

**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 922-33N4S	
<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 01191A			<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 checked="" type="checkbox"/> INDIAN <input 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>			<b>18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS</b> YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input 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>	178 FNL 1840 FEL	NWNE	4	10.0 S	22.0 E	S	
<b>Top of Uppermost Producing Zone</b>	227 FSL 2546 FWL	SESW	33	9.0 S	22.0 E	S	
<b>At Total Depth</b>	227 FSL 2546 FWL	SESW	33	9.0 S	22.0 E	S	
<b>21. COUNTY</b> UINTAH			<b>22. DISTANCE TO NEAREST LEASE LINE (Feet)</b> 227			<b>23. NUMBER OF ACRES IN DRILLING UNIT</b> 1363	
			<b>25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed)</b> 980			<b>26. PROPOSED DEPTH</b> MD: 9242 TVD: 9000	
<b>27. ELEVATION - GROUND LEVEL</b> 5042			<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 ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES**

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input 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 checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

<b>NAME</b> Danielle Piernot	<b>TITLE</b> Regulatory Analyst	<b>PHONE</b> 720 929-6156
<b>SIGNATURE</b>	<b>DATE</b> 06/08/2009	<b>EMAIL</b> danielle.piernot@anadarko.com
<b>API NUMBER ASSIGNED</b> 43047504640000	<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>		
Prod	7.875	4.5	0	9242		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade I-80 LT&C	9242	11.6			

**Proposed Hole, Casing, and Cement**

<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	2215		
<b>Pipe</b>	<b>Grade</b>	<b>Length</b>	<b>Weight</b>			
	Grade J-55 LT&C	2215	36.0			

W 1/4 Cor. Sec. 33, 1977 Brass Cap 1.0' High, Pile of Stones

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

Sec. 33

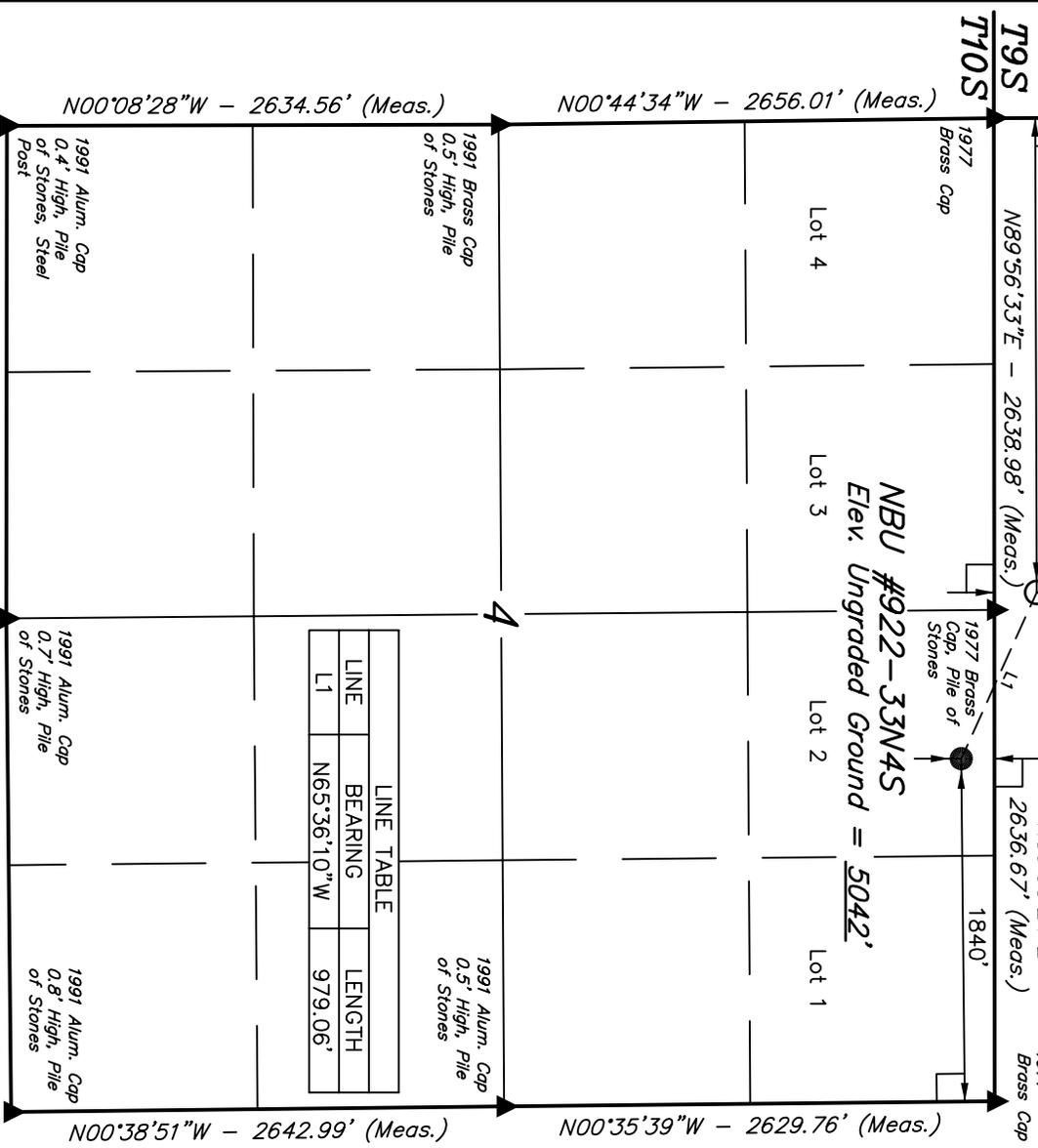
**Kerr-McGee Oil & Gas Onshore LP**  
 Well location, NBU #922-33N4S, located as shown in Lot 2 of Section 4, T10S, R22E, S.L.B.&M., Uintah County, Utah.

