

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

FORM 3  
AMENDED REPORT

<b>APPLICATION FOR PERMIT TO DRILL</b>				<b>1. WELL NAME and NUMBER</b> NBU 921-9E2S		
<b>2. TYPE OF WORK</b> DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				<b>3. FIELD OR WILDCAT</b> NATURAL BUTTES		
<b>4. TYPE OF WELL</b> Gas Well Coalbed Methane Well: NO				<b>5. UNIT or COMMUNITIZATION AGREEMENT NAME</b> NATURAL BUTTES		
<b>6. NAME OF OPERATOR</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.				<b>7. OPERATOR PHONE</b> 720 929-6587		
<b>8. ADDRESS OF OPERATOR</b> P.O. Box 173779, Denver, CO, 80217				<b>9. OPERATOR E-MAIL</b> mary.mondragon@anadarko.com		
<b>10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE)</b> UTU-0149767		<b>11. MINERAL OWNERSHIP</b> FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		<b>12. SURFACE OWNERSHIP</b> FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		
<b>13. NAME OF SURFACE OWNER (if box 12 = 'fee')</b>				<b>14. SURFACE OWNER PHONE (if box 12 = 'fee')</b>		
<b>15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')</b>				<b>16. SURFACE OWNER E-MAIL (if box 12 = 'fee')</b>		
<b>17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')</b> Ute		<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input type="checkbox"/> (Submit Commingling Application) NO <input checked="" type="checkbox"/>		<b>19. SLANT</b> VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
<b>20. LOCATION OF WELL</b>	<b>FOOTAGES</b>	<b>QTR-QTR</b>	<b>SECTION</b>	<b>TOWNSHIP</b>	<b>RANGE</b>	<b>MERIDIAN</b>
<b>LOCATION AT SURFACE</b>	966 FNL 602 FEL	NENE	8	9.0 S	21.0 E	S
<b>Top of Uppermost Producing Zone</b>	1686 FNL 110 FWL	SWNW	9	9.0 S	21.0 E	S
<b>At Total Depth</b>	1686 FNL 110 FWL	SWNW	9	9.0 S	21.0 E	S
<b>21. COUNTY</b> UINTAH		<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 110		<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 777		
		<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 20		<b>26. PROPOSED DEPTH</b> MD: 10603 TVD: 10500		
<b>27. ELEVATION - GROUND LEVEL</b> 4707		<b>28. BOND NUMBER</b> WYB000291		<b>29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE</b> Permit #43-8496		

**ATTACHMENTS**

**VERIFY THE FOLLOWING ARE ATTACHED IN ACCORCANCE 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 type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

<b>NAME</b> Kathy Schneebeck-Dulnoan	<b>TITLE</b> Staff Regulatory Analyst	<b>PHONE</b> 720 929-6007
<b>SIGNATURE</b>	<b>DATE</b> 04/28/2009	<b>EMAIL</b> Kathy.SchneebeckDulnoan@anadarko.com
<b>API NUMBER ASSIGNED</b> 43047501050000	<b>APPROVAL</b>   Permit Manager	

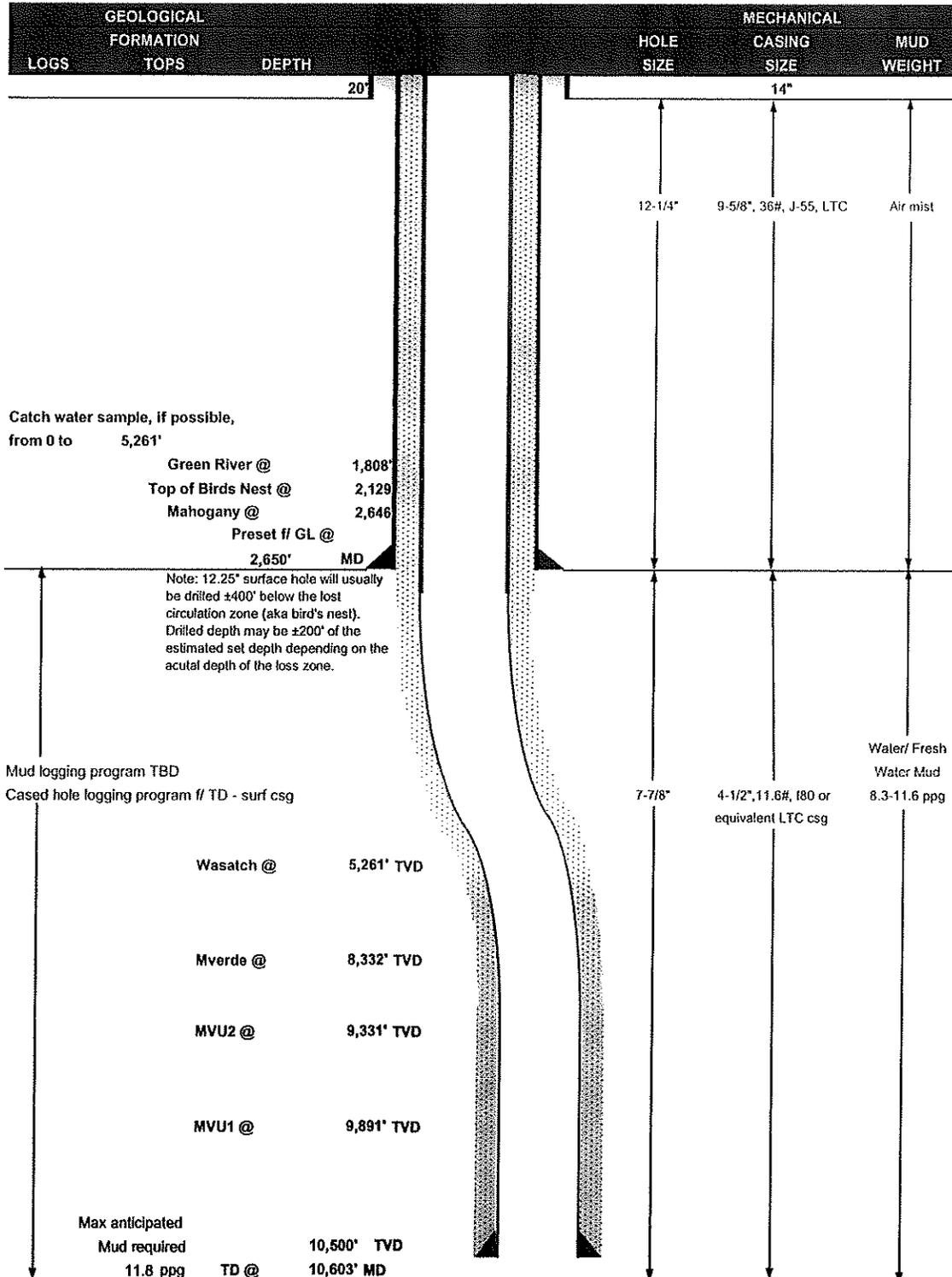
<b>Proposed Hole, Casing, and Cement</b>						
<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>		
Surf	12.25	9.625	0	2650		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade J-55 LT&C	2650	36.0			
	<b>Cement Interval</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>			
		0	2650			
		<b>Cement Description</b>	<b>Class</b>	<b>Sacks</b>	<b>Yield</b>	<b>Weight</b>
			Premium Foamed Cement	215	1.18	15.6

<b>Proposed Hole, Casing, and Cement</b>						
<b>String</b>	<b>Hole Size</b>	<b>Casing Size</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>		
Prod	7.875	4.5	0	10500		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade I-80 LT&C	10500	11.6			
	<b>Cement Interval</b>	<b>Top (MD)</b>	<b>Bottom (MD)</b>			
		0	10500			
		<b>Cement Description</b>	<b>Class</b>	<b>Sacks</b>	<b>Yield</b>	<b>Weight</b>
			Premium Lite High Strength	460	3.38	11.0
			Pozzuolanic Cement	1430	1.31	14.3



