

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

FORM APPROVED  
OMB No. 1004-0137  
Expires July 31, 2010

5. Lease Serial No.  
UTU-0141315

6. If Indian, Allottee or Tribe Name  
Ute Tribe

7. If Unit or CA Agreement, Name and No.  
891008900A

8. Lease Name and Well No.  
NBU 921-10F3T

9. API Well No.  
43047-40447

1a. Type of work:  DRILL  REENTER

1b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

2. Name of Operator  
Kerr-McGee Oil & Gas Onshore, LP

3a. Address  
P.O. Box 173779, Denver, CO 80217-3779

3b. Phone No. (include area code)  
720.929.6226

10. Field and Pool, or Exploratory  
Natural Buttes Field

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface SENW 1897' FNL & 1928' FWL LAT 40.052711 LON -109.539772 (NAD 27)  
At proposed prod. zone N/A 624555X 4434413Y 40.052661 -109.539747

11. Sec., T. R. M. or Blk. and Survey or Area  
Sec. 10, T 9S, R 21E

14. Distance in miles and direction from nearest town or post office\*  
21.45 miles northwest of Ouray, Utah

12. County or Parish  
Uintah

13. State  
UT

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)  
1897'

16. No. of acres in lease  
800

17. Spacing Unit dedicated to this well  
Unit Well

18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft.  
20'

19. Proposed Depth  
10,450'

20. BLM/BIA Bond No. on file  
WYB000291

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
4707' GL

22. Approximate date work will start\*

23. Estimated duration  
10 days

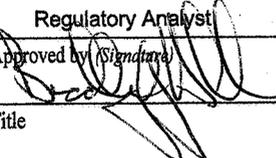
24. Attachments

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

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature  Name (Printed/Typed) Kevin McIntyre Date 11/24/2008

Title Regulatory Analyst

Approved by (Signature)  Name (Printed/Typed) BRADLEY G. HILL Date 12-08-08

Title Office ENVIRONMENTAL MANAGER

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

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

(Continued on page 2)

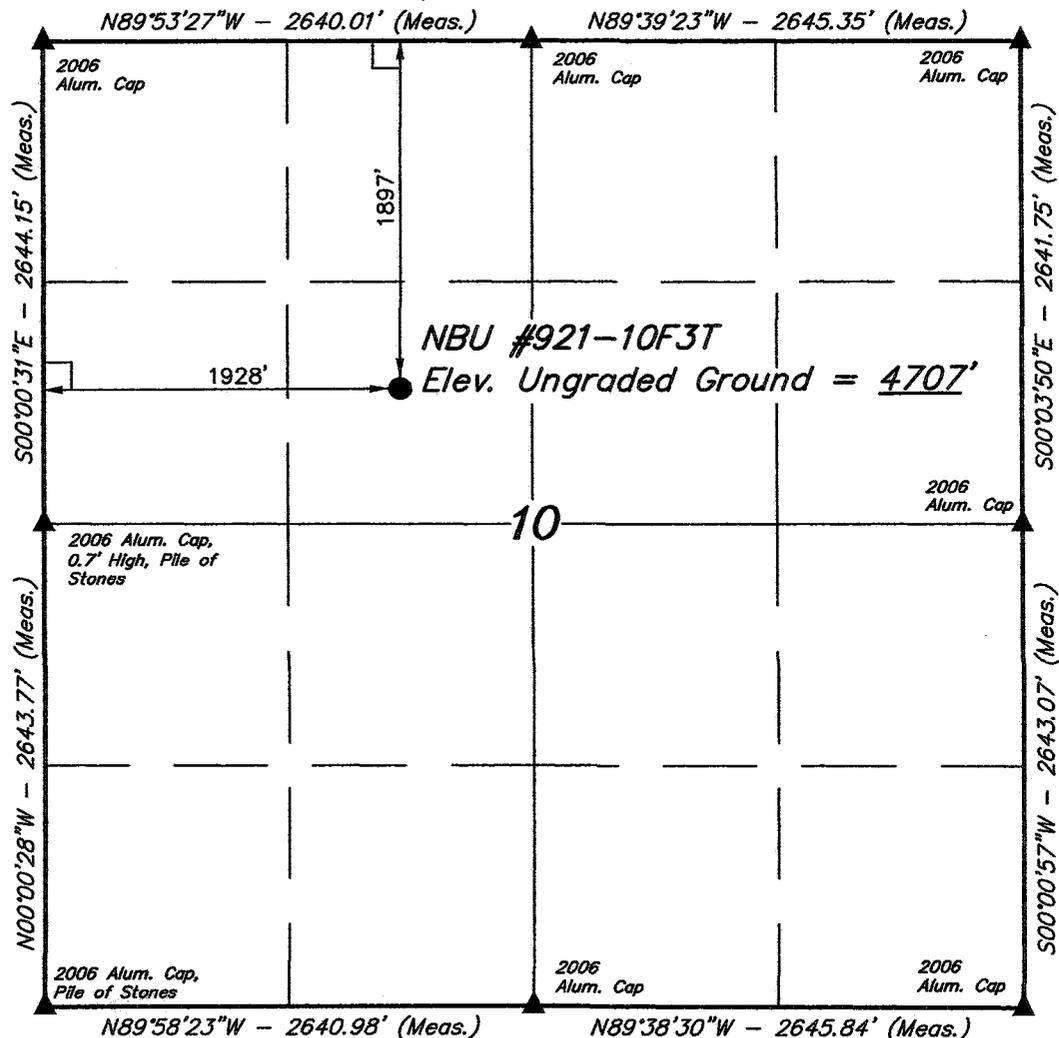
\*(Instructions on page 2)

**Federal Approval of this  
Action is Necessary**

**RECEIVED  
DEC 03 2008**

DIV. OF OIL, GAS, & MINING

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



## Kerr-McGee Oil & Gas Onshore LP

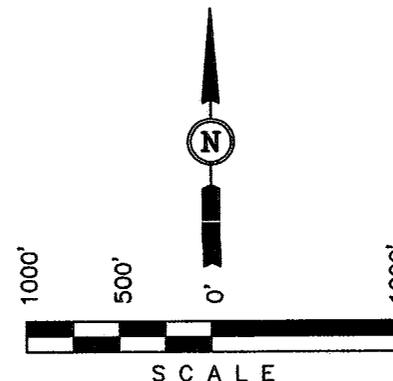
Well location, NBU #921-10F3T, located as shown in the SE 1/4 NW 1/4 of Section 10, T9S, R21E, S.L.B.&M., Uintah County, Utah.

### BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE 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 PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

*Robert Kay*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

REVISED: 08-06-08 C.C.  
 REVISED: 07-31-08

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

### LEGEND:

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

(NAD 83)  
 LATITUDE = 40°03'09.63" (40.052675)  
 LONGITUDE = 109°32'25.66" (109.540461)  
 (NAD 27)  
 LATITUDE = 40°03'09.76" (40.052711)  
 LONGITUDE = 109°32'23.18" (109.539772)

SCALE 1" = 1000'	DATE SURVEYED: 05-16-08	DATE DRAWN: 07-24-08
PARTY L.K. J.M. L.K.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE Kerr-McGee Oil & Gas Onshore LP	

**NBU 921-10F3T  
Twin to NBU #103  
SENW Sec. 10, T9S,R21E  
UINTAH COUNTY, UTAH  
UTU-0141315**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

**1. Estimated Tops of Important Geologic Markers:**

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1773'
Bird's Nest	2111'
Mahogany	2618'
Wasatch	5199'
Mesaverde	8183'
MVU2	9120'
MVL1	9669'
TD	10,450'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1773'
	Bird's Nest	2111'
	Mahogany	2618'
Gas	Wasatch	5199'
Gas	Mesaverde	8183'
Gas	MVU2	9120'
Gas	MVL1	9669'
Water	N/A	
Other Minerals	N/A	

**3. Pressure Control Equipment (Schematic Attached)**

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

**4. Proposed Casing & Cementing Program:**

*Please see the Natural Buttes Unit SOP. See attached drilling diagram.*

**5. Drilling Fluids Program:**

*Please see the Natural Buttes Unit SOP.*

6. **Evaluation Program:**

*Please see the Natural Buttes Unit SOP.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 10,450' TD, approximately equals 6479 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 4180 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 see Natural Buttes Unit SOP 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 see Natural Buttes Unit SOP.*

**NBU 921-10F3T  
Twin to NBU #103  
SENW Sec. 10 ,T9S,R21E  
UINTAH COUNTY, UTAH  
UTU-0141315**

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

**1. Existing Roads:**

Refer to the attached location directions.

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

**2. Planned Access Roads:**

Approximately 270' +/- of new access road is proposed. Refer to Topo Map B.