**BASIS OF ELEVATION**

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

**BASIS OF BEARINGS**

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



LINE	BEARING	LENGTH
L1	N65°36'10"W	979.06'

**LEGEND:**

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

NAD 83 (TARGET BOTTOM HOLE)		NAD 83 (SURFACE LOCATION)	
LATITUDE = 39°59'09.20"	(39.985889)	LATITUDE = 39°59'05.20"	(39.984778)
LONGITUDE = 109°26'43.12"	(109.445311)	LONGITUDE = 109°26'31.67"	(109.442131)
NAD 27 (TARGET BOTTOM HOLE)		NAD 27 (SURFACE LOCATION)	
LATITUDE = 39°59'09.32"	(39.985922)	LATITUDE = 39°59'05.32"	(39.984811)
LONGITUDE = 109°26'40.66"	(109.444628)	LONGITUDE = 109°26'29.21"	(109.441447)

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

SCALE 1" = 1000'

PARTY L.K. C.K. D.P.

WEATHER COOL

DATE SURVEYED: 11-03-08 DATE DRAWN: 11-07-08

REFERENCES G.L.O. PLAT

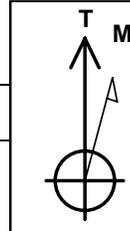
FILE Kerr-McGee Oil & Gas Onshore LP

CERTIFICATE OF LAND SURVEY

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.

No. 161319

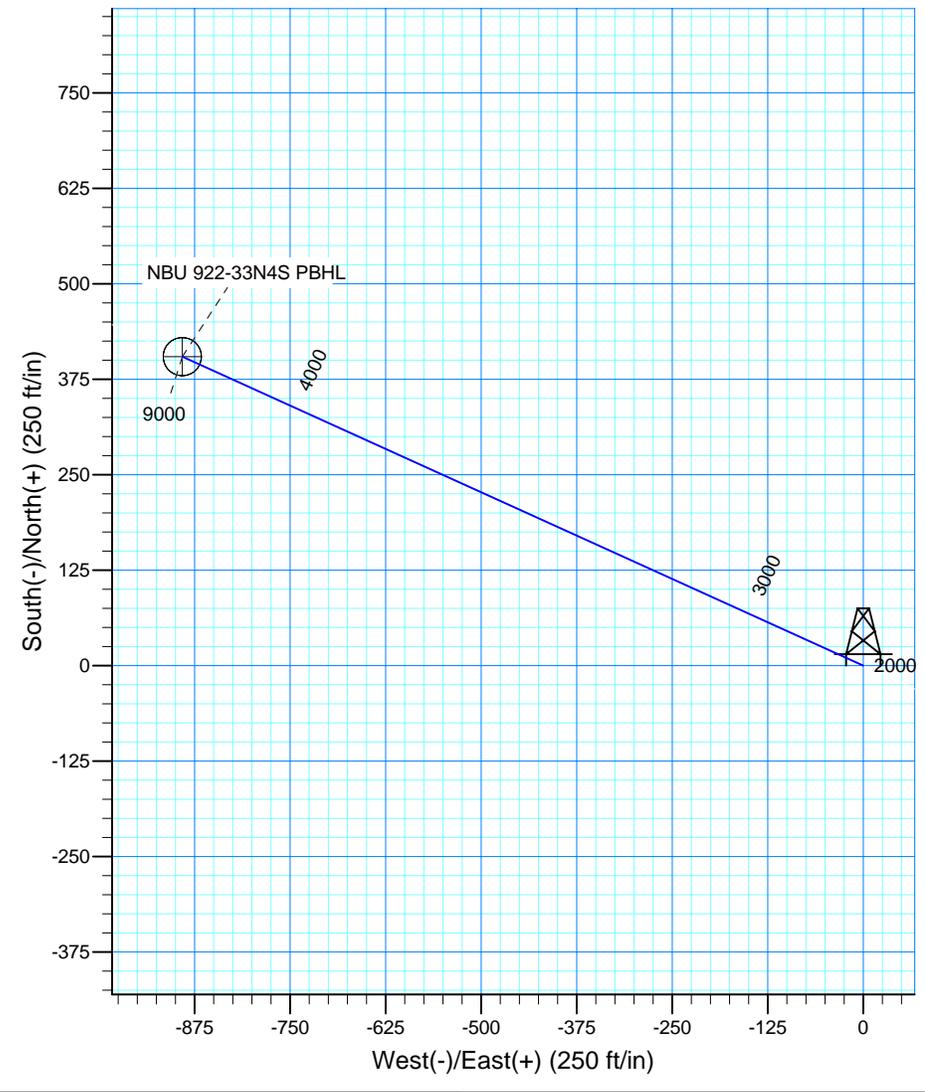
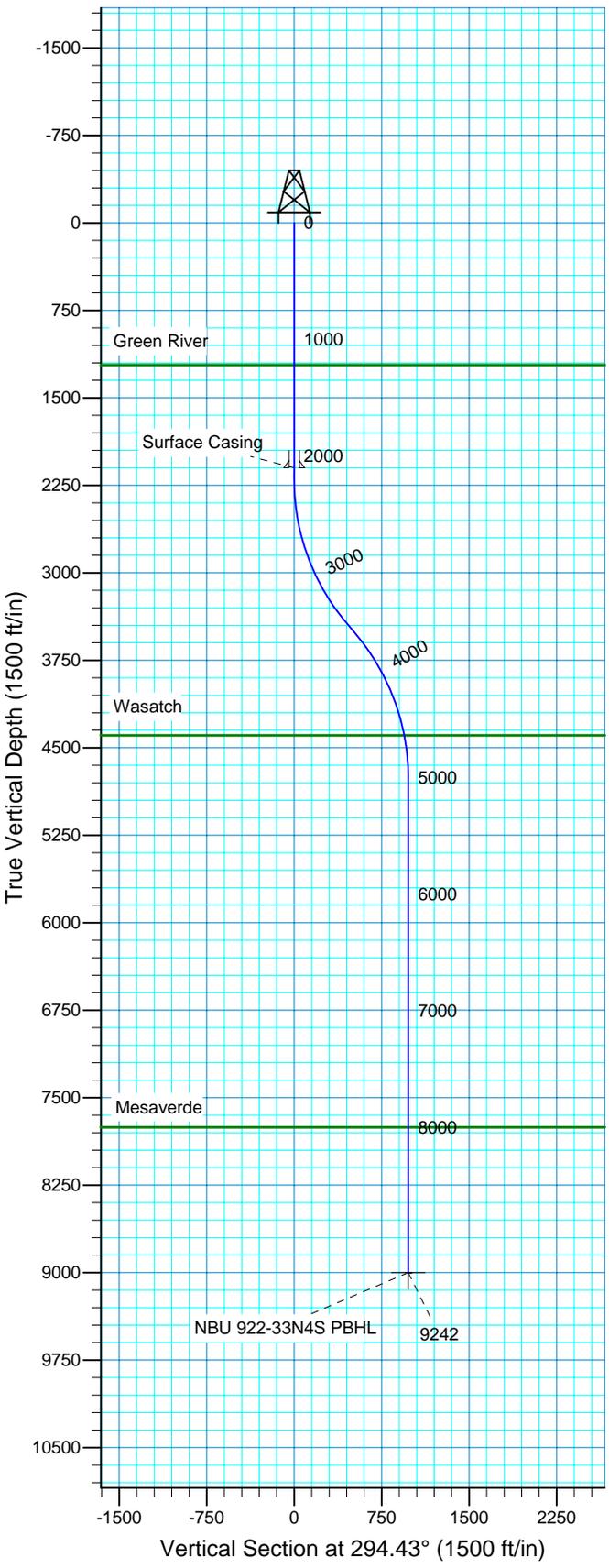
REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH