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

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	September 3, 2008	
WELL NAME	NBU 921-09E2S		TD	10,500' TVD	10,603' MD
FIELD	Natural Buttes	COUNTY	Uintah	STATE	Utah
		ELEVATION	4,707' GL	KB 4,722'	
SURFACE LOCATION	NENE 966' FNL & 602' FEL, Sec. 8, T 9S R 21E				
	Latitude:	40.055258	Longitude:	-109.56765	NAD 27
BTM HOLE LOCATION	SWNW 1686' FNL & 110' FWL, Sec. 9, T 9S R 21E				
	Latitude:	40.053286	Longitude:	-109.5651	NAD 27
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: BLM (MINERALS), BIA(SURFACE), UDOGM, 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 2650	36.00	J-55	LTC	0.85	1.63	6.04
PRODUCTION	4-1/2"	0 to 10500	11.60	1-80	LTC	1.88	0.99	1.87

- 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 4200 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	Option 2	NOTE: If well will circulate water to surface, option 2 will be utilized					
	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	4,753'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	460	40%	11.00	3.38
	TAIL	5,850'	50/50 Poz/G + 10% salt + 2% gel + .1% R-3	1430	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: \_\_\_\_\_  
 Brad Laney

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

DRILLING SUPERINTENDENT: \_\_\_\_\_  
 Randy Bayne

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

**NBU 921-9E2S  
Twin to NBU #202  
NENE Sec. 8, T9S,R21E  
UINTAH COUNTY, UTAH  
UTU-0149767**

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

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

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	1808'
Bird's Nest	2129'
Mahogany	2646'
Wasatch	5261'
Mesaverde	8332'
MVU2	9331'
MVL1	9891'
TVD	10,500
TD	10,603'

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

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
	Green River	1808'
	Bird's Nest	2129'
	Mahogany	2646'
Gas	Wasatch	5261'
Gas	Mesaverde	8332'
Gas	MVU2	9331'
Gas	MVL1	9891'
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.*

**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 10,500' TD, approximately equals 6510 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 4200 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.*

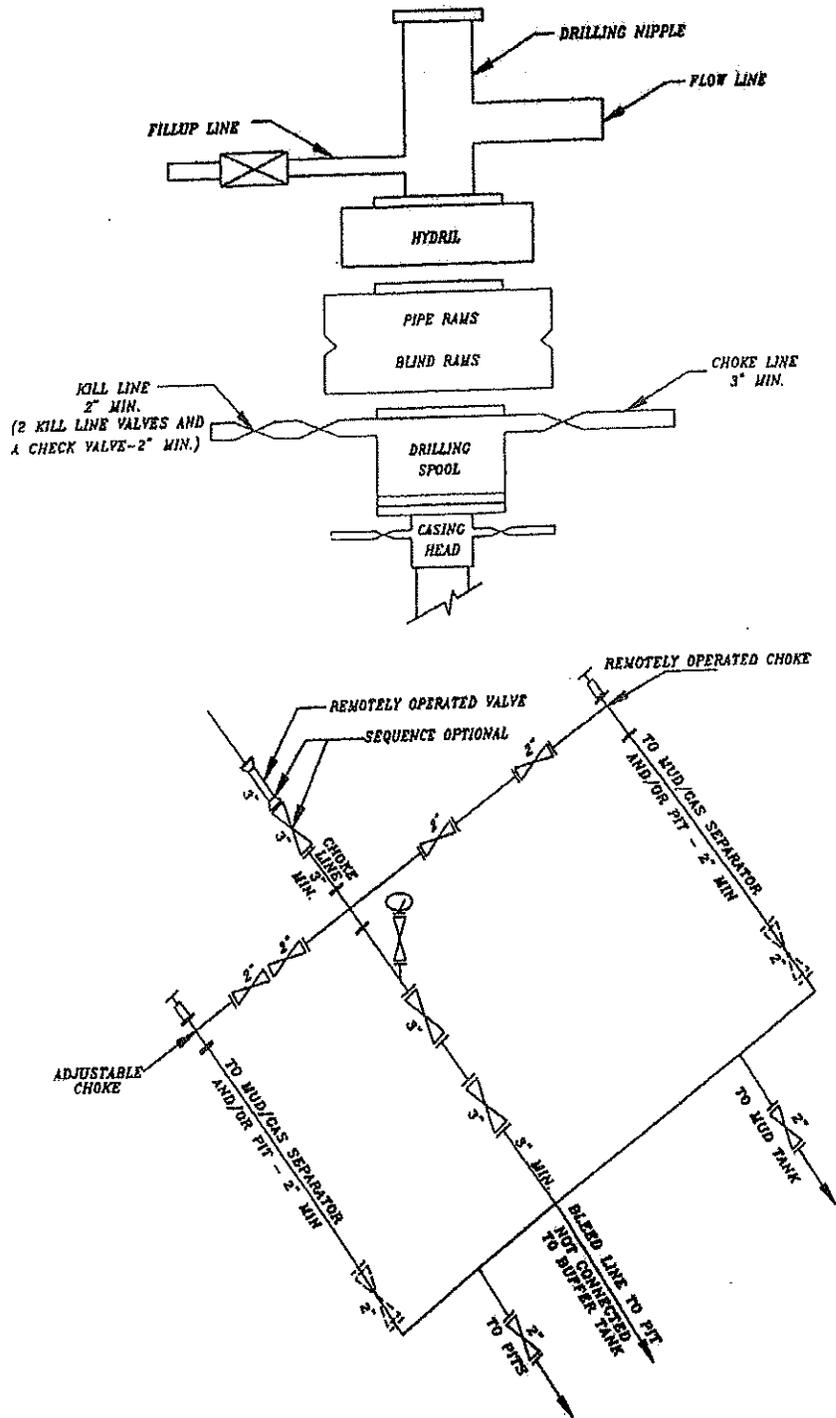
*Conclusion*

*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.*

EXHIBIT A



**SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK**

**NBU 921-9E2S  
Twin to NBU #202  
NENE Sec. 8 ,T9S,R21E  
UINTAH COUNTY, UTAH  
UTU-0149767**

**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:**

No new access road is planned, as this is a twin location. However, there is a 290' re-route of the existing road. 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 445' rights-of-way will be required. Approximately 445' of 4" steel pipeline is proposed from the location to the tie-in point in Section 8, T9S, R21E. Please refer to the Topo Map D. The pipeline will be constructed utilizing existing rights were possible and pulled into place using a rubber tired tractor. The pipeline will be butt-welded together.**

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

Approximately 445' 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 Carlsbad Canyon Brown (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.*

upon reclamation of the pit the following seed mixture will be used. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for *drilled* seed are:

Crested Wheatgrass      12 lbs.

Operator shall call the BLM for the seed mixture when 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

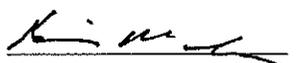
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

9/3/2008  
Date

**Kerr-McGee Oil & Gas Onshore LP**  
**NBU #921-08A1S, #921-08A4T, #921-09E2S, #921-08B4S**  
**SECTION 8, 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; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE EXISTING NBU #202 WELL LOCATION AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 40.4 MILES.

# Kerr-McGee Oil & Gas Onshore LP

NBU #921-08A1S, #921-08A4T, #921-09E2S, #921-08B4S  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 8, T9S, R21E, S.L.B.&M.