*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.*

*Please see the Natural Buttes Unit Standard Operating Procedure (SOP).*

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

Please refer to Topo Map C.

**4. Location of Existing & Proposed Facilities:**

*Please see the Natural Buttes Unit SOP.*

Refer to Topo Map D for the location of the proposed pipelines.

**A right-of-way is required for the pipeline. The pipeline is approximately 985' in length and 30' in width. A 4" surface steel pipeline will be constructed utilizing existing disturbance where possible. The pipeline will be butt-welded together and pulled into place with a rubber tired tractor.**

**Variances to Best Management Practices (BMPs) Requested:**

Approximately 985' of 4" steel pipeline will be installed on surface within the access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface and the soil has a poor history for successful rehabilitation.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Shadow gray (2.5Y 6/2), a non-reflective earthtone.

**Interim Surface Reclamation Plan:**

This exception is requested due to the current twin and multi-well program. If determined that this well will not be a candidate for either twinning &/or multi-well the operator shall spread the topsoil pile on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The operator will reseed the area using the BLM recommended seed mixture and reclamation methods.

**5. Location and Type of Water Supply:**

*Please see the Natural Buttes SOP.*

**6. Source of Construction Materials:**

*Please see the Natural Buttes SOP.*

**7. Methods of Handling Waste Materials:**

*Please see the Natural Buttes SOP.*

A plastic reinforced liner is to be used as discussed during on-site inspection. It will be a minimum of 20 mil thick and felt, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any 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 (*Request is in lieu of filing Form 3160-5, after initial production*).

**8. Ancillary Facilities:**

*Please see the Natural Buttes SOP.*

**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.

Location size may change prior to the drilling of the well due to the 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 3160-5 will be submitted.

**10. Plans for Reclamation of the Surface:**

*Please see the Natural Buttes SOP.*

*Please see the Natural Buttes SOP.*

Operator shall call the BIA for the seed mixture when the final reclamation occurs.

**11. Surface/Mineral Ownership:**

The well pad and access road are located on lands owned by:

Ute Indian Tribe  
P.O. Box 70  
Fort Duchesne, Utah 84026  
(435) 722-5141

The mineral ownership is listed below:

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

**12. Stipulations/Notices/Mitigation:**

There are no stipulations or notices for this location.

**13. Other Information:**

A Class III archaeological survey and a paleontological survey have been performed and will be submitted.

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

**14. Lessee's or Operator'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

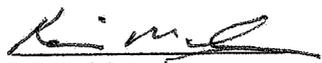
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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 the terms and conditions of the lease for the operations conducted upon leased lands.

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.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by Bureau of Land Management Nationwide Bond #WYB000291.

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

11/24/2008

Date

**Kerr-McGee Oil & Gas Onshore LP**  
**NBU #921-10FS2, #921-10F3T, #921-10E3S & #921-10G4S**  
**SECTION 10, T9S, R21E, S.L.B.&M.**

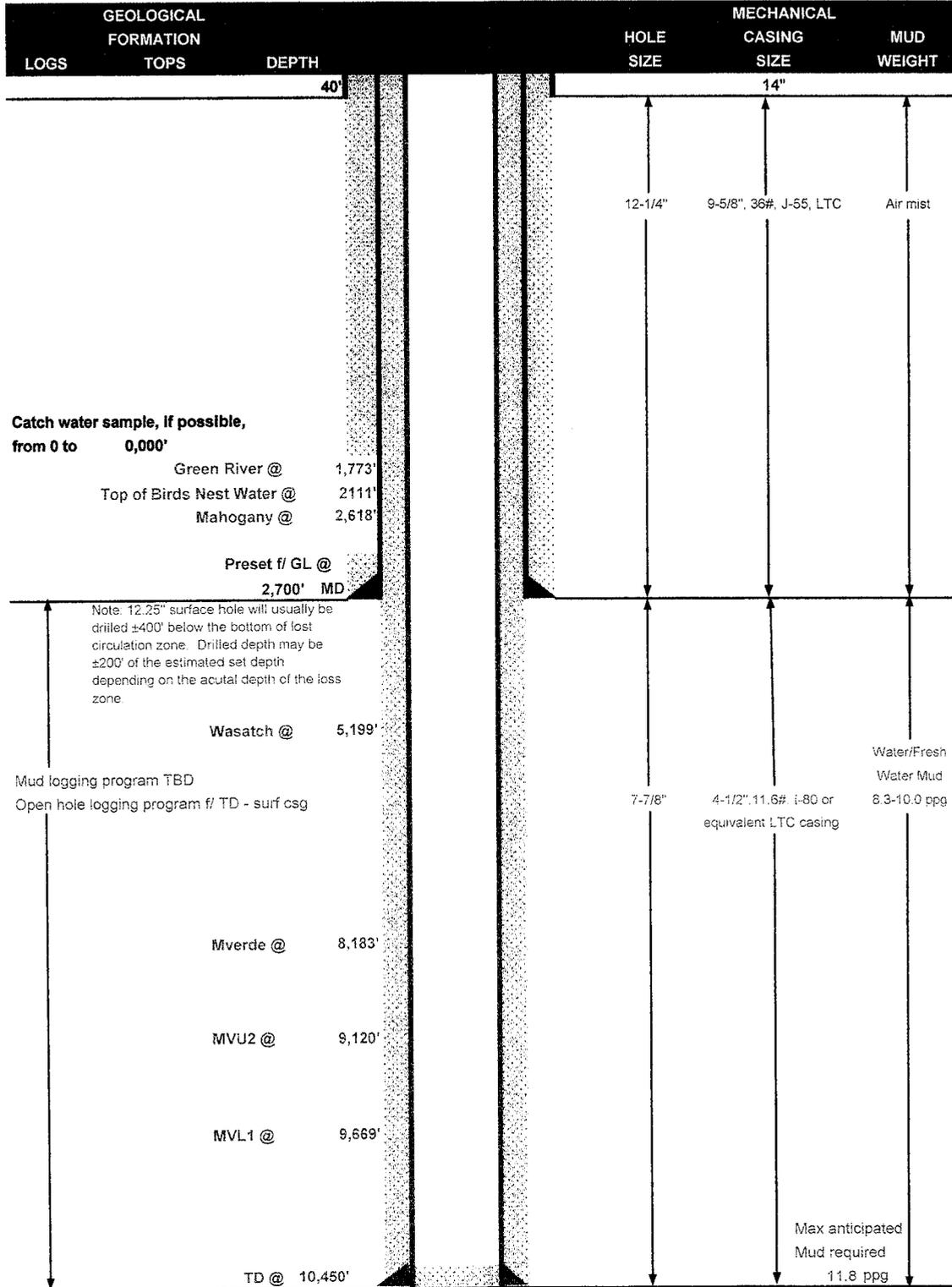
PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHWEST; FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 270' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.45MILES.



# KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE November 24, 2008  
 WELL NAME NBU 921-10F3T TD 10,450' MD/TVD  
 FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 4,707' GL KB 4,722'  
 SURFACE LOCATION SENW 1897' FNL & 1928' FWL, SEC. 10, T9S, R21E BHL Straight Hole  
 Latitude: 40.052711 Longitude: -109.539772 NAD 27  
 OBJECTIVE ZONE(S) Wasatch/Mesaverde  
 ADDITIONAL INFO Regulatory Agencies: BLM (MINERALS), BIA (SURFACE), UDOGM, Tri-County Health Dept.



### CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'						
SURFACE	9-5/8"	0 to 2700	36.00	J-55	LTC	3520	2020	453000
						0.86	1.60	5.93
PRODUCTION	4-1/2"	0 to 10450	11.60	I-80	LTC	7780	6350	201000
						1.89	0.99	1.90

- 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 4180 psi

### CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>						
	LEAD	1500	Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,690'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	510	60%	11.00	3.38
	TAIL	5,760'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1610	60%	14.30	1.31

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

### FLOAT EQUIPMENT & CENTRALIZERS

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

### ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: \_\_\_\_\_  
 Brad Laney

DRILLING SUPERINTENDENT: \_\_\_\_\_  
 Randy Bayne NBU 921-10F3T.xls

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

**Kerr-McGee Oil & Gas Onshore LP**  
**NBU #921-10F2S, #921-10F3T, #921-10E3S & #921-10G4S**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 10, T9S, R21E, S.L.B.&M.

