LANDING JT & SET SEAL ON HANGER & TEST 5,000 PSI.
	19:00 - 21:00	2.00	DRLPRO	14	A	P		NIPPLE DOWN B.O.P'S
	21:00 - 0:00	3.00	DRLPRO	14	A	P		WASH & CLEAN OUT MUD TANKS & TRANS MUD TO 400 BBL TANK. & RELEASED RIG @ 00:00 O'CLOCK ON 6/6/2009

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US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7B2DS (RED)	Spud Conductor: 1/22/2009	Spud Date: 2/13/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: MILES-GRAY 1/1
Event: COMPLETION	Start Date: 8/7/2009	End Date:
Active Datum: RKB @5,258.00ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/226.00/E/0/674.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/7/2009	7:00 - 8:00	1.00	COMP	33	C	P		HOOK UP B&C QUICK TEST. P-TEST CSG AND VALVES TO 7200 PSI. GOOD. MOVE SCHLUMBERGER OVER. RIH W/ 3-3/8" EXP GUN (23 GRAM, .36 HOLE, 3 SPF ON 120° AND 4 SPF ON 90° PHASING). PERF STG #1- 9318-22' (4 SPF), 9297-9300' (3 SPF), 9287-89' (3 SPF), 9236-39' (3 SPF). SHUT WELL IN. HSM. FRAC & WL SAFTY.
	8:00 - 10:00	2.00	COMP	37	B	P		
8/10/2009	7:00 - 7:30	0.50	COMP	48		P		

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US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7B2DS (RED)	Spud Conductor: 1/22/2009	Spud Date: 2/13/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: MILES-GRAY 1/1
Event: COMPLETION	Start Date: 8/7/2009	End Date:
Active Datum: RKB @5,258.00ft (above Mean Sea Level)		UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/226.00/E/0/674.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:30 - 18:00	10.50	COMP	36	B	P		<p>OPEN WELL 1250 PSI. STG 1) BEG PUMP, BRK @ 4131 PSI @ 6.4 BPM. SD ISIP 2700 PSI, FG .72. BEG FRAC, PUMP 23,563# 30/50. SD ISIP 2800# FG .73. X-OVER T/ YELLOW WELL.</p> <p>STG 2) PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN. 23 GM, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 9122' P/U PERF F/ 9088'-92', 4 SPF, 16 HOLES. 9077'-80', 3 SPF, 9 HOLES. 9024'-27', 3 SPF, 9 HOLES. 8999'-02', 3 SPF, 9 HOLES. POOH, X-OVER FOR FRAC CREW. 11:31 OPEN WELL 1319#. BEG PUMP, BRK @ 3851 @ 6.3 BPM. SD ISIP 2400 PSI, FG .70. BEG FRAC, PUMP 14,203# 30/50 WHITE & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 2650 PSI, FG .72. 11:49 SWI, X-OVER T/ FRAC RED WELL.</p> <p>STG 3)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN. 23 GM, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 8948', P/U PERF F/ 8915'-18', 4 SPF, 12 HOLES. 8888'-90', 4 SPF, 8 HOLES. 8862'-64', 4 SPF, 8 HOLES. 8839'-41', 4 SPF, 8 HOLES. 8768'-70', 3 SPF, 6 HOLES. POOH. READY T/ FRAC. 1:50 OPEN WELL 1540 PSI. BEG PUMP, BRK @ 3727 PSI @ 6.5 BPM. SD ISIP 2400 PSI, FG .70. BEG FRAC, PUMP 82,057# 30/50 WHTIE & NO TLC. SD ISIP 2650#, FG .73. 2:40 PM X-OVER T/ YELLOW WELL.</p> <p>STG 4)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN. 23 GM, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 8742' P/U PERF F/ 8708'-12', 3 SPF, 12 HOLES. 8689'-92', 4 SPF, 12 HOLES. 8659'-62', 3 SPF, 9 HOLES. 8612'-15', 3 SPF, 9 HOLES. POOH. READY T/ FRAC. 3:46 PM OPEN WELL 960#. BEG PUMP, BRK @ 3634# @ 6 BPM. SD ISIP 2400#, FG .71. BEG FRAC, PUMP 19,873# 30/50 WHITE. PUMP NO 20/40 TLC. SD ISIP 2750#, FG .75. 4:03 SWI. WAIT FOR WL T/ GET DONE W/ YELLOW.</p> <p>STG 5)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 8564' P/U PERF F/ 8531'-34', 3 SPF, 9 HOLES. 8492'-94', 4 SPF, 8 HOLES. 8458'-61', 3 SPF, 9 HOLES. 8420'-22', 4 SPF, 8 HOLES. 8350'-52', 3 SPF, 6 HOLES. POOH. 6:30 PM SWIFN. READY T/ FRAC IN THE :AM.</p>