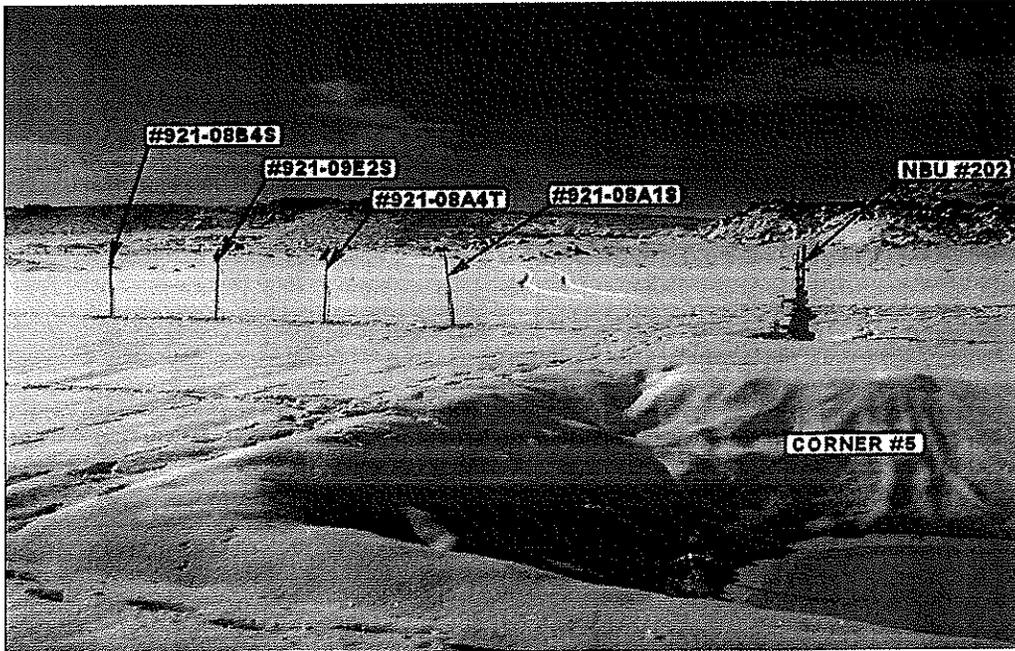


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKES

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: SOUTHERLY



**UELS**

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

LOCATION PHOTOS

12 10 07  
MONTH DAY YEAR

PHOTO

TAKEN BY: T.A.

DRAWN BY: LDK

REV: 07-09-08.J.J.

**Kerr-McGee Oil & Gas Onshore LP**  
**NBU #921-08A1S, #921-08A4T, #921-09E2S, #921-08B4S**  
**LOCATED IN UINTAH COUNTY, UTAH**  
**SECTION 8, T9S, R21E, S.L.B.&M.**

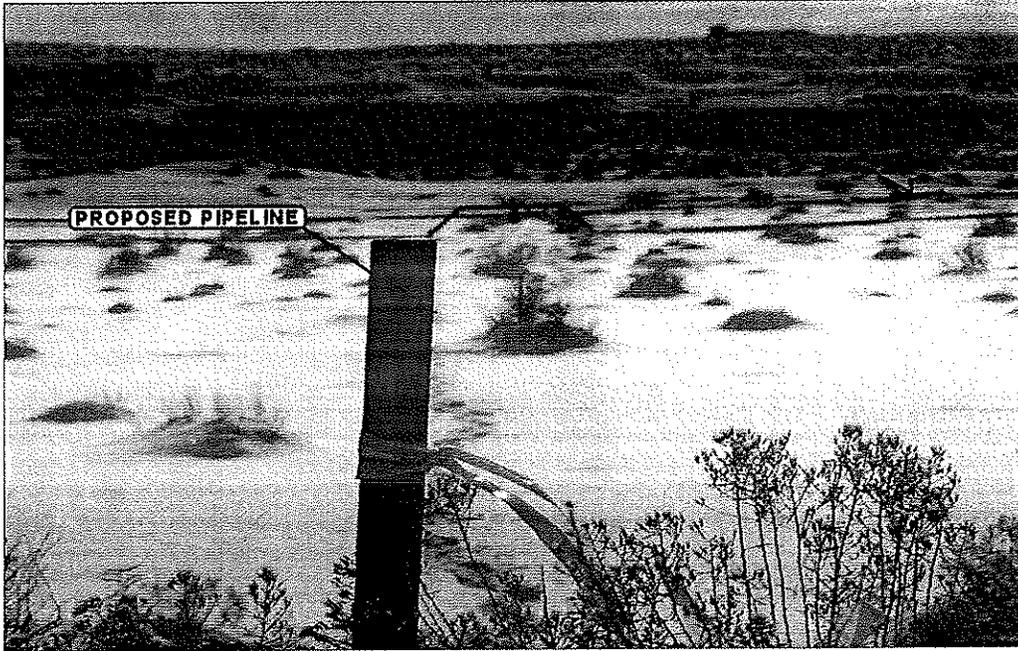


PHOTO: VIEW OF POINT ON PIPELINE

CAMERA ANGLE: SOUTHERLY

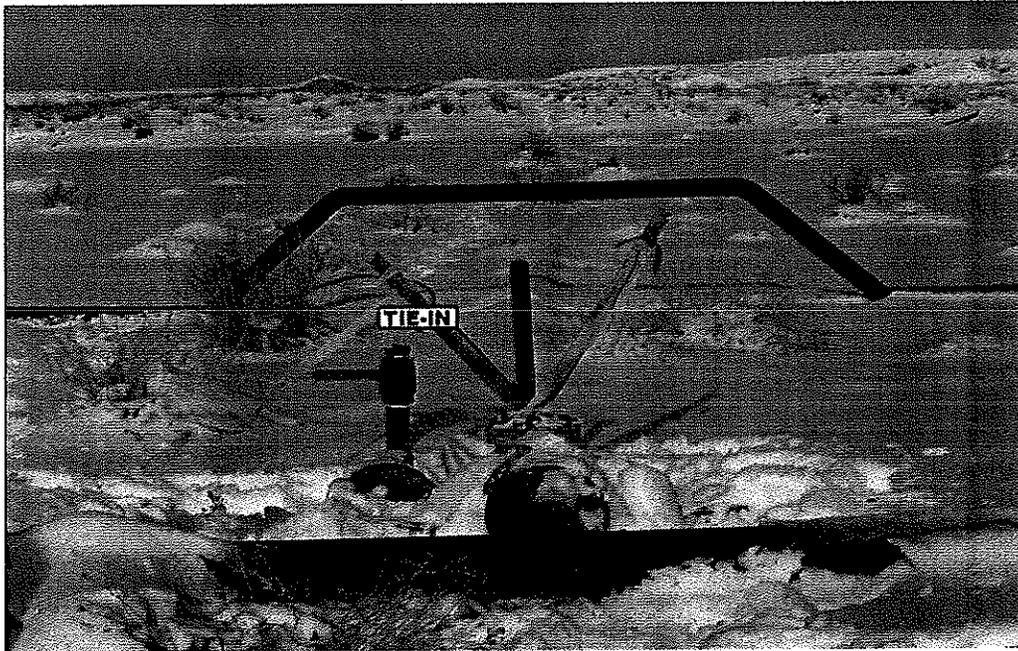


PHOTO: VIEW OF PIPELINE TIE-IN

CAMERA ANGLE: NORTHERLY



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

LOCATION PHOTOS	12	10	07	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: T.A.	DRAWN BY: LDK	REV: 07-09-08 J.J.		

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

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

Well location, NBU #921-09E2S, located as shown in the NE 1/4 NE 1/4 of Section 8, T9S, R21E, S.L.B.&M. Uintah County, Utah.

2006 Alum. Cap.  
0.6' High, Set  
Marked Stone

S89°57'15"W  
2645.45' (Meas.)

2006 Alum. Cap.  
0.4' High

S89°59'W - 2640.66' (G.L.O.)

2649.12' (Meas.)

602'

195'

**NBU #921-09E2S**  
Elev. Ungraded Ground = 4702'

NOTE:  
THE PROPOSED BOTTOM HOLE FOR THIS WELL IS LOCATED IN THE SW 1/4 NW 1/4 OF SECTION 9, T9S, R21E, S.L.B.&M. AT A DISTANCE OF 1686' FNL 110° FWL IT BEARS S44°45'24"W 1013.69' FROM THE PROPOSED WELL HEAD.

2006 Alum. Cap.  
0.4' High,  
Set Stone

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

2006 Alum. Cap.  
0.3' High Above  
Pile of Stones,  
Steel Post

2006 Alum. Cap.  
0.3' High, Steel  
Post

N00°03'W - 2640.00' (G.L.O.)