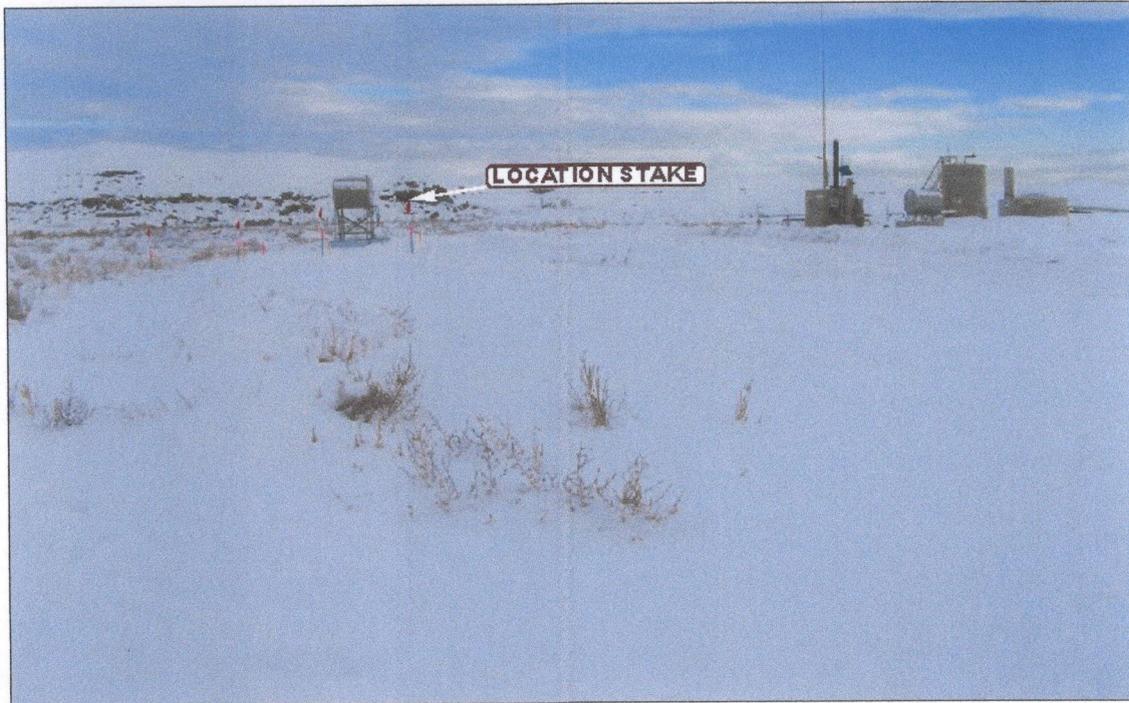


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY

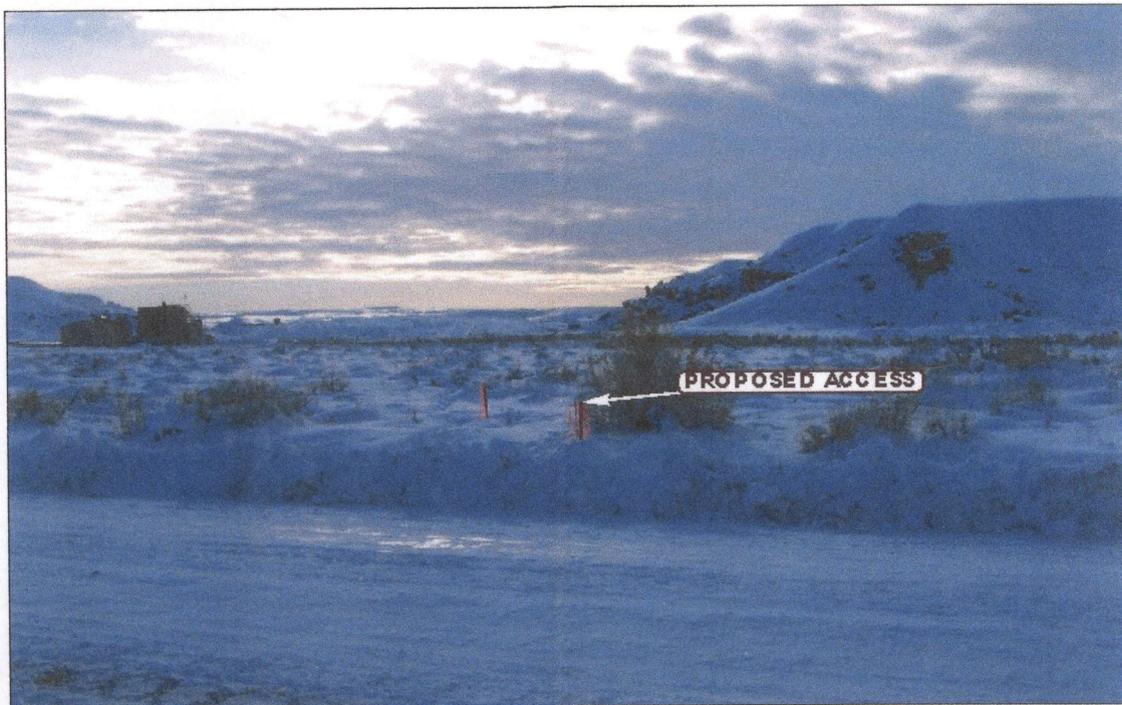


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS

**01 11 08**  
 MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: Z.L.

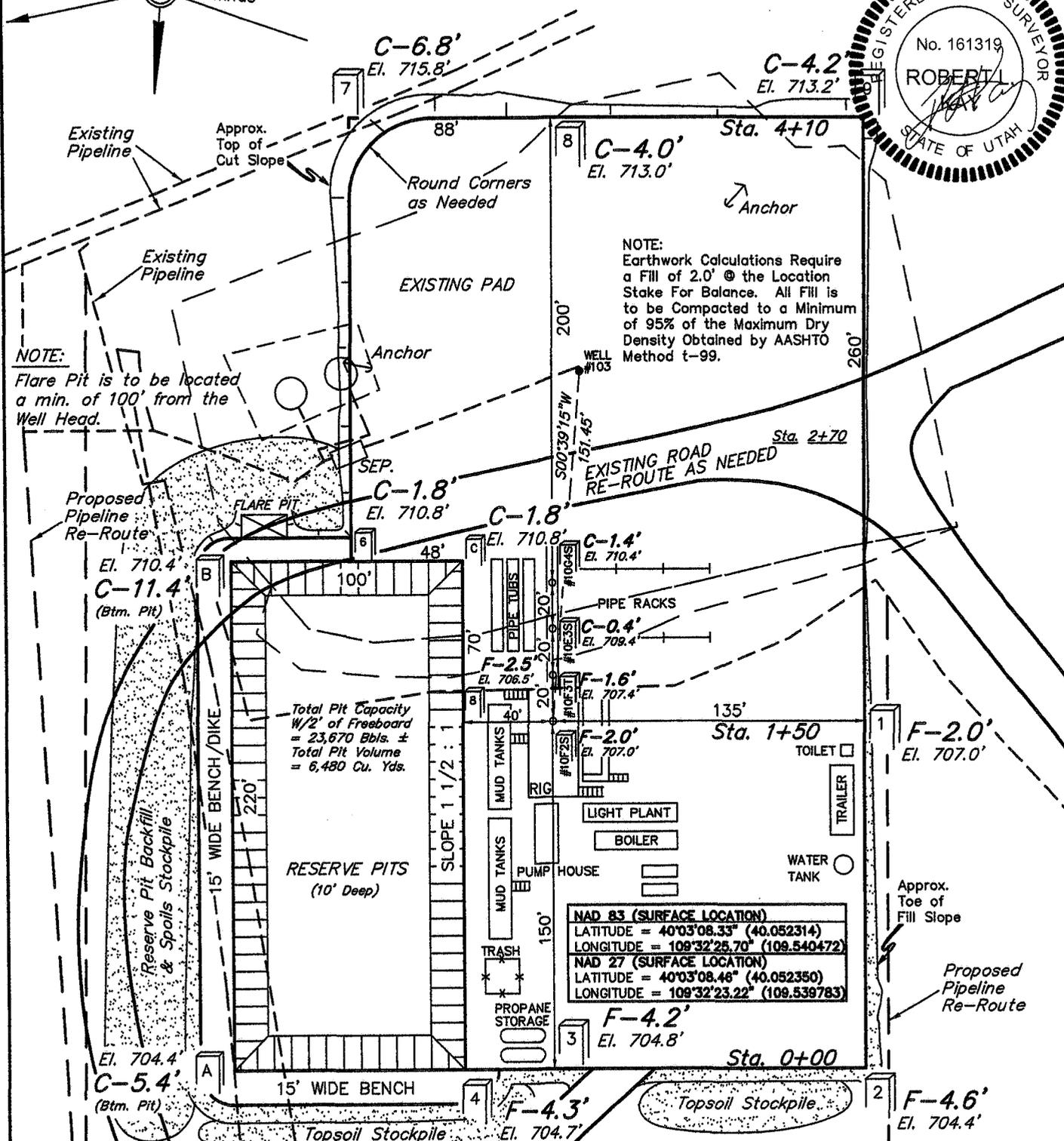
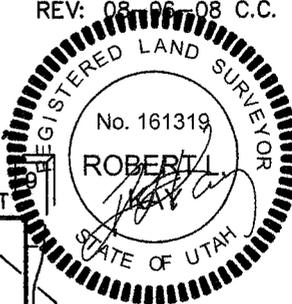
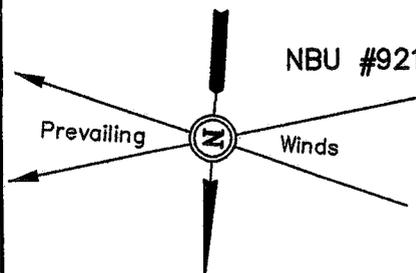
REV: 08-06-08 C.C.

# Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

LOCATION LAYOUT FOR  
 NBU #921-10F2S, #921-10F3T, #921-10E3S & #921-10G4S  
 SECTION 10, T9S, R21E, S.L.B.&M.  
 SE 1/4 NW 1/4

SCALE: 1" = 60'  
 DATE: 07-24-08  
 DRAWN BY: L.K.  
 REV: 08-06-08 C.C.



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

Total Pit Capacity  
 W/2' of Freeboard  
 = 23,670 Bbls. ±  
 Total Pit Volume  
 = 6,480 Cu. Yds.

<b>NAD 83 (SURFACE LOCATION)</b>	
LATITUDE = 40°03'08.33"	(40.052314)
LONGITUDE = 109°32'25.70"	(109.540472)
<b>NAD 27 (SURFACE LOCATION)</b>	
LATITUDE = 40°03'08.46"	(40.052350)
LONGITUDE = 109°32'23.22"	(109.539783)

NOTES:  
 Elev. Ungraded Ground At #10F2S Loc. Stake = 4707.0'  
 FINISHED GRADE ELEV. AT #10F2S LOC. STAKE = 4709.0'

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

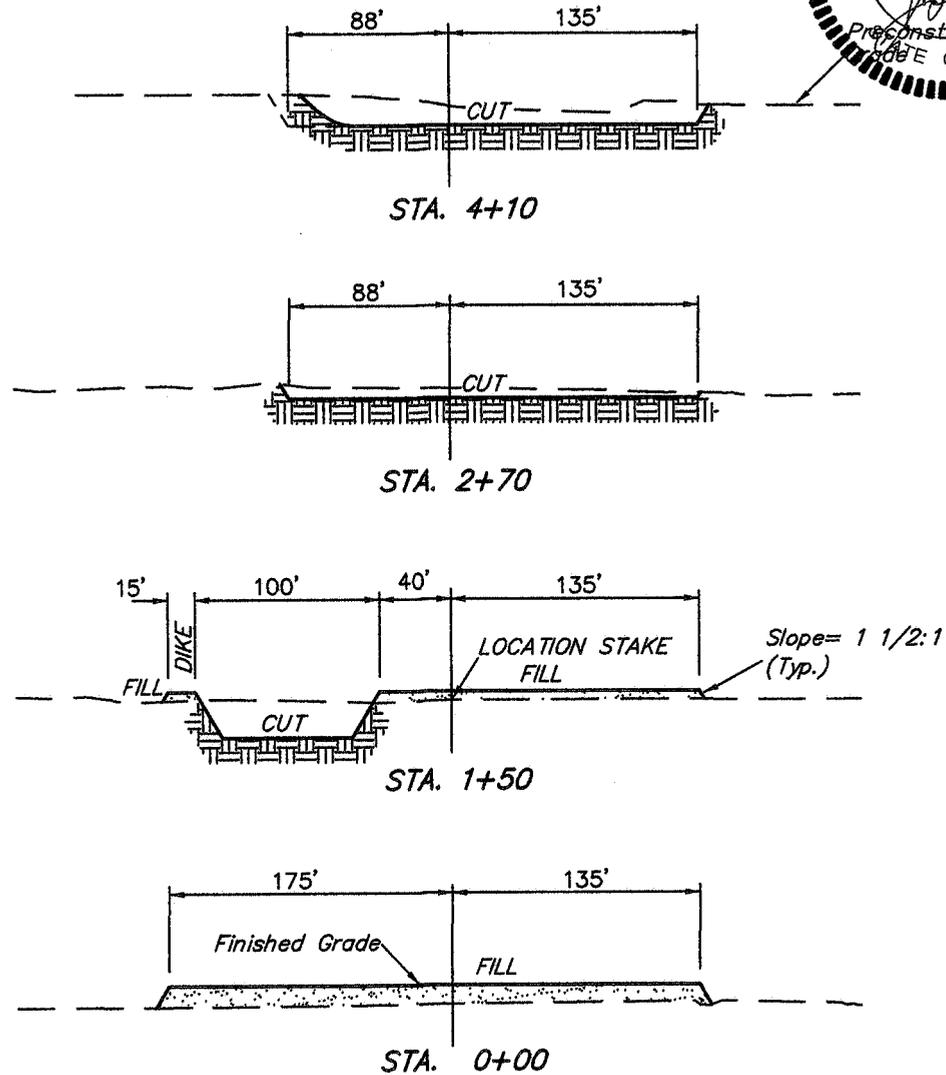
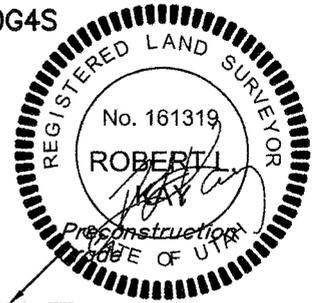
# Kerr-McGee Oil & Gas Onshore LP

FIGURE #2

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

TYPICAL CROSS SECTION FOR  
NBU #921-10F2S, #921-10F3T, #921-10E3S & #921-10G4S  
SECTION 10, T9S, R21E, S.L.B.&M.  
SE 1/4 NW 1/4

DATE: 07-24-08  
DRAWN BY: L.K.  
REV: 08-06-08 C.C.



**NOTE:**

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

**\* NOTE:**

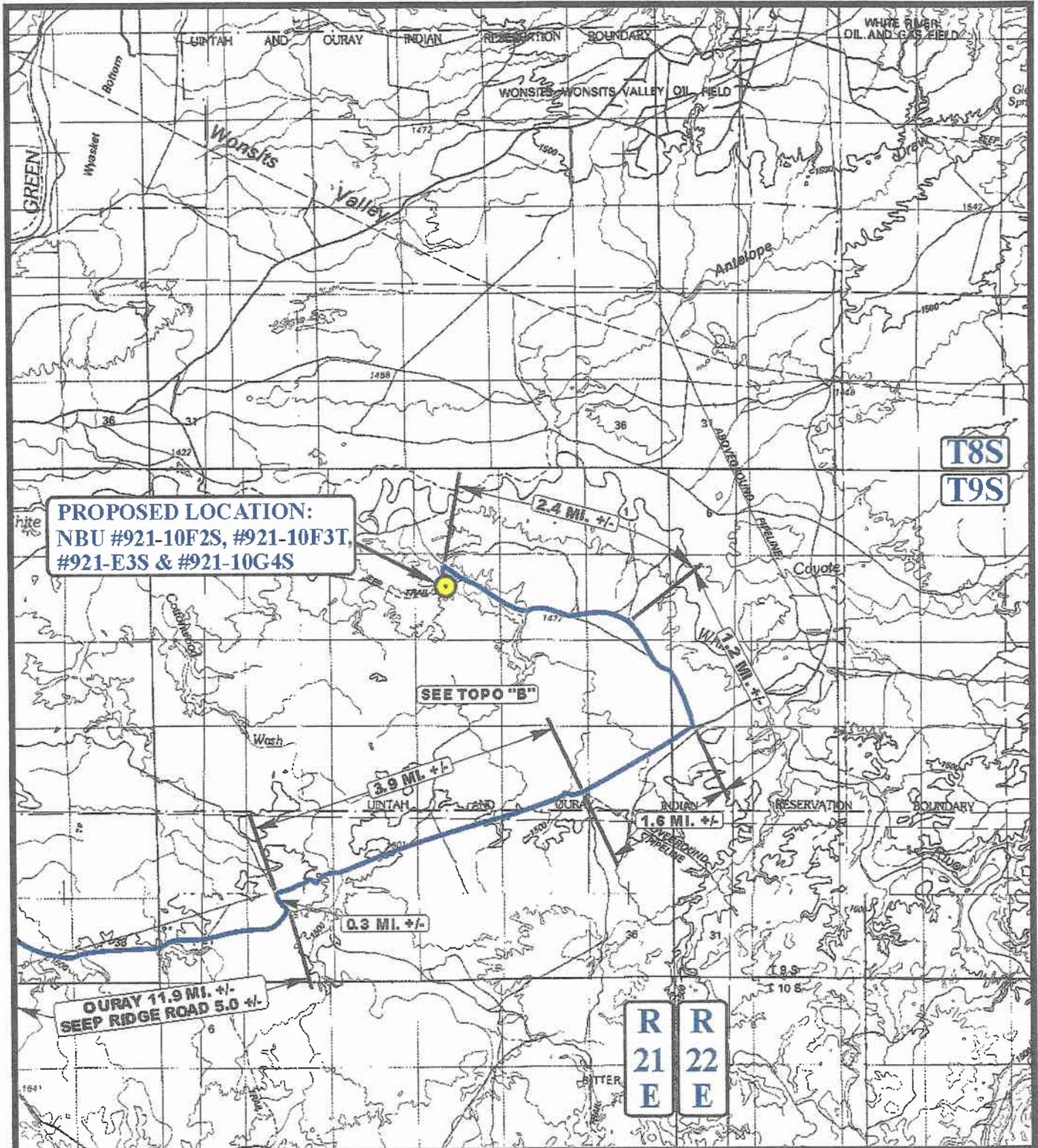
FILL QUANTITY INCLUDES 5% FOR COMPACTION