Azimuths to True North  
 Magnetic North: 11.35°  
 Magnetic Field  
 Strength: 52603.4snT  
 Dip Angle: 65.94°  
 Date: 12/11/2008  
 Model: IGRF2005-10

WELL DETAILS: NBU 922-33N4S

Ground Level: GL 5033' & RKB 18' @ 5051.00ft  
 +N/-S 0.00 +E/-W 0.00 Northing 608151.45 Easting 2576771.09 Latitude 39° 59' 5.320 N Longitude 109° 26' 29.210 W



FORMATION TOP DETAILS			Plan: Plan #1 (NBU 922-33N4S/OH)	
TVDPath	MDPath	Formation	Created By:	Date:
1219.00	1219.00	Green River	Laura Turner	2008-12-15
4393.00	4633.16	Wasatch		
7753.00	7995.39	Mesaverde		
PROJECT DETAILS: Uintah County, UT NAD27				
Geodetic System: US State Plane 1927 (Exact so				
Datum: NAD 1927 (NADCON CONUS)				
Ellipsoid: Clarke 1866				
Zone: Utah Central 4302				
System Datum: Mean Sea Level				
Local North: True				

SECTION DETAILS									
MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2200.00	0.00	0.00	2200.00	0.00	0.00	0.00	0.00	0.00	
3533.33	40.00	294.43	3427.63	184.76	-406.83	3.00	294.43	446.82	
3665.80	40.00	294.43	3529.11	219.97	-484.36	0.00	0.00	531.97	
4999.14	0.00	0.00	4756.75	404.74	-891.20	3.00	180.00	978.79	
9242.39	0.00	0.00	9000.00	404.74	-891.20	0.00	0.00	978.79	NBU 922-33N4S PBHL

# **Kerr McGee Oil and Gas Onshore LP**

**Uintah County, UT NAD27  
NBU 1022-4B Pad  
NBU 922-33N4S  
OH**

**Plan: Plan #1**

## **Standard Planning Report**

**15 December, 2008**

## Scientific Drilling

### Planning Report

<b>Database:</b> EDM2003.16 MultiuserDB	<b>Local Co-ordinate Reference:</b> Well NBU 922-33N4S
<b>Company:</b> Kerr McGee Oil and Gas Onshore LP	<b>TVD Reference:</b> GL 5033' & RKB 18' @ 5051.00ft
<b>Project:</b> Uintah County, UT NAD27	<b>MD Reference:</b> GL 5033' & RKB 18' @ 5051.00ft
<b>Site:</b> NBU 1022-4B Pad	<b>North Reference:</b> True
<b>Well:</b> NBU 922-33N4S	<b>Survey Calculation Method:</b> Minimum Curvature
<b>Wellbore:</b> OH	
<b>Design:</b> Plan #1	