N00°05'58"W - 2635.84' (Meas.)

N00°05'45"E - 2638.62' (Meas.)

N89°58'38"W - 2644.88' (Meas.)

N89°45'54"W - 2645.01' (Meas.)

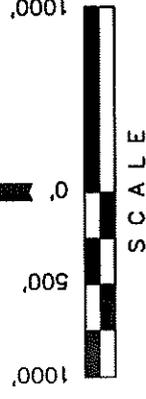
**BASIS OF ELEVATION**

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**

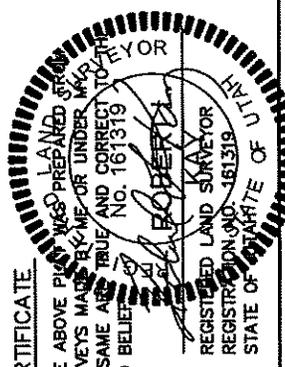
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.

Bottom Hole



**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAN 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.



<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b>	
85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017	
SCALE 1" = 1000'	DATE SURVEYED: 04-30-08
PARTY D.K. C.K. C.C.	DATE DRAWN: 06-10-08
WEATHER WARM	REFERENCES G.L.O. PLAT
FILE Kerr-McGee Oil & Gas Onshore LP	

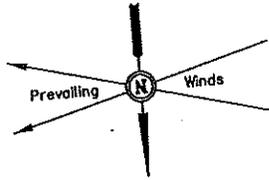
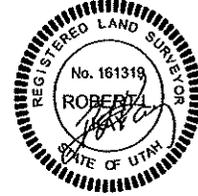
- LEGEND:**
- = 90° SYMBOL
  - = PROPOSED WELL HEAD.
  - ▲ = SECTION CORNERS LOCATED.

<b>NAD 83 (TARGET BOTTOM HOLE)</b> LATITUDE = 40°03'11.70" (40.053250) LONGITUDE = 109°53'56.84" (109.565769)	<b>NAD 83 (SURFACE LOCATION)</b> LATITUDE = 40°03'18.81" (40.055225) LONGITUDE = 109°54'06.02" (109.568339)
<b>NAD 27 (TARGET BOTTOM HOLE)</b> LATITUDE = 40°03'11.83" (40.053286) LONGITUDE = 109°53'54.36" (109.565100)	<b>NAD 27 (SURFACE LOCATION)</b> LATITUDE = 40°03'18.93" (40.055256) LONGITUDE = 109°54'03.54" (109.567650)

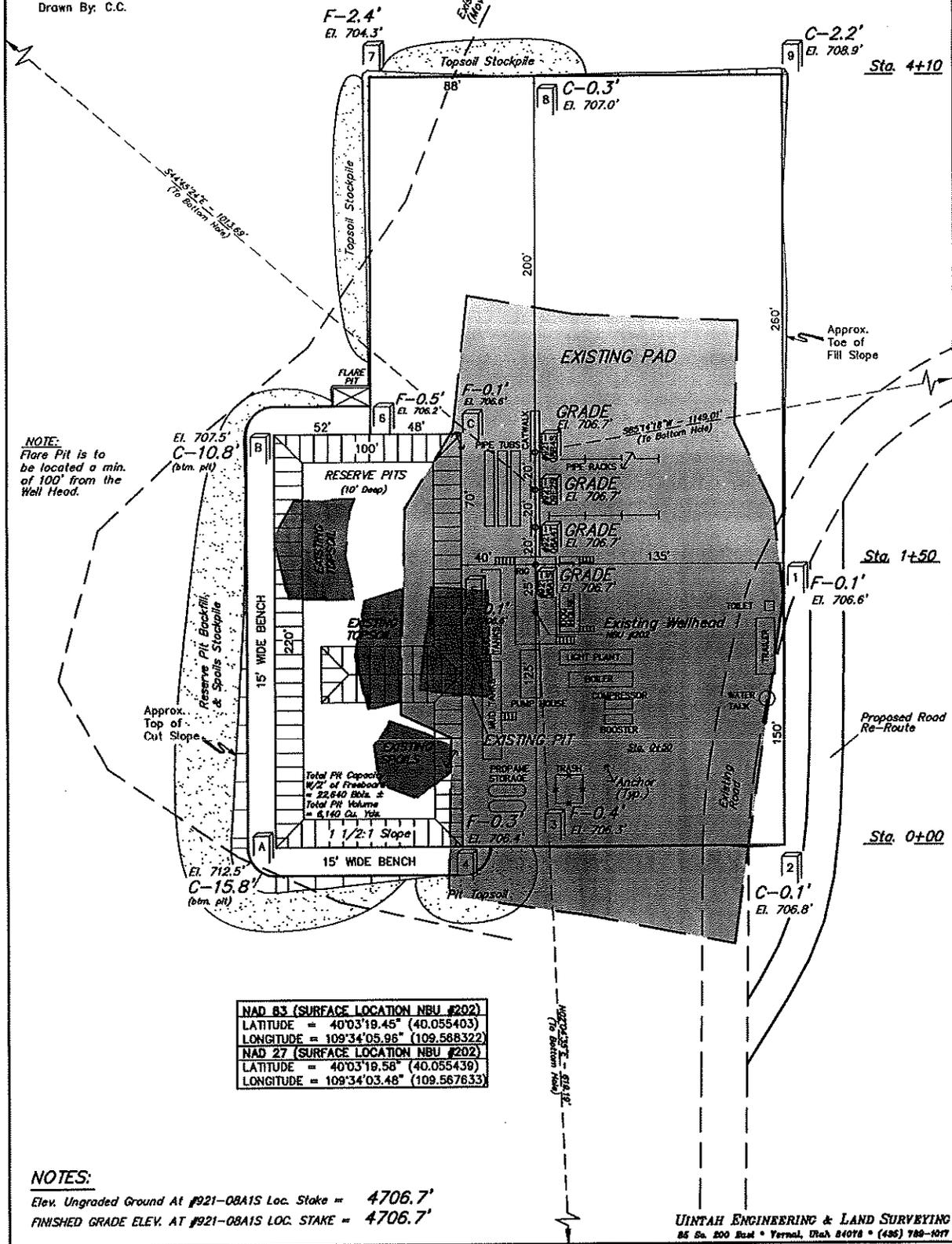
**Kerr-McGee Oil & Gas Onshore LP**  
**SITE PLAN LAYOUT FOR**

**FIGURE #1**

NBU #921-08A1S, #921-08A4T,  
 #921-08E2S & #921-08B4S  
 SECTION 8, T9S, R21E, S.L.B.&M.  
 NE 1/4 NE 1/4



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



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

<b>NAD 83 (SURFACE LOCATION NBU #202)</b>
LATITUDE = 40°03'19.45" (40.055403)
LONGITUDE = 109°34'05.96" (109.568322)
<b>NAD 27 (SURFACE LOCATION NBU #202)</b>
LATITUDE = 40°03'19.58" (40.055439)
LONGITUDE = 109°34'03.48" (109.567633)

**NOTES:**  
 Elev. Ungraded Ground At #921-08A1S Loc. Stake = 4706.7'  
 FINISHED GRADE ELEV. AT #921-08A1S LOC. STAKE = 4706.7'