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US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7B2DS (RED)		Spud Conductor: 1/22/2009		Spud Date: 2/13/2009	
Project: UTAH-UINTAH		Site: NBU 1022-7A PAD		Rig Name No: MILES-GRAY 1/1	
Event: COMPLETION		Start Date: 8/7/2009		End Date:	
Active Datum: RKB @5,258.00ft (above Mean Sea Level)			UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/226.00/E/0/674.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/11/2009	7:00 - 18:00	11.00	COMP	48		P		<p>STG 5)OPEN WELL 1860# BEG PUMP, BRK @ 2988# @ 6.3 BPM. SD ISIP 2000#, FG .67. BEG FRAC, PUMP 31,964# 30/50 WHITE & NO 20/40 TLC. SD ISIP 2400# FG .71 SWI. 7:46 X-OVER T/ BLUE WELL.</p> <p>STG 6)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 8313' P/U PERF F/ 8280'-83', 4 SPF, 12 HOLES. 8237'-40', 3 SPF, 9 HOLES. 8185'-87', 3 SPF, 6 HOLES. 8131'-33', 3 SPF, 6 HOLES. 8084'-86', 4 SPF, 8 HOLES. POOH. READY T/ FRAC. 10:13 AM OPEN WELL 760#, BEG PUMP, BRK @ 2772# @ 6.4 BPM. SD ISIP 1750#, FG .64. BEG FRAC, PUMP 92,812# 30/50 WHITE & NO TLC IN THIS STG. SD ISIP 2450#, FG .73. (CUT FR DOWN T/ 25 GAL PER MIN, PSI INCR OF 100#.) 11:05 AM SWI, X-OVER T/ YELLOW</p> <p>STG 7)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM SHOT, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 8014' P/U PERF F/ 7980'-84', 4 SPF, 16 HOLES. AFTER SHOOTING 1ST GUN. GUN SHORTED OUT. POOH. REPAIR GUN. RIH & PERF. 7938'-41', 3 SPF, 9 HOLES. 7906'-09', 3 SPF, 9 HOLES. 7827'-30', 3 SPF, 9 HOLES. POOH. READY T/ FRAC. 2:35 FOUND GROUND VALVE OFF OF BLACK WELL WAS LEAKING. REPLACE W/ NEW 4" GROUND VALVE. (HAD T/ UNHOOK 1 PUMP TRUCK & MOVE SO WE COULD MOVE THE CRANE IN T/ LIFT VALVES OUT & IN.) PSI TEST LINES. GOOD TEST. 3:42 OPEN WELL 670#. BEG PUMP, BRK @ 3083# @ 6.3 BPM. SD ISIP 2050#, FG .69. BEG FRAC, PUMP 45,345# 30/50 WHITE & NO TLC. SD ISIP 2500#, FG .75. 4:15 PM SWI, X-OVER T/ YELLOW.</p> <p>STG 8)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM SHOT, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 7756' P/U PERF F/ 7722'-26', 3 SPF, 12 HOLES. 7623'-26', 4 SPF, 12 HOLES. 7570'-73', 3 SPF, 9 HOLES. 7552'-55', 3 SPF, 9 HOLES. POOH. SWIFN. HSM. WHEN RD EQUIP.</p>
8/12/2009	7:00 - 7:30	0.50	COMP	48		P		