**APPROXIMATE YARDAGES**

<b>CUT</b>	
(12") Topsoil Stripping	= 1,330 Cu. Yds.
Remaining Location	= 8,190 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 9,520 CU.YDS.</b>
<b>FILL</b>	<b>= 4,950 CU.YDS.</b>

EXCESS MATERIAL	= 4,570 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 4,570 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.

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



**PROPOSED LOCATION:**  
 NBU #921-10F2S, #921-10F3T,  
 #921-E3S & #921-10G4S

SEE TOPO "B"

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

T8S  
 T9S

R  
21  
E  
 R  
22  
E

**LEGEND:**

PROPOSED LOCATION

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

NBU #921-10F2S, #921-10F3T,  
 #921-10E3S & #921-10G4S  
 SECTION 10, T9S, R21E, S.L.B.&M.  
 SE 1/4 NW 1/4



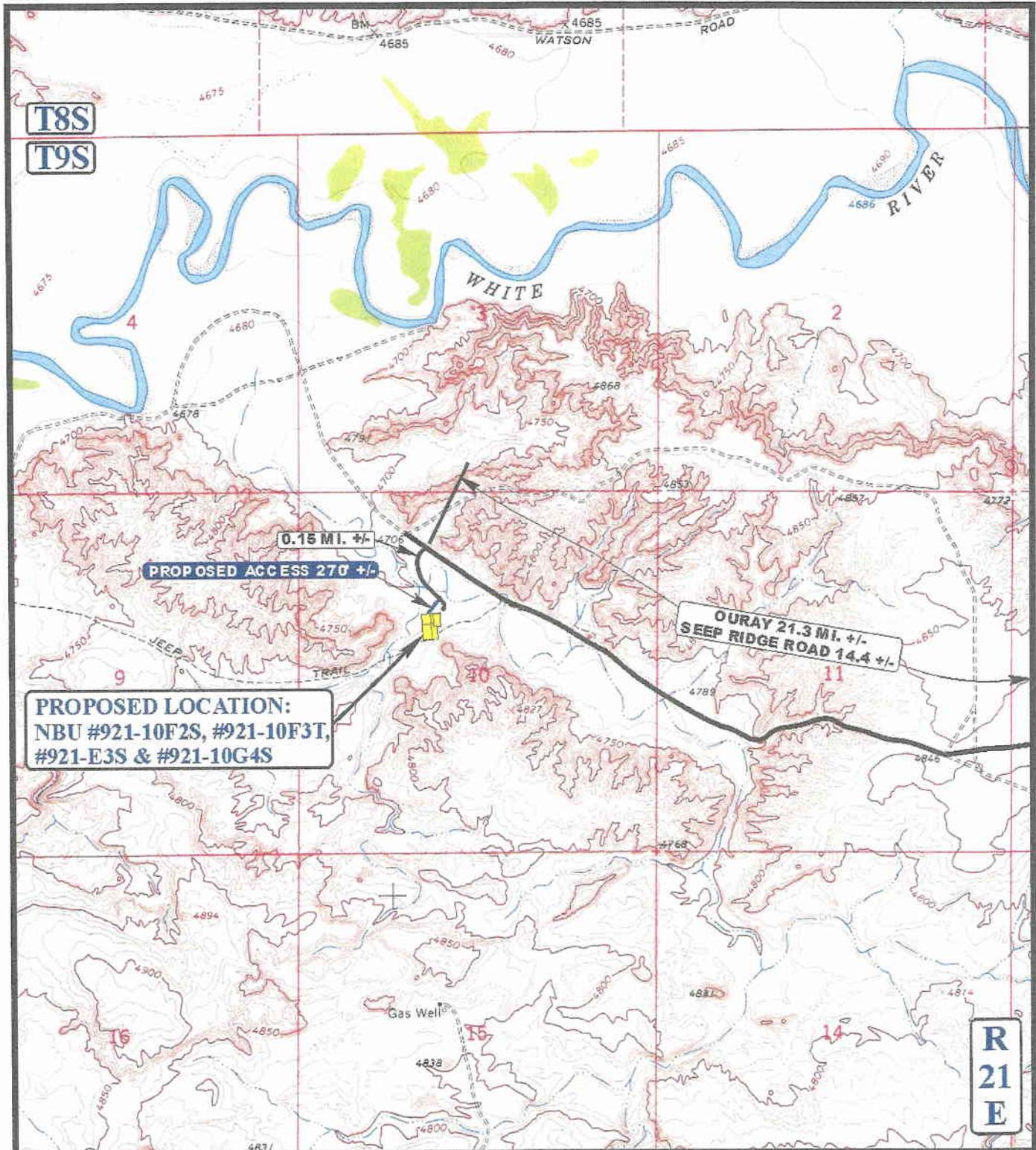
Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC MAP 01 11 08  
 MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: Z.L. REV: 08-06-08 C.C.