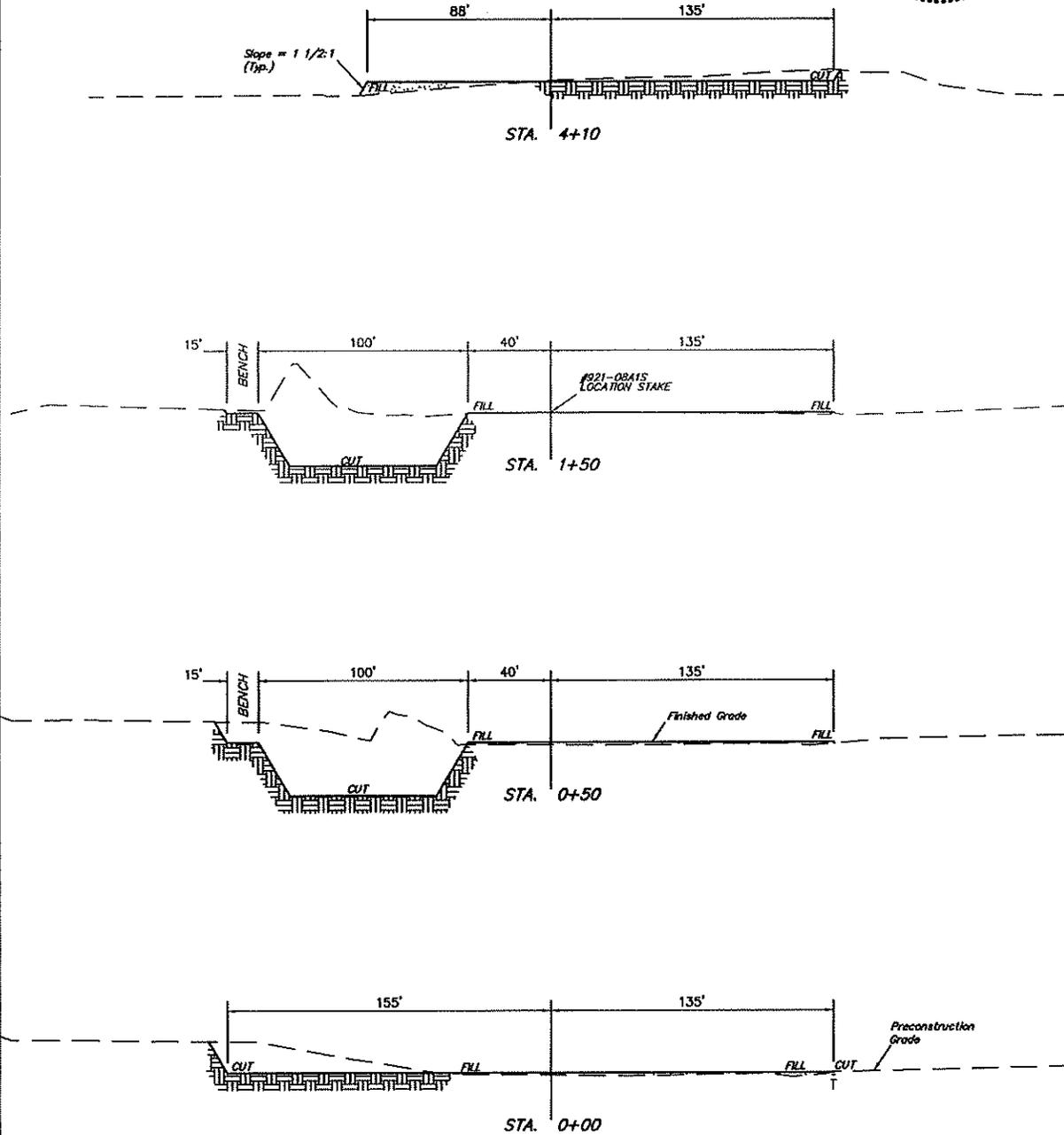
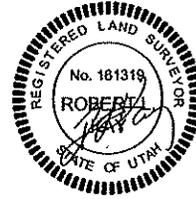
Kerr-McGee Oil & Gas Onshore LP

TYPICAL CROSS SECTIONS FOR

NBU #921-08A1S, #921-08A4T,  
 #921-09E2S & #921-08B4S  
 SECTION 8, T9S, R21E, S.L.B.&M.  
 NE 1/4 NE 1/4

FIGURE #2

1" = 20'  
 X-Section  
 Scale  
 1" = 50'  
 DATE: 06-10-08  
 Drawn By: C.C.



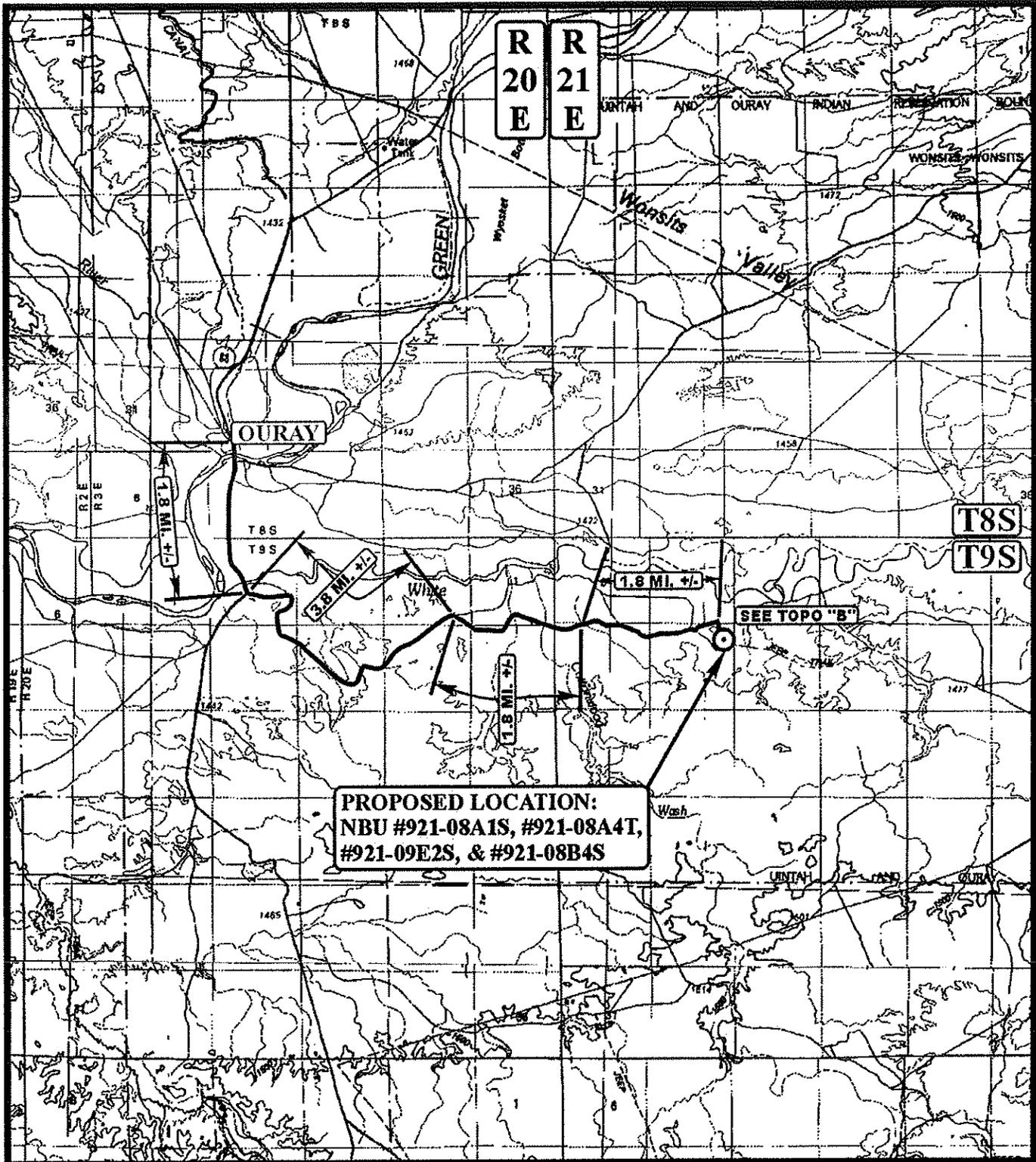
NOTE:  
 Topsoil should not be Stripped Below Finished Grade on Substructure Area.