<b>Project</b> Uintah County, UT NAD27	
<b>Map System:</b> US State Plane 1927 (Exact solution)	<b>System Datum:</b> Mean Sea Level
<b>Geo Datum:</b> NAD 1927 (NADCON CONUS)	
<b>Map Zone:</b> Utah Central 4302	

<b>Site</b> NBU 1022-4B Pad, Sec 4 T10S R22E		
<b>Site Position:</b>	<b>Northing:</b> 608,184.35 ft	<b>Latitude:</b> 39° 59' 5.640 N
<b>From:</b> Lat/Long	<b>Easting:</b> 2,576,792.91 ft	<b>Longitude:</b> 109° 26' 28.920 W
<b>Position Uncertainty:</b> 0.00 ft	<b>Slot Radius:</b> in	<b>Grid Convergence:</b> 1.32 °

<b>Well</b> NBU 922-33N4S, 178' FNL 1840' FEL			
<b>Well Position</b>	<b>+N/-S</b> 0.00 ft	<b>Northing:</b> 608,151.45 ft	<b>Latitude:</b> 39° 59' 5.320 N
	<b>+E/-W</b> 0.00 ft	<b>Easting:</b> 2,576,771.09 ft	<b>Longitude:</b> 109° 26' 29.210 W
<b>Position Uncertainty</b> 0.00 ft		<b>Wellhead Elevation:</b> ft	<b>Ground Level:</b> 5,033.00 ft

<b>Wellbore</b> OH
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Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2005-10	12/11/2008	11.35	65.94	52,603

<b>Design</b> Plan #1
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<b>Audit Notes:</b>				
<b>Version:</b>	<b>Phase:</b> PLAN	<b>Tie On Depth:</b>	0.00	
<b>Vertical Section:</b>	<b>Depth From (TVD) (ft)</b>	<b>+N/-S (ft)</b>	<b>+E/-W (ft)</b>	<b>Direction (°)</b>
	0.00	0.00	0.00	294.43

<b>Plan Sections</b>										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00	
3,533.33	40.00	294.43	3,427.63	184.76	-406.83	3.00	3.00	0.00	294.43	
3,665.80	40.00	294.43	3,529.11	219.97	-484.36	0.00	0.00	0.00	0.00	
4,999.14	0.00	0.00	4,756.75	404.74	-891.20	3.00	-3.00	0.00	180.00	
9,242.39	0.00	0.00	9,000.00	404.74	-891.20	0.00	0.00	0.00	0.00	NBU 922-33N4S PE

# Scientific Drilling

## Planning Report

<b>Database:</b>	EDM2003.16 MultiuserDB	<b>Local Co-ordinate Reference:</b>	Well NBU 922-33N4S
<b>Company:</b>	Kerr McGee Oil and Gas Onshore LP	<b>TVD Reference:</b>	GL 5033' & RKB 18' @ 5051.00ft
<b>Project:</b>	Uintah County, UT NAD27	<b>MD Reference:</b>	GL 5033' & RKB 18' @ 5051.00ft
<b>Site:</b>	NBU 1022-4B Pad	<b>North Reference:</b>	True
<b>Well:</b>	NBU 922-33N4S	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00
500.00	0.00	0.00	500.00	0.00	0.00	0.00	0.00	0.00	0.00
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00
700.00	0.00	0.00	700.00	0.00	0.00	0.00	0.00	0.00	0.00
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00
900.00	0.00	0.00	900.00	0.00	0.00	0.00	0.00	0.00	0.00
1,000.00	0.00	0.00	1,000.00	0.00	0.00	0.00	0.00	0.00	0.00
1,100.00	0.00	0.00	1,100.00	0.00	0.00	0.00	0.00	0.00	0.00
1,200.00	0.00	0.00	1,200.00	0.00	0.00	0.00	0.00	0.00	0.00
1,219.00	0.00	0.00	1,219.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Green River</b>									
1,300.00	0.00	0.00	1,300.00	0.00	0.00	0.00	0.00	0.00	0.00
1,400.00	0.00	0.00	1,400.00	0.00	0.00	0.00	0.00	0.00	0.00
1,500.00	0.00	0.00	1,500.00	0.00	0.00	0.00	0.00	0.00	0.00
1,600.00	0.00	0.00	1,600.00	0.00	0.00	0.00	0.00	0.00	0.00
1,700.00	0.00	0.00	1,700.00	0.00	0.00	0.00	0.00	0.00	0.00
1,800.00	0.00	0.00	1,800.00	0.00	0.00	0.00	0.00	0.00	0.00
1,900.00	0.00	0.00	1,900.00	0.00	0.00	0.00	0.00	0.00	0.00
2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	0.00
2,100.00	0.00	0.00	2,100.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Surface Casing</b>									
2,200.00	0.00	0.00	2,200.00	0.00	0.00	0.00	0.00	0.00	0.00
2,300.00	3.00	294.43	2,299.95	1.08	-2.38	2.62	3.00	3.00	0.00
2,400.00	6.00	294.43	2,399.63	4.33	-9.53	10.46	3.00	3.00	0.00
2,500.00	9.00	294.43	2,498.77	9.72	-21.41	23.51	3.00	3.00	0.00
2,600.00	12.00	294.43	2,597.08	17.26	-38.00	41.74	3.00	3.00	0.00
2,700.00	15.00	294.43	2,694.31	26.91	-59.25	65.08	3.00	3.00	0.00
2,800.00	18.00	294.43	2,790.18	38.65	-85.11	93.48	3.00	3.00	0.00
2,900.00	21.00	294.43	2,884.43	52.45	-115.50	126.85	3.00	3.00	0.00
3,000.00	24.00	294.43	2,976.81	68.28	-150.34	165.12	3.00	3.00	0.00
3,100.00	27.00	294.43	3,067.06	86.08	-189.53	208.16	3.00	3.00	0.00
3,200.00	30.00	294.43	3,154.93	105.80	-232.97	255.87	3.00	3.00	0.00
3,300.00	33.00	294.43	3,240.18	127.41	-280.54	308.12	3.00	3.00	0.00
3,400.00	36.00	294.43	3,322.59	150.83	-332.11	364.75	3.00	3.00	0.00
3,500.00	39.00	294.43	3,401.91	176.00	-387.53	425.62	3.00	3.00	0.00
3,533.33	40.00	294.43	3,427.63	184.76	-406.83	446.82	3.00	3.00	0.00
3,600.00	40.00	294.43	3,478.70	202.48	-445.85	489.67	0.00	0.00	0.00
3,665.80	40.00	294.43	3,529.11	219.97	-484.36	531.97	0.00	0.00	0.00
3,700.00	38.97	294.43	3,555.50	228.96	-504.16	553.72	3.00	-3.00	0.00
3,800.00	35.97	294.43	3,634.86	254.12	-559.55	614.55	3.00	-3.00	0.00
3,900.00	32.97	294.43	3,717.29	277.52	-611.08	671.15	3.00	-3.00	0.00
4,000.00	29.97	294.43	3,802.56	299.11	-658.61	723.35	3.00	-3.00	0.00
4,100.00	26.97	294.43	3,890.46	318.82	-702.02	771.02	3.00	-3.00	0.00
4,200.00	23.97	294.43	3,980.72	336.60	-741.18	814.03	3.00	-3.00	0.00
4,300.00	20.97	294.43	4,073.12	352.41	-775.98	852.25	3.00	-3.00	0.00
4,400.00	17.97	294.43	4,167.39	366.19	-806.33	885.59	3.00	-3.00	0.00
4,500.00	14.97	294.43	4,263.27	377.92	-832.15	913.94	3.00	-3.00	0.00
4,600.00	11.97	294.43	4,360.51	387.55	-853.36	937.24	3.00	-3.00	0.00
4,633.16	10.98	294.43	4,393.00	390.28	-859.36	943.84	3.00	-3.00	0.00