**PROPOSED LOCATION:**  
 NBU #921-10F2S, #921-10F3T,  
 #921-E3S & #921-10G4S

**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD



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

NBU #921-10F2S, #921-10F3T,  
 #921-10E3S & #921-10G4S  
 SECTION 10, T9S, R21E, S.L.B.&M.  
 SE 1/4 NW 1/4



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

**TOPOGRAPHIC** 01 11 08  
**MAP** MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: Z.L. REV: 08-06-08 C.C.



T8S

T9S

**PROPOSED LOCATION:**  
NBU #921-10F2S, #921-10F3T,  
#921-E3S & #921-10G4S

R  
21  
E

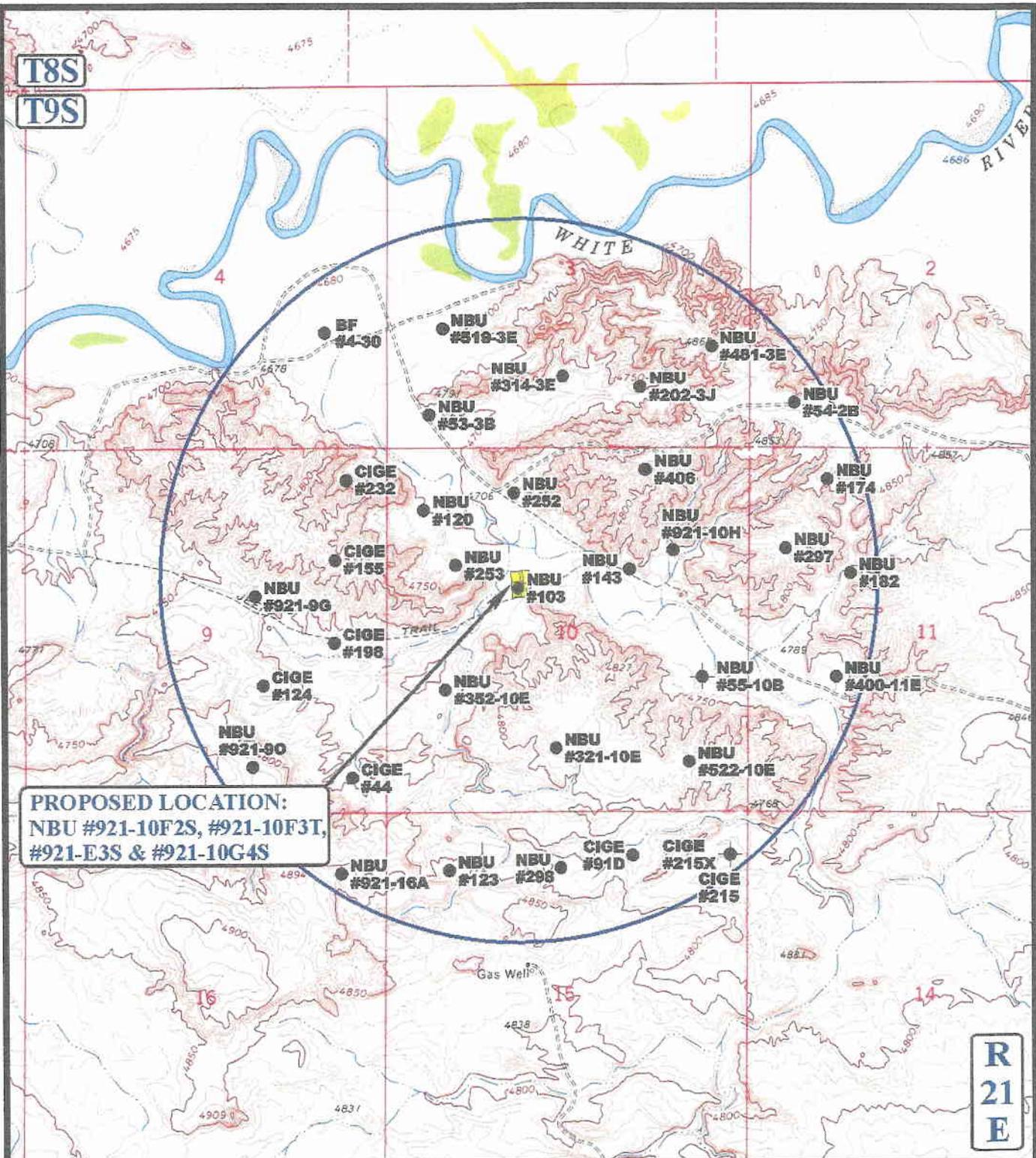
- LEGEND:**
- DISPOSAL WELLS
  - PRODUCING WELLS
  - SHUT IN WELLS
  - WATER WELLS
  - ABANDONED WELLS
  - TEMPORARILY ABANDONED

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

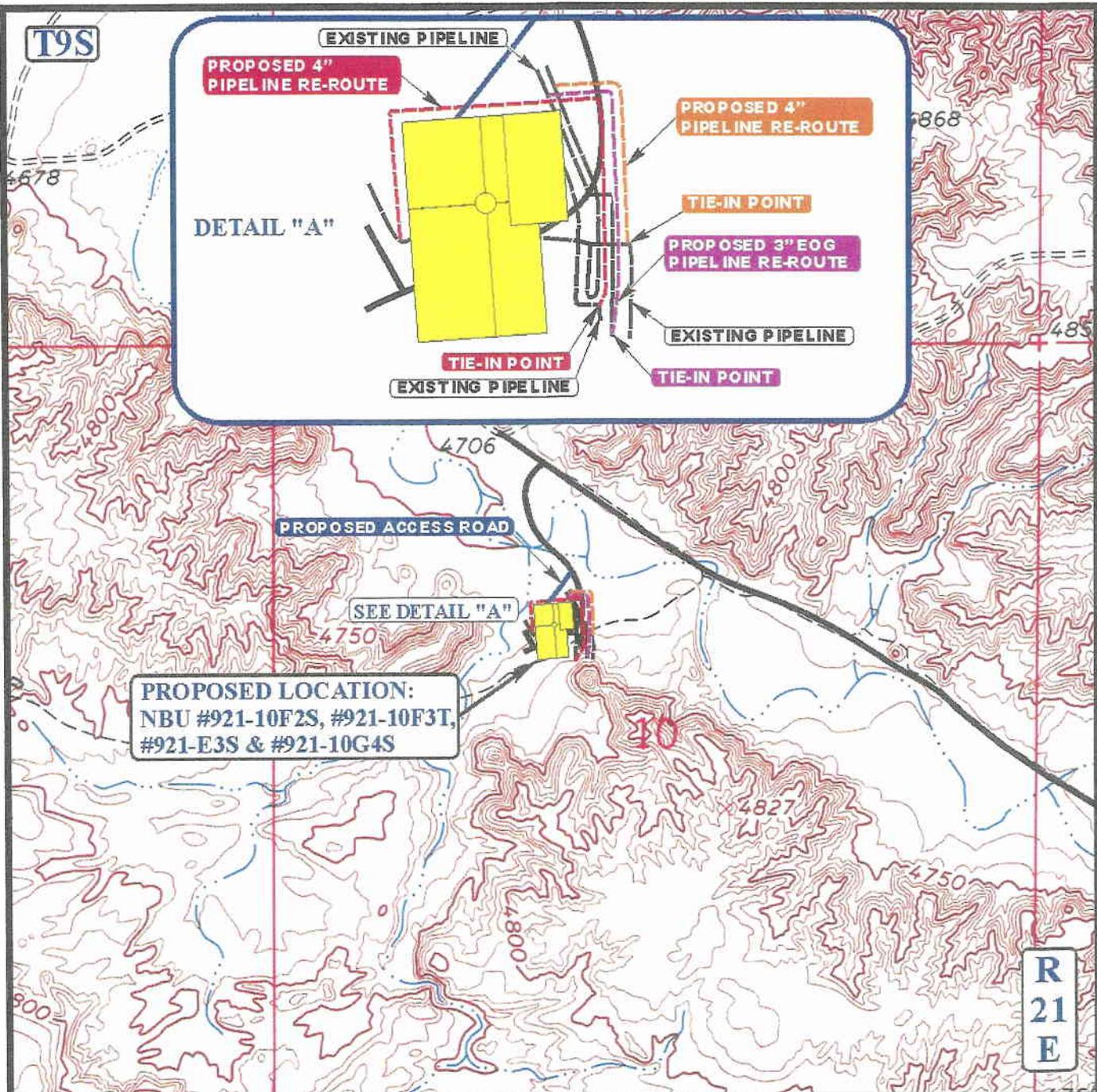
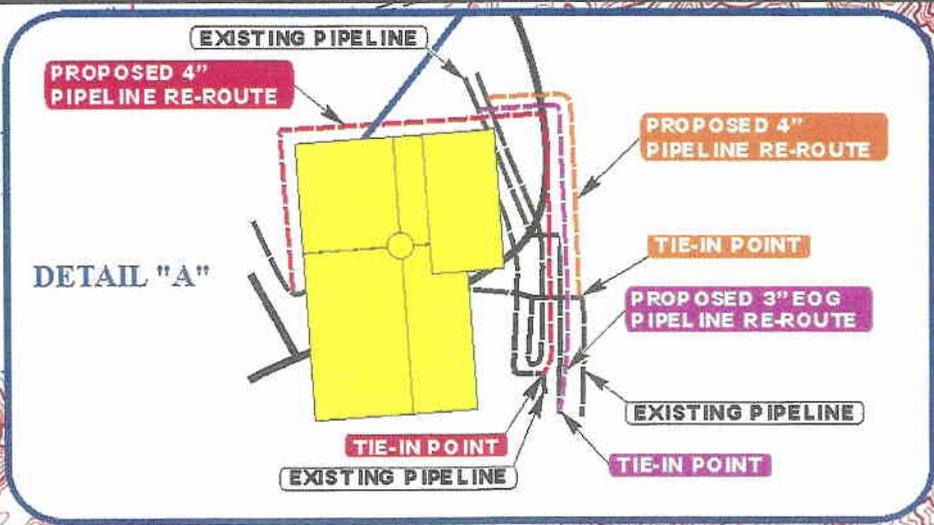
NBU #921-10F2S, #921-10F3T,  
#921-10E3S & #921-10G4S  
SECTION 10, T9S, R21E, S.L.B.&M.  
SE 1/4 NW 1/4

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

**TOPOGRAPHIC MAP**  
01 11 08  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: Z.L. REV: 08-06-08 C.C.



T9S



APPROXIMATE TOTAL 3" EOG PIPELINE DISTANCE = 560' +/-

APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 985' +/-

APPROXIMATE TOTAL 4" PIPELINE DISTANCE = 450' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