\* NOTE:  
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(12") Topsoil Stripping = 2,140 Cu. Yds.  
 (New Construction Only)  
 Remaining Location = 7,130 Cu. Yds.  
**TOTAL CUT = 9,270 CU.YDS.**  
**FILL = 3,100 CU.YDS.**

EXCESS MATERIAL = 6,170 Cu. Yds.  
 Topsoil & Pit Backfill = 5,210 Cu. Yds.  
 (1/2 Pit Vol.)  
 EXCESS UNBALANCE = 960 Cu. Yds.  
 (After Interim Rehabilitation)



**LEGEND:**

⊙ PROPOSED LOCATION

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

NBU #921-08A1S, #921-08A4T, #921-09E2S & #921-08B4S  
SECTION 8, T9S, R21E, 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

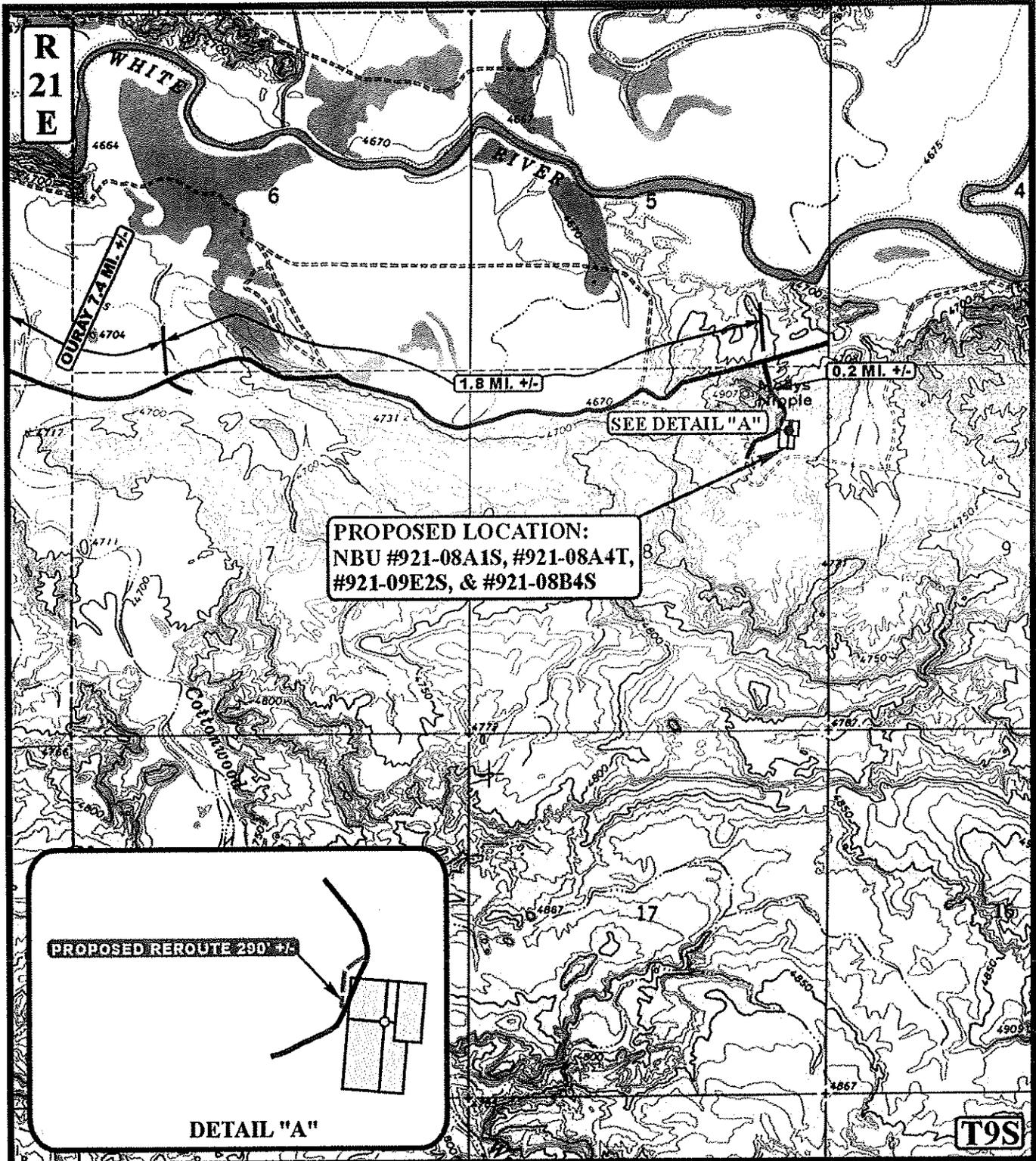


TOPOGRAPHIC  
MAP

12 10 07  
MONTH DAY YEAR

SCALE: 1:100,000 DRAWN BY: LDK REV: 07-08-08.JJ.





**LEGEND:**

- EXISTING ROAD
- PROPOSED ACCESS ROAD
- PROPOSED ROAD REROUTE

**Kerr McGee Oil & Gas Onshore LP**

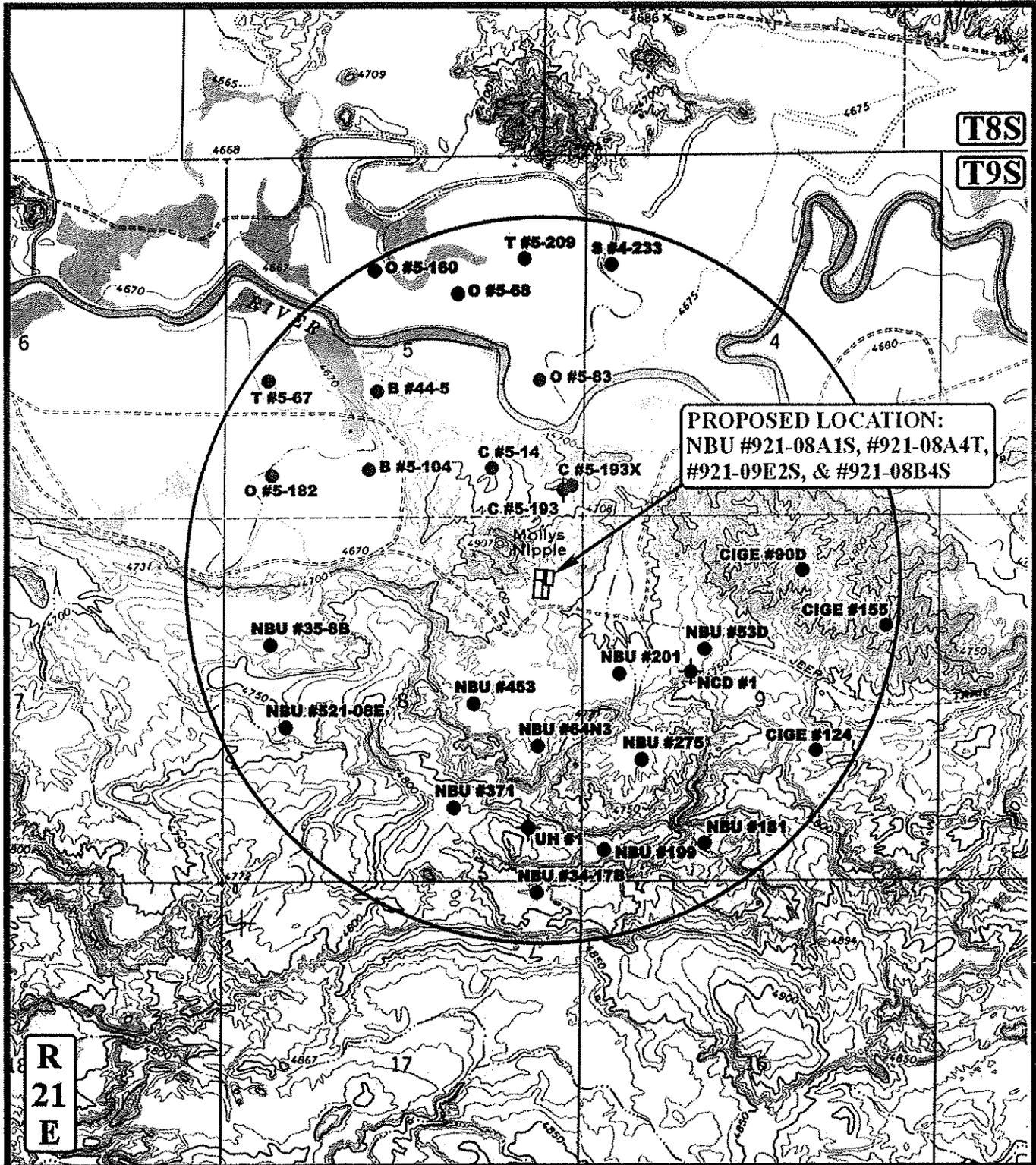
NBU #921-08A1S, #921-08A4T, #921-09E2S & #921-08B4S  
 SECTION 8, T9S, R21E, S.L.B.&M.  
 NE 1/4 NE 1/4