# Scientific Drilling

## Planning Report

<b>Database:</b>	EDM2003.16 MultiuserDB	<b>Local Co-ordinate Reference:</b>	Well NBU 922-33N4S
<b>Company:</b>	Kerr McGee Oil and Gas Onshore LP	<b>TVD Reference:</b>	GL 5033' & RKB 18' @ 5051.00ft
<b>Project:</b>	Uintah County, UT NAD27	<b>MD Reference:</b>	GL 5033' & RKB 18' @ 5051.00ft
<b>Site:</b>	NBU 1022-4B Pad	<b>North Reference:</b>	True
<b>Well:</b>	NBU 922-33N4S	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
<b>Wasatch</b>									
4,700.00	8.97	294.43	4,458.83	395.07	-869.91	955.42	3.00	-3.00	0.00
4,800.00	5.97	294.43	4,557.97	400.45	-881.75	968.42	3.00	-3.00	0.00
4,900.00	2.97	294.43	4,657.65	403.67	-888.85	976.22	3.00	-3.00	0.00
4,999.14	0.00	0.00	4,756.75	404.74	-891.20	978.79	3.00	-3.00	0.00
5,000.00	0.00	0.00	4,757.61	404.74	-891.20	978.79	0.00	0.00	0.00
5,100.00	0.00	0.00	4,857.61	404.74	-891.20	978.79	0.00	0.00	0.00
5,200.00	0.00	0.00	4,957.61	404.74	-891.20	978.79	0.00	0.00	0.00
5,300.00	0.00	0.00	5,057.61	404.74	-891.20	978.79	0.00	0.00	0.00
5,400.00	0.00	0.00	5,157.61	404.74	-891.20	978.79	0.00	0.00	0.00
5,500.00	0.00	0.00	5,257.61	404.74	-891.20	978.79	0.00	0.00	0.00
5,600.00	0.00	0.00	5,357.61	404.74	-891.20	978.79	0.00	0.00	0.00
5,700.00	0.00	0.00	5,457.61	404.74	-891.20	978.79	0.00	0.00	0.00
5,800.00	0.00	0.00	5,557.61	404.74	-891.20	978.79	0.00	0.00	0.00
5,900.00	0.00	0.00	5,657.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,000.00	0.00	0.00	5,757.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,100.00	0.00	0.00	5,857.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,200.00	0.00	0.00	5,957.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,300.00	0.00	0.00	6,057.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,400.00	0.00	0.00	6,157.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,500.00	0.00	0.00	6,257.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,600.00	0.00	0.00	6,357.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,700.00	0.00	0.00	6,457.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,800.00	0.00	0.00	6,557.61	404.74	-891.20	978.79	0.00	0.00	0.00
6,900.00	0.00	0.00	6,657.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,000.00	0.00	0.00	6,757.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,100.00	0.00	0.00	6,857.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,200.00	0.00	0.00	6,957.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,300.00	0.00	0.00	7,057.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,400.00	0.00	0.00	7,157.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,500.00	0.00	0.00	7,257.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,600.00	0.00	0.00	7,357.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,700.00	0.00	0.00	7,457.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,800.00	0.00	0.00	7,557.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,900.00	0.00	0.00	7,657.61	404.74	-891.20	978.79	0.00	0.00	0.00
7,995.39	0.00	0.00	7,753.00	404.74	-891.20	978.79	0.00	0.00	0.00
<b>Mesaverde</b>									
8,000.00	0.00	0.00	7,757.61	404.74	-891.20	978.79	0.00	0.00	0.00
8,100.00	0.00	0.00	7,857.61	404.74	-891.20	978.79	0.00	0.00	0.00
8,200.00	0.00	0.00	7,957.61	404.74	-891.20	978.79	0.00	0.00	0.00
8,300.00	0.00	0.00	8,057.61	404.74	-891.20	978.79	0.00	0.00	0.00
8,400.00	0.00	0.00	8,157.61	404.74	-891.20	978.79	0.00	0.00	0.00
8,500.00	0.00	0.00	8,257.61	404.74	-891.20	978.79	0.00	0.00	0.00
8,600.00	0.00	0.00	8,357.61	404.74	-891.20	978.79	0.00	0.00	0.00
8,700.00	0.00	0.00	8,457.61	404.74	-891.20	978.79	0.00	0.00	0.00
8,800.00	0.00	0.00	8,557.61	404.74	-891.20	978.79	0.00	0.00	0.00
8,900.00	0.00	0.00	8,657.61	404.74	-891.20	978.79	0.00	0.00	0.00
9,000.00	0.00	0.00	8,757.61	404.74	-891.20	978.79	0.00	0.00	0.00
9,100.00	0.00	0.00	8,857.61	404.74	-891.20	978.79	0.00	0.00	0.00
9,200.00	0.00	0.00	8,957.61	404.74	-891.20	978.79	0.00	0.00	0.00
9,242.39	0.00	0.00	9,000.00	404.74	-891.20	978.79	0.00	0.00	0.00
<b>NBU 922-33N4S PBHL</b>									