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

NBU #921-10F2S, #921-10F3T,  
#921-10E3S & #921-10G4S  
SECTION 10, T9S, R21E, S.L.B.&M.  
SE 1/4 NW 1/4



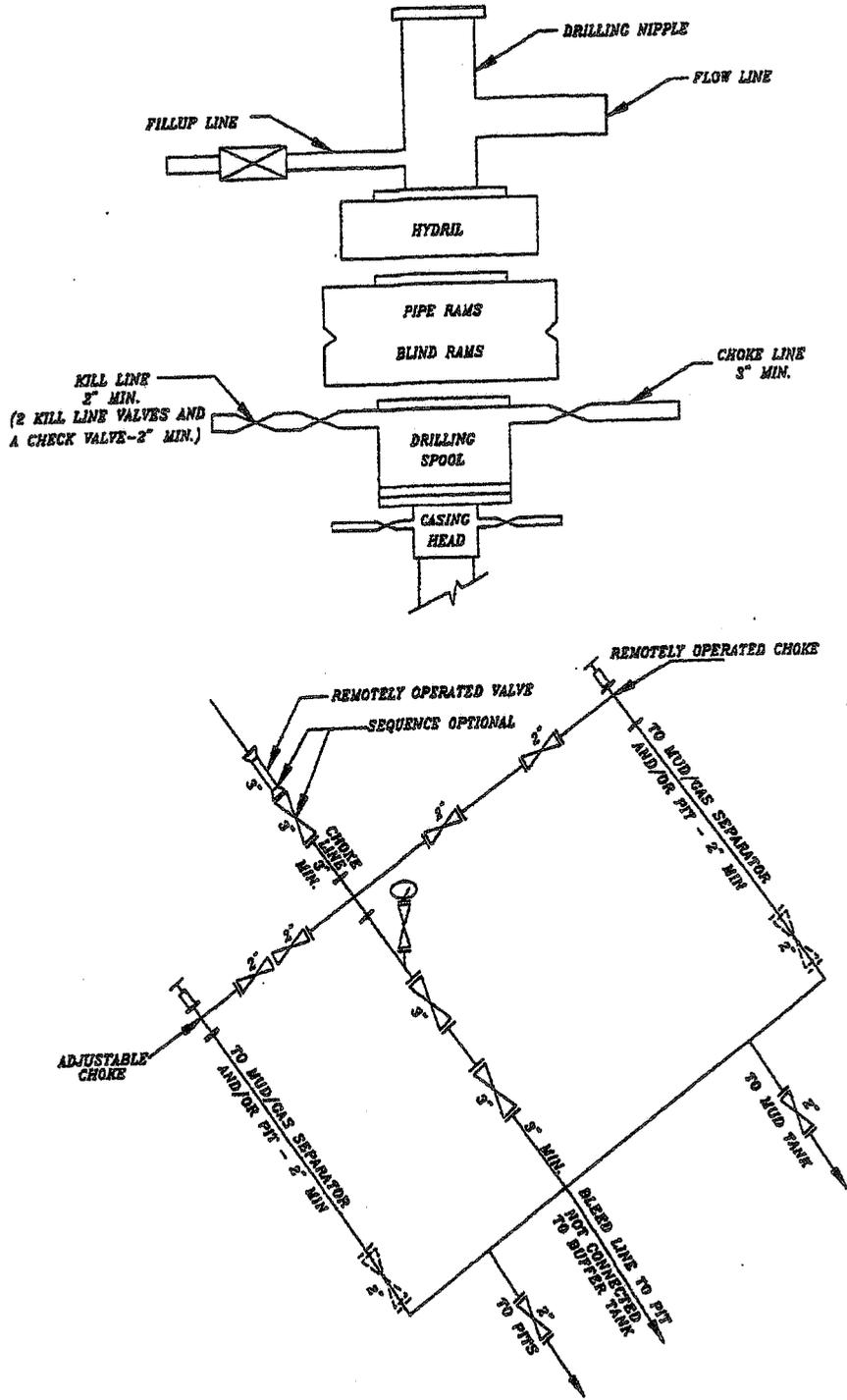
Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC MAP** 01 11 08  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: Z.L. REV: 08-06-08 C.C.



EXHIBIT A



SCHMATIC DIAGRAM OF 5,000 PSI BOP STACK

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 12/03/2008

API NO. ASSIGNED: 43-047-40447

WELL NAME: NBU 921-10F3T  
 OPERATOR: KERR-MCGEE OIL & GAS ( N2995 )  
 CONTACT: KEVIN MCINTYRE

PHONE NUMBER: 720-929-6226

PROPOSED LOCATION:

SENW 10 090S 210E  
 SURFACE: 1897 FNL 1928 FWL  
 BOTTOM: 1897 FNL 1928 FWL  
 COUNTY: UINTAH  
 LATITUDE: 40.05266 LONGITUDE: -109.5398  
 UTM SURF EASTINGS: 624555 NORTHINGS: 4434413  
 FIELD NAME: NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-0141315  
 SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSMVD  
 COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

- R649-2-3.
- Unit: NATURAL BUTTES
- R649-3-2. General
- Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
- Board Cause No: 17314
- Eff Date: 12-2-1999
- Siting: 460' by 1/2' by 9' uncomm. Tracts
- R649-3-11. Directional Drill

COMMENTS:         Sep, Separate files        

STIPULATIONS:         Federal Approval          
        2- OIL SHALE

API Number: 4304740447

Well Name: NBU 921-10F3T

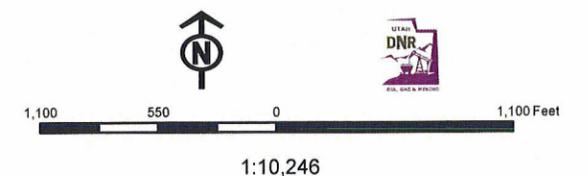
Township 09.0 S Range 21.0 E Section 10

Meridian: SLBM

Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Map Prepared:  
Map Produced by Diana Mason

<b>Units</b>	<b>Wells Query Events</b>
<b>STATUS</b>	✖ <all other values>
ACTIVE	<b>GIS_STAT_TYPE</b>
EXPLORATORY	<Null>
GAS STORAGE	◆ APD
NF PP OIL	⊙ DRL
NF SECONDARY	⊙ GI
PI OIL	⊙ GS
PP GAS	⊙ LA
PP GEOTHERMAL	⊙ NEW
PP OIL	⊙ OPS
SECONDARY	⊙ PA
TERMINATED	⊙ PGW
<b>Fields</b>	⊙ POW
<b>STATUS</b>	⊙ RET
ACTIVE	⊙ SGW
COMBINED	⊙ SOW
Sections	⊙ TA
	⊙ TW
	⊙ WD
	⊙ WI
	⊙ WS



# 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)**

December 5, 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)		
43-047-40444	NBU 921-10G4S	Sec 10 T09S R21E 1937 FNL 1931 FWL
	BHL	Sec 10 T09S R21E 2158 FNL 1441 FEL
43-047-40445	NBU 921-10F2S	Sec 10 T09S R21E 1877 FNL 1927 FWL
	BHL	Sec 10 T09S R21E 1373 FNL 1959 FEL
43-047-40446	NBU 921-10E3S	Sec 10 T09S R21E 1917 FNL 1929 FWL
	BHL	Sec 10 T09S R21E 2080 FNL 0406 FWL
43-047-40447	NBU 921-10F3T	Sec 10 T09S R21E 1897 FNL 1928 FWL
43-047-40448	NBU 922-29D1T	Sec 29 T09S R22E 0571 FNL 1009 FWL
43-047-40423	NBU 921-10CT	Sec 10 T09S R21E 0811 FNL 1792 FWL
43-047-40428	NBU 921-13CT	Sec 13 T09S R21E 0655 FNL 1920 FWL
43-047-40435	NBU 1022-3B4T	Sec 03 T10S R22E 1022 FNL 1751 FEL
43-047-40434	NBU 1022-2A2T	Sec 02 T10S R22E 0203 FNL 0896 FEL
43-047-40424	NBU 921-10G2S	Sec 10 T09S R21E 0835 FNL 1824 FWL
	BHL	Sec 10 T09S R21E 1340 FNL 2462 FEL
43-047-40425	NBU 921-10D2S	Sec 10 T09S R21E 0799 FNL 1776 FWL