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



**TOPOGRAPHIC MAP** 12 10 07  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: LDK REV: 07-08-08JJ.

**B**  
 TOPO



T8S

T9S

PROPOSED LOCATION:  
 NBU #921-08A1S, #921-08A4T,  
 #921-09E2S, & #921-08B4S

R  
21  
E

**LEGEND:**

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

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

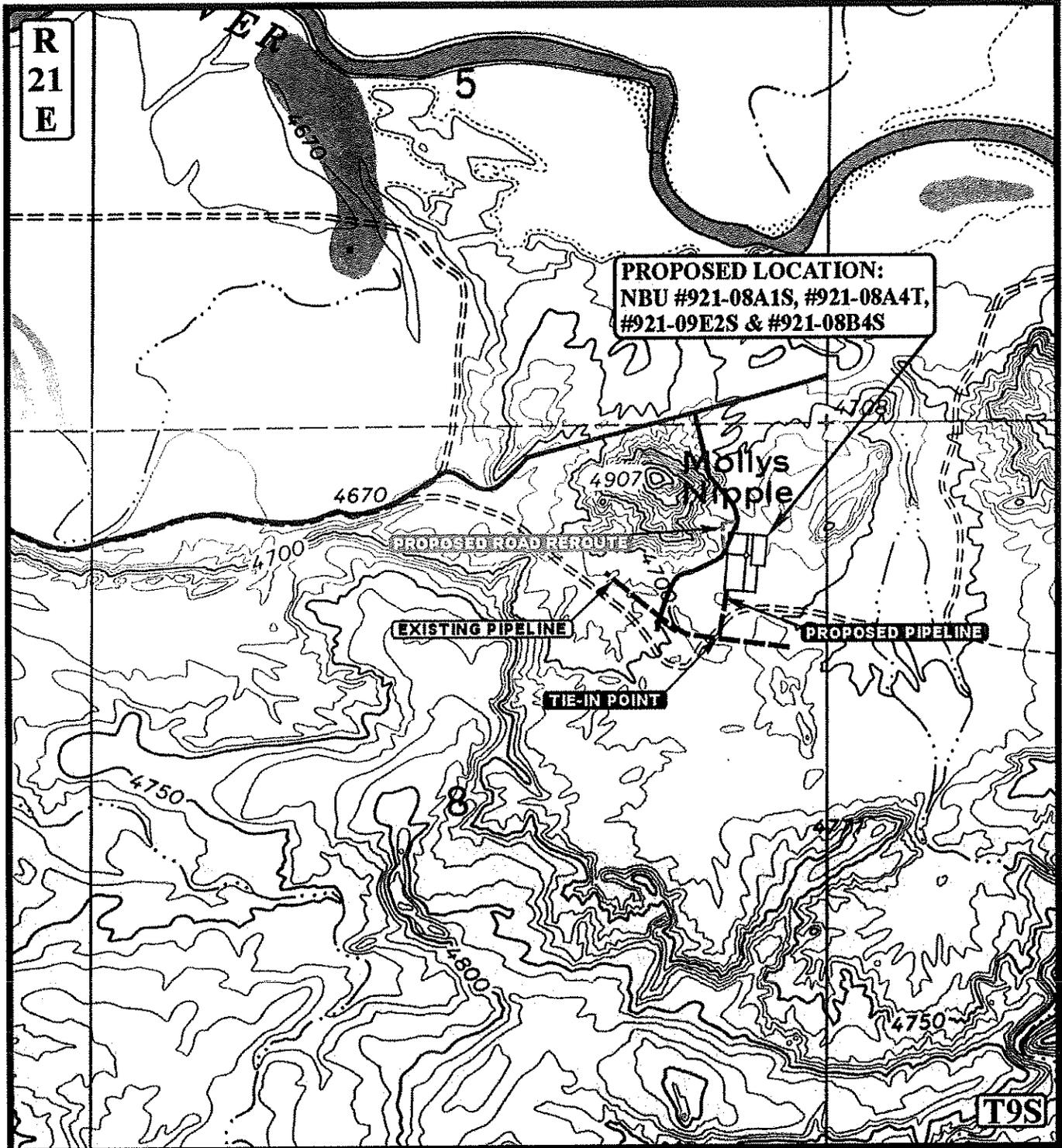
NBU #921-08A1S, #921-08A4T, #921-09E2S & #921-08B4S  
 SECTION 8, T9S, R21E, S.L.B.&M.  
 NE 1/4 NE 1/4

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



**TOPOGRAPHIC** 12 10 07  
 MAP MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: LDK REV: 07-08-08 J.J.

**C**  
 TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 445' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- PROPOSED PIPELINE

**Kerr McGee Oil & Gas Onshore LP**

NBU #921-08A1S, #921-08A4T, #921-09E2S & #921-08B4S  
 SECTION 8, T9S, R21E, S.L.B.&M.  
 NE 1/4 NE 1/4

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



**TOPOGRAPHIC MAP**

12	10	07
MONTH	DAY	YEAR

SCALE: 1" = 1000' DRAWN BY: LDK REV: 07-08-08 J.J. **D**  
 TOPO

# 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)**

September 9, 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)		
43-047-50100	NBU 921-21E1S Sec 21	T09S R21E 2282 FNL 0670 FWL BHL Sec 21 T09S R21E 1654 FNL 0674 FWL
43-047-50101	NBU 921-21L1S Sec 21	T09S R21E 2298 FNL 0683 FWL BHL Sec 21 T09S R21E 2434 FSL 0674 FWL
43-047-50102	NBU 921-27J4S Sec 27	T09S R21E 1390 FSL 1310 FEL BHL Sec 27 T09S R21E 1680 FSL 1410 FEL
43-047-50103	NBU 921-27J1S Sec 27	T09S R21E 1387 FSL 1290 FEL BHL Sec 27 T09S R21E 2175 FSL 1410 FEL
43-047-50104	NBU 921-21F4S Sec 21	T09S R21E 2329 FNL 0708 FWL BHL Sec 21 T09S R21E 2350 FNL 2535 FWL
43-047-50105	NBU 921-9E2S Sec 08	T09S R21E 0966 FNL 0602 FEL BHL Sec 09 T09S R21E 1686 FNL 0110 FWL

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:9-9-08





## Kerr-McGee Oil & Gas Onshore LP

1099 18th Street, Suite 1800  
Denver, CO 80202-1918  
P.O. Box 173779  
Denver, CO 80217-3779  
720-929-6000

April 1, 2009

Ms. 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 921-9E2S  
T9S-R21E  
Section 8: NENE (Surf),  
Section 9: SWNW (Bottom)  
Surface: 966' FNL, 602' FEL  
Bottom Hole: 1686' FNL, 110' FWL  
Uintah County, Utah

Dear Ms. 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 921-9E2S 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.