## Scientific Drilling

### Planning Report

<b>Database:</b>	EDM2003.16 MultiuserDB	<b>Local Co-ordinate Reference:</b>	Well NBU 922-33N4S
<b>Company:</b>	Kerr McGee Oil and Gas Onshore LP	<b>TVD Reference:</b>	GL 5033' & RKB 18' @ 5051.00ft
<b>Project:</b>	Uintah County, UT NAD27	<b>MD Reference:</b>	GL 5033' & RKB 18' @ 5051.00ft
<b>Site:</b>	NBU 1022-4B Pad	<b>North Reference:</b>	True
<b>Well:</b>	NBU 922-33N4S	<b>Survey Calculation Method:</b>	Minimum Curvature
<b>Wellbore:</b>	OH		
<b>Design:</b>	Plan #1		

Targets									
Target Name	Dip Angle	Dip Dir.	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
- hit/miss target	(°)	(°)	(ft)	(ft)	(ft)	(ft)	(ft)		
- Shape									
NBU 922-33N4S PBH - plan hits target center - Circle (radius 25.00)	0.00	0.00	9,000.00	404.74	-891.20	608,535.57	2,575,870.82	39° 59' 9.320 N	109° 26' 40.660 W

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)	
2,100.00	2,100.00	Surface Casing	9.625	13.500	

Formations						
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)	
1,219.00	1,219.00	Green River		0.00		
4,633.16	4,393.00	Wasatch		0.00		
7,995.39	7,753.00	Mesaverde		0.00		

**NBU 922-33N4S**

Pad: NBU 1022-4B

Surface: 178' FNL, 1,840' FEL (NW/4NE/4) Sec. 4 T10S R22E - Lot 2

BHL: 227' FSL 2,546' FWL (SE/4SW/4) Sec. 33 T9S R22E

Uintah, Utah

Mineral Lease: UTU 01191A

**ONSHORE ORDER NO. 1**

***DRILLING PROGRAM***

1. – 2. **Estimated Tops of Important Geologic Markers:**  
**Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 – Surface	
Green River	1,219'	
Birds Nest	1,541'	Water
Mahogany	2,015'	Water
Wasatch	4,393'	Gas
Mesaverde	6,848'	Gas
MVU2	7,753'	Gas
MVL1	8,346'	Gas
TVD	9,000'	
TD	9,242'	

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

*Please refer to the attached Drilling Program.*

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

*Please refer to the attached Drilling Program.*

5. **Drilling Fluids Program:**

*Please refer to the attached Drilling Program.*

6. **Evaluation Program:**

*Please refer to the attached Drilling Program.*

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9,242' TD, approximately equals 5,470 psi (calculated at 0.59 psi/foot).