BHL Sec 10 T09S R21E 0543 FNL 0648 FWL

Page 2

43-047-40426 NBU 921-10B4S Sec 10 T09S R21E 0823 FNL 1808 FWL  
BHL Sec 10 T09S R21E 0705 FNL 1929 FEL

43-047-40427 NBU 921-13G2S Sec 13 T09S R21E 0655 FNL 1940 FWL  
BHL Sec 13 T09S R21E 1372 FNL 2523 FEL

43-047-40429 NBU 921-13B2S Sec 13 T09S R21E 0655 FNL 1960 FWL  
BHL Sec 13 T09S R21E 0488 FNL 2541 FEL

43-047-40430 NBU 921-13D4S Sec 13 T09S R21E 0655 FNL 1900 FWL  
BHL Sec 13 T09S R21E 0682 FNL 0912 FWL

43-047-40431 NBU 1022-2B2S Sec 02 T10S R22E 0202 FNL 0916 FEL  
BHL Sec 02 T10S R22E 0065 FNL 2075 FEL

43-047-40432 NBU 1022-2A3S Sec 02 T10S R22E 0206 FNL 0857 FEL  
BHL Sec 02 T10S R22E 0680 FNL 0820 FEL

43-047-40433 NBU 1022-2A4S Sec 02 T10S R22E 0207 FNL 0836 FEL  
BHL Sec 02 T10S R22E 1175 FNL 0315 FEL

43-047-40436 NBU 1022-3A3S Sec 03 T10S R22E 1013 FNL 1734 FEL  
BHL Sec 03 T10S R22E 0904 FNL 0822 FEL

43-047-40437 NBU 1022-3C1S Sec 03 T10S R22E 1040 FNL 1787 FEL  
BHL Sec 03 T10S R22E 0380 FNL 2354 FWL

43-047-40438 NBU 1022-3B2S Sec 03 T10S R22E 1031 FNL 1769 FEL  
BHL Sec 03 T10S R22E 0048 FNL 2516 FEL

43-047-40439 NBU 1022-24O2S Sec 24 T10S R22E 0684 FSL 2016 FEL  
BHL Sec 24 T10S R22E 0830 FSL 0690 FEL

43-047-40440 NBU 1022-24P4S Sec 24 T10S R22E 0625 FSL 2002 FEL  
BHL Sec 24 T10S R22E 0400 FSL 0635 FEL

43-047-40441 NBU 1022-25G2S Sec 25 T10S R22E 1768 FNL 1502 FEL  
BHL Sec 25 T10S R22E 1900 FNL 2025 FEL

43-047-40442 NBU 1022-25G4S Sec 25 T10S R22E 1758 FNL 1443 FEL  
BHL Sec 25 T10S R22E 2615 FNL 1955 FEL

43-047-40443 NBU 1022-25G3S Sec 25 T10S R22E 1765 FNL 1482 FEL  
BHL Sec 25 T10S R22E 2250 FNL 2065 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  
Fluid Chron

MCoulthard:mc:12-5-08



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

December 8, 2008

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

Re: NBU 921-10F3T Well, 1897' FNL, 1928' FWL, SE NW, Sec. 10, T. 9 South, R. 21 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40447.

Sincerely,

Gil Hunt  
Associate Director

pab  
Enclosures

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



Operator: Kerr-McGee Oil & Gas Onshore, LP

Well Name & Number NBU 921-10F3T

API Number: 43-047-40447

Lease: UTU-0141315

Location: SE NW                      Sec. 10              T. 9 South                      R. 21 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 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. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. 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.

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-0141315
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b> UTE  <b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> NBU 921-10F3T
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047404470000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1897 FNL 1928 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENW Section: 10 Township: 09.0S Range: 21.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 11/30/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> 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"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" 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.**

Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.

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

**Date:** November 30, 2009

**By:** 

<b>NAME (PLEASE PRINT)</b> Danielle Piernot	<b>PHONE NUMBER</b> 720 929-6156	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 11/24/2009	



**The Utah Division of Oil, Gas, and Mining**

- State of Utah  
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

**Request for Permit Extension Validation Well Number 43047404470000**

**API:** 43047404470000

**Well Name:** NBU 921-10F3T

**Location:** 1897 FNL 1928 FWL QTR SENW SEC 10 TWNP 090S RNG 210E MER S

**Company Permit Issued to:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date Original Permit Issued:** 12/8/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

- If located on private land, has the ownership changed, if so, has the surface agreement been updated?  Yes  No
- Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location?  Yes  No
- Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?  Yes  No
- Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?  Yes  No
- Has the approved source of water for drilling changed?  Yes  No
- Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?  Yes  No
- Is bonding still in place, which covers this proposed well?  Yes  No

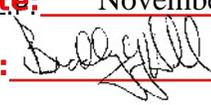
**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Danielle Piernot

**Date:** 11/24/2009

**Title:** Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

**Date:** November 30, 2009

**By:** 

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> UTU-0141315
<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b> UTE  <b>7. UNIT or CA AGREEMENT NAME:</b> NATURAL BUTTES
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> NBU 921-10F3T
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047404470000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6007 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 1897 FNL 1928 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: SENW Section: 10 Township: 09.0S Range: 21.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 12/8/2010  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:  <input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:  <input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input checked="" type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>

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

Kerr-McGee Oil & Gas Onshore, L.P. (Kerr-McGee) respectfully requests an extension to this APD for the maximum time allowed. Please contact the undersigned with any questions and/or comments. Thank you.

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

Date: 12/13/2010  
 By: 

<b>NAME (PLEASE PRINT)</b> Danielle Piernot	<b>PHONE NUMBER</b> 720 929-6156	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A		<b>DATE</b> 12/8/2010



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047404470000

API: 43047404470000

Well Name: NBU 921-10F3T

Location: 1897 FNL 1928 FWL QTR SENW SEC 10 TWNP 090S RNG 210E MER S

Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date Original Permit Issued: 12/8/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

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• Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well?
• Have there been any changes to the access route including ownership, or rightof- way, which could affect the proposed location?
• Has the approved source of water for drilling changed?
• Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation?
• Is bonding still in place, which covers this proposed well?

Approved by the Utah Division of Oil, Gas and Mining

Signature: Danielle Piernot

Date: 12/8/2010

Title: Regulatory Analyst Representing: KERR-MCGEE OIL & GAS ONSHORE,

Date: 12/13/2010
By: [Signature]



GARY R. HERBERT  
Governor

GREGORY S. BELL  
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

December 16, 2011

Danielle Piernot  
Kerr McGee Oil & Gas Onshore, L.P.  
P.O. Box 173779  
Denver, CO 80217

43 047 40AA7  
NBU 921-10F3T  
9S 21E 10

Re: APDs Rescinded for Kerr McGee Oil & Gas Onshore, L.P.  
Uintah County

Dear Ms. Piernot:

Enclosed find the list of APDs that you requested to be rescinded. No drilling activity at these locations has been reported to the division. Therefore, approval to drill these wells is hereby rescinded, effective December 16, 2011.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

  
Diana Mason  
Environmental Scientist

cc: Well File  
Bureau of Land Management, Vernal



43-047-40567	NBU 920-33D
43-047-38813	BONANZA 1023-12C
43-047-40416	NBU 677-26E
43-047-40417	NBU 692-06E
43-047-40418	NBU 712-35E
43-047-50185	NBU 920-29A
43-047-50186	NBU 920-29D
43-047-50187	NBU 920-29E
43-047-50188	NBU 920-29F
43-047-50189	NBU 920-29G
43-047-50190	NBU 920-29H
43-047-38879	TABEE 34-197
43-047-39829	NBU 922-18P3S
43-047-39831	NBU 922-18N2S
43-047-40444	NBU 921-10G4S
43-047-40445	NBU 921-10F2S
43-047-40446	NBU 921-10E3S
→ 43-047-40447	NBU 921-10F3T
43-047-40437	NBU 1022-3C1S
43-047-38913	BONANZA 1023-7E-4
43-047-40567	NBU 920-33D

# United States Department of the Interior



## BUREAU OF LAND MANAGEMENT

Green River District-Vernal Field Office

170 South 500 East

Vernal, UT 84078

(435) 781-4400 Fax: (435) 781-4410

<http://www.blm.gov/ut/st/en/fo/vernal.html>

**MAY 14 2012**



IN REPLY REFER TO:  
3160 (UTG011)

Julie Jacobson  
Anadarko Petroleum Corporation  
Kerr McGee Oil & Gas Onshore LP  
1099 18<sup>th</sup> Street, Suite 600  
Denver, CO 80202

43 047 40447

Re: Request to Return APD  
Well No. NBU 921-10F3T  
SENW, Sec. 10, T9S, R21E  
Uintah County, Utah  
Lease No. UTU-0141315  
Natural Buttes Unit

Dear Ms. Jacobson:

The Application for Permit to Drill (APD) for the above referenced well received in this office on December 3, 2008, is being returned unapproved per a request to this office in an email message from you received on April 23, 2012. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

If you have any questions regarding APD processing, please contact Cindy Severson at (435) 781-4455.

Sincerely,

Jerry Kenczka  
Assistant Field Manager  
Lands & Mineral Resources

Enclosures

cc: UDOGM

RECEIVED

MAY 22 2012

DIV. OF OIL, GAS & MINING