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**

  
Lynn Padgett  
Staff Landman

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

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---

**APD RECEIVED:** 9/8/2008

**API NO. ASSIGNED:** 43047501050000

**WELL NAME:** NBU 921-9E2S

**OPERATOR:** KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995)

**PHONE NUMBER:** 720 929-6007

**CONTACT:** Kathy Schneebeck-Dulnoan

**PROPOSED LOCATION:** NENE 8 090S 210E

**Permit Tech Review:**

**SURFACE:** 0966 FNL 0602 FEL

**Engineering Review:**

**BOTTOM:** 1686 FNL 0110 FWL

**Geology Review:**

**COUNTY:** UINTAH

**LATITUDE:** 40.05521

**LONGITUDE:** -109.56768

**UTM SURF EASTINGS:** 622169.00

**NORTHINGS:** 4434658.00

**FIELD NAME:** NATURAL BUTTES

**LEASE TYPE:** 1 - Federal

**LEASE NUMBER:** UTU-0149767

**PROPOSED FORMATION:** WSMVD

**SURFACE OWNER:** 2 - Indian

**COALBED METHANE:** NO

---

**RECEIVED AND/OR REVIEWED:**

- PLAT**
- Bond:** FEDERAL - WYB000291
- Potash**
- Oil Shale 190-5**
- Oil Shale 190-3**
- Oil Shale 190-13**
- Water Permit:** Permit #43-8496
- RDCC Review:**
- Fee Surface Agreement**
- Intent to Commingle**

**Commingle Approved**

**LOCATION AND SITING:**

- R649-2-3.**  
**Unit:** NATURAL BUTTES
- R649-3-2. General**
- R649-3-3. Exception**
- Drilling Unit**  
**Board Cause No:** CAUSE 173-14  
**Effective Date:** 12/2/1999  
**Siting:** 460' fr u bdry & uncomm. tract
- R649-3-11. Directional Drill**

**Comments:** Presite Completed

**Stipulations:** 4 - Federal Approval - dmason  
17 - Oil Shale 190-5(b) - dmason



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*

### Permit To Drill

\*\*\*\*\*

**Well Name:** NBU 921-9E2S  
**API Well Number:** 43047501050000  
**Lease Number:** UTU-0149767  
**Surface Owner:** INDIAN  
**Approval Date:** 4/28/2009

**Issued to:**

KERR-MCGEE OIL & GAS ONSHORE, L.P. , P.O. Box 173779, Denver, CO 80217

**Authority:**

Pursuant to Utah Code Ann. §40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of CAUSE 173-14 .

**Duration:**

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

**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.

**Conditions of Approval:**

In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operators shall ensure that the surface and or production casing is properly cemented over the entire oil shale section as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the division.

State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

**Notification Requirements:**

Notify the Division with 24 hours of spudding the well.

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

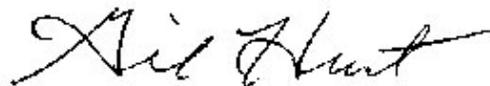
Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

**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.

**Approved By:**

A handwritten signature in black ink, appearing to read "Gil Hunt". The signature is written in a cursive, flowing style with a long horizontal stroke extending to the right.

Gil Hunt  
Associate Director, Oil & Gas

<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-0149767
<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 921-9E2S
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047501050000
<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> 0966 FNL 0602 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 8 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

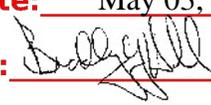
**11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 4/28/2010	<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: May 03, 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> 4/27/2010	



**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 43047501050000**

**API:** 43047501050000

**Well Name:** NBU 921-9E2S

**Location:** 0966 FNL 0602 FEL QTR NENE SEC 8 TWP 090S RNG 210E MER S

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

**Date Original Permit Issued:** 4/28/2009

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:** 4/27/2010

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

**Date:** May 03, 2010

**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-0149767
<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 921-9E2S
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047501050000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6515 Ext
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0966 FNL 0602 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 08 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: 4/28/2011	<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: <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:** 04/14/2011

**By:**

<b>NAME (PLEASE PRINT)</b> Andy Lytle	<b>PHONE NUMBER</b> 720 929-6100	<b>TITLE</b> Regulatory Analyst
<b>SIGNATURE</b> N/A	<b>DATE</b> 4/7/2011	



**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 43047501050000**

**API:** 43047501050000

**Well Name:** NBU 921-9E2S

**Location:** 0966 FNL 0602 FEL QTR NENE SEC 08 TWP 090S RNG 210E MER S

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

**Date Original Permit Issued:** 4/28/2009

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
  
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- 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

**Signature:** Andy Lytle

**Date:** 4/7/2011

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

<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-0149767	
<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 921-9E2S
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047501050000
<b>3. ADDRESS OF OPERATOR:</b> P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	<b>PHONE NUMBER:</b> 720 929-6511
<b>4. LOCATION OF WELL</b> <b>FOOTAGES AT SURFACE:</b> 0966 FNL 0602 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NENE Section: 08 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

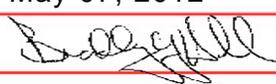
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 5/2/2012	<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
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	<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: <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:** May 07, 2012  
**By:** 

<b>NAME (PLEASE PRINT)</b> Gina Becker	<b>PHONE NUMBER</b> 720 929-6086	<b>TITLE</b> Regulatory Analyst II
<b>SIGNATURE</b> N/A	<b>DATE</b> 5/2/2012	



**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 43047501050000**

API: 43047501050000

Well Name: NBU 921-9E2S

Location: 0966 FNL 0602 FEL QTR NENE SEC 08 TWP 090S RNG 210E MER S

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

Date Original Permit Issued: 4/28/2009

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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?  Yes  No
  
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- 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

Signature: Gina Becker

Date: 5/2/2012

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



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

May 10, 2013

Teena Paulo  
Kerr-McGee Oil & Gas Onshore, L.P.  
1099 18<sup>th</sup> Street, Suite 600  
Denver, CO 80202

Re: APD Rescinded – NBU 921-9E2S, Sec. 8, T. 9S, R. 21E  
Uintah County, Utah API No. 43-047-50105

Dear Ms. Paulo:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 28, 2009. On May 3, 2010, April 14, 2011 and May 7, 2012 the Division granted a one-year APD extension. On May 10, 2013, you requested that the division rescind the state approved APD. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective May 10, 2013.

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





Diana Mason <dianawhitney@utah.gov>

## Kerr-McGee APDs to Rescind

Paulo, Teena <Teena.Paulo@anadarko.com>  
To: Diana Mason <dianawhitney@utah.gov>

Fri, May 10, 2013 at 10:39 AM

Good Morning Diana,

Please see the below list of wells for the APD's that Kerr-McGee requests to rescind with UDOGM.

Well Name	API Number
NBU 921-9E2S	<a href="#">4304750105</a>
NBU 920-12C	<a href="#">4304739236</a>

Thank you,

Teena Paulo  
Staff Regulatory Specialist  
Anadarko Petroleum  
1099 18th Street, Suite 600  
Denver, CO 80202

[Click here for Anadarko's Electronic Mail Disclaimer](#)



## United States Department of the Interior

### BUREAU OF LAND MANAGEMENT

Green River District  
Vernal Field Office  
170 South 500 East  
Vernal, UT 84078

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



April 1, 2013

IN REPLY REFER TO:  
3160 (UTG011)

Julie Jacobson  
Kerr McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779

43 047 50105

Re: Request to Return APD  
Well No. NBU 921-9E2S  
NENE, Sec. 8, T9S, R21E  
Uintah County, Utah  
Lease No. UTU-0149767  
Natural Buttes Unit

Dear Julie:

The Application for Permit to Drill (APD) for the above referenced well received in this office on August 11, 2010, is being returned unapproved per your request to this office in an email message to Natural Resource Specialist Tyler Cox received on March 7, 2013. If you intend to drill at this location at a future date, a new APD must be submitted.

If you have any questions regarding APD processing, please contact Robin R. Hansen at (435) 781-3428.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka  
Assistant Field Manager  
Lands & Resource Minerals

Enclosures

cc: UDOGM

bcc: Well File

RECEIVED

MAY 01 2013

DIV. OF OIL, GAS & MINING