Maximum anticipated surface pressure equals approximately 3,347 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

**8. Anticipated Starting Dates:**

*Drilling is planned to commence immediately upon approval of this application.*

**9. Variances:**

*Please refer to the attached Drilling Program.*

*Onshore Order #2 – Air Drilling Variance*

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

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

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

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

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

***Background***

*In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.*

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

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

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

#### ***Variance for BOPE Requirements***

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

#### ***Variance for Mud Material Requirements***

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

#### ***Variance for Special Drilling Operation (surface equipment placement) Requirements***

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

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

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

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

***Conclusion***

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

**10. Other Information:**

*Please refer to the attached Drilling Program.*





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

**CASING PROGRAM**

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				3,520	2,020	453,000
SURFACE	9-5/8"	0 to 2,215	36.00	J-55	LTC	0.99	1.95	7.23
PRODUCTION	4-1/2"	0 to 9,242	11.60	I-80	LTC	2.26	1.17	2.15

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 - (0.22 psi/ft-partial evac gradient x TD)  
 (Burst Assumptions: TD = 11.6 ppg) 0.22 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 3,347 psi**

3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD  
 (Burst Assumptions: TD = 11.6 ppg) 0.59 psi/ft = bottomhole gradient  
 (Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)  
**MABHP 5,470 psi**

**CEMENT PROGRAM**

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl + 0.25 pps flocele	215	60%	15.60	1.18
<b>Option 1</b>							
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt + 2% CaCl + 0.25 pps flocele Premium cmt + 2% CaCl	380	0%	15.60	1.18
SURFACE			<b>NOTE: If well will circulate water to surface, option 2 will be utilized</b>				
<b>Option 2</b>	LEAD	1,715'	65/35 Poz + 6% Gel + 10 pps gilsonite + 0.25 pps Flocele + 3% salt BWOW	410	35%	12.60	1.81
	TAIL	500'	Premium cmt + 2% CaCl + 0.25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,892'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	370	40%	11.00	3.38
	TAIL	5,350'	50/50 Poz/G + 10% salt + 2% gel + 0.1% R-3	1,310	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. No centralizers will be used.

**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. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

Surveys will be taken at 1,000' minimum intervals.

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

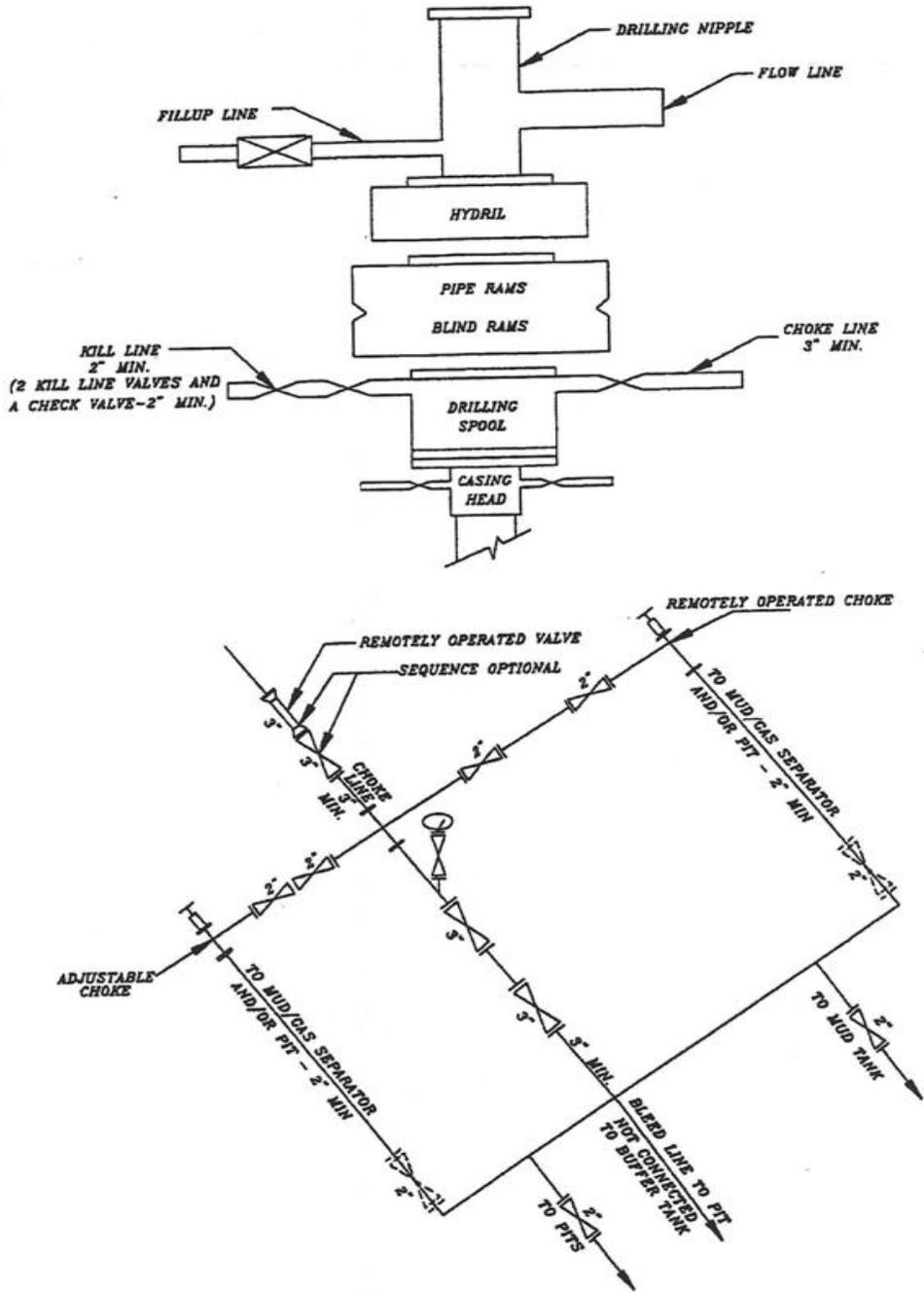
**DRILLING ENGINEER:** \_\_\_\_\_  
John Huycke / Emile Goodwin

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

**DRILLING SUPERINTENDENT:** \_\_\_\_\_  
John Merkel / Lovel Young

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

### EXHIBIT A NBU 922-33N4S



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

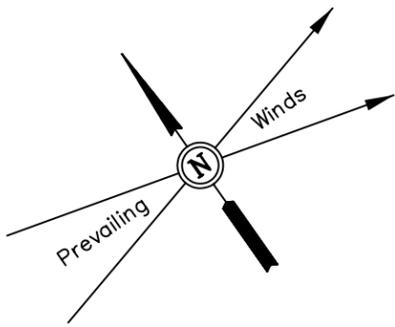
**Kerr-McGee Oil & Gas Onshore LP**

LOCATION LAYOUT FOR

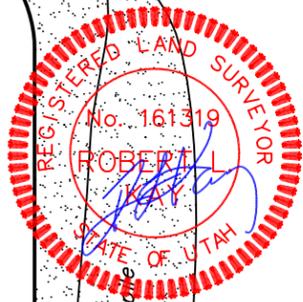
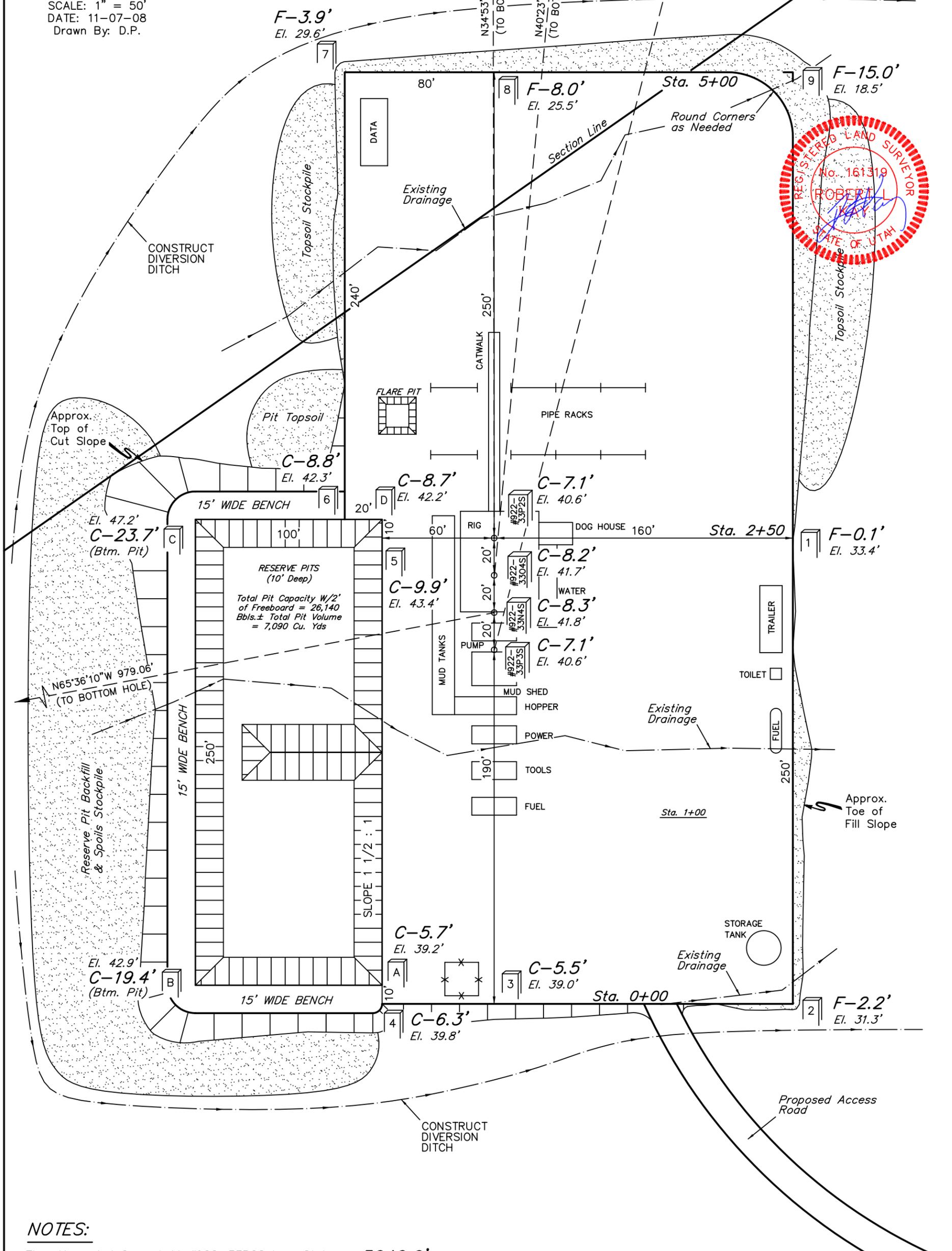
NBU #922-33P2S, #922-3304S, #922-33N4S & #922-33P3S  
SECTION 4, T10S, R22E, S.L.B.&M.

Lot 2

FIGURE #1



SCALE: 1" = 50'  
DATE: 11-07-08  
Drawn By: D.P.



**NOTES:**

Elev. Ungraded Ground At #922-33P2S Loc. Stake = 5040.6'  
FINISHED GRADE ELEV. AT #922-33P2S LOC. STAKE = 5033.5'

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

**FIGURE #2**

**TYPICAL CROSS SECTIONS FOR**