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US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7B2DS (RED)		Spud Conductor: 1/22/2009		Spud Date: 2/13/2009	
Project: UTAH-UINTAH		Site: NBU 1022-7A PAD		Rig Name No: MILES-GRAY 1/1	
Event: COMPLETION		Start Date: 8/7/2009		End Date:	
Active Datum: RKB @5,258.00ft (above Mean Sea Level)		UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/226.00/E/0/674.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:30 - 18:00	10.50	COMP	36	B	P		<p>STG 8) 7:30 AM OPEN WELL 820#, BEG PUMP, BRK @2446# @ 6.4 BPM. SD ISIP 1500#, FG .63. BEG FRAC, PUMP 72,931# 30/50 WHITE & NO TLC. SD ISIP 1950#, FG .69. 8:09 AM SWI, X-OVER T/ BLACK.</p> <p>STG 9) PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM SHOT, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 7523' P/U PERF F/ 7490'-93', 4 SPF, 12 HOLES. 7417'-20', 3 SPF, 9 HOLES. 7386'-90', 3 SPF, 12 HOLES. 7311'-14', 3 SPF, 9 HOLES. POOH. READY T/ FRAC. 10:52 AM OPEN WELL 670#. BEG PUMP, BRK @ 2451# @ 6.4 BPM. SD ISIP 1400# FG .62. BEG FRAC, PUMP 102,267# 30/50 WHITE. SCREEN OUT ON FLUSH. LACKED 5 BBL'S T/ FINISH FLUSH. 11:42 SWI. X-OVER T/ BLACK WELL. 11:50 AM PU 4 1/2 8K HAL CBP. RIH SET KILL PLUG @ 7200'. POOH. WAIT T/ RIH W/ KILL PLUG ON YELLOW WELL. JSA- PU TBG.</p>
8/20/2009	7:00 - 7:30	0.50	COMP	48		P		<p>SICP 0. MU 3-7/8" HURRICANE MILL, POBS, 1.87" XN AND RIH AS MEAS AND PU 2-3/8" L-80 TBG. TAG AT 7190'. RU DRLG EQUIP. X-OUT PIPE RAMS. P-TEST RAMS AND BOP TO 3000 PSI. GOOD. EST CIRC.</p>
	7:30 - 17:00	9.50	COMP	31	I	P		<p>C/O 10' SAND TO CBP #1 AT 7200'. D/O PLUG IN 4 MIN. 50 PSI INCREASE. RIH. C/O 25' SAND TO CBP #2 AT 7523'. D/O PLUG IN 5 MIN. 50 PSI INCREASE. RIH. C/O 32' SAND TO CBP #3 AT 7760'. D/O PLUG IN 7 MIN. 50 PSI INCREASE. RIH. C/O 40' SAND TO CBP #4 AT 8014'. D/O PLUG IN 5 MIN. 50 PSI INCREASE. RIH. C/O 30' SAND TO CBP #5 AT 8564'. D/O PLUG IN 3 MIN. 0 PSI INCREASE.</p>
8/21/2009	7:00 - 7:30	0.50	COMP	48		P		<p>CIRC CLEAN. HANG PWR SWIVEL. POOH AS SB 20 JTS. MILL AT 7709' W/ 244 JTS IN. SHUT WELL IN AND SDFN. JSA- HOUSE KEEPING. D/O PLUGS.</p>

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US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7B2DS (RED) Spud Conductor: 1/22/2009 Spud Date: 2/13/2009
 Project: UTAH-UINTAH Site: NBU 1022-7A PAD Rig Name No: MILES-GRAY 1/1
 Event: COMPLETION Start Date: 8/7/2009 End Date:
 Active Datum: RKB @5,258.00ft (above Mean Sea Level) UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/226.00/E/0/674.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:30 - 15:00	7.50	COMP	44	C	P		<p>SICP 1050. OPEN CSG TO PIT AND BLOW DOWN. RBIH W/ MILL AND POBS ON 2-3/8" L-80 TBG. TAG AT 8534'. PU PWR SWIVEL AND EST CIRC.</p> <p>C/O 30' SAND TO CBP #6 AT 8564'. D/O PLUG IN 3 MIN. 600 PSI INCREASE. RIH C/O 20' SAND TO CBP #7 AT 8738'. D/O PLUG IN 3 MIN. 100 PSI INCREASE. RIH. C/O 25' SAND TO CBP #8 AT 8948'. D/O PLUG IN 3 MIN. 50 PSI INCREASE. RIH. C/O 25' SAND TO CBP #9 AT 9122'. D/O PLUG IN 4 MIN. 0 PSI INCREASE. RIH C/O 134' TO PBSD AT 9481' (159' RATHOLE) W/ 300 JTS IN.</p> <p>CIRC CLEAN. RD PWR SWIVEL. POOH AS LD 17-JTS 2-3/8" L-80 TBG. PU 4" 10K HANGER. LUB IN AND LAND 283-JTS 2-3/8" L-80 TBG W/ EOT AT 8954.39'. RD FLOOR. ND BOP. DROP BALL. NU WH. PMP DOWN TBG AND RELEASE POBS AT 1700 PSI. SHUT WELL IN. RACK OUT EQUIP. RDSU. OPEN UP WELL TO PIT AND TURN OVER TO FLOW BACK CREW. CLEAN LOCATION.</p> <p>TBG DETAIL KB 13.00 PMP 12,346 BBLS 4" 10K FMC HANGER .83 RCVR 5260 BBLS 283-JTS 2-3/8" L-80 TBG 8938.36 LTR 7086 BBLS 1.87" XN NIPPLE (POBS) 2.20 DELIVERED 315-JTS L-80 EOT 8954.39 RETURNED 32-JTS L-80</p>
8/22/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 2400#, TP 1500#, 20/64" CK, 55 BWPH, MEDIUM SAND, MEDIUM GAS TTL BBLS RECOVERED: 6335 BBLS LEFT TO RECOVER: 6011</p>
8/23/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 2900#, TP 1800#, 20/64" CK, 40 BWPH, MEDIUM SAND, - GAS TTL BBLS RECOVERED: 7445 BBLS LEFT TO RECOVER: 4901</p>
8/24/2009	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 2900#, TP 1800#, 20/64" CK, 35 BWPH, MEDIUM SAND, 1441 GAS TTL BBLS RECOVERED: 8330 BBLS LEFT TO RECOVER: 4016</p>

RECEIVED August 24, 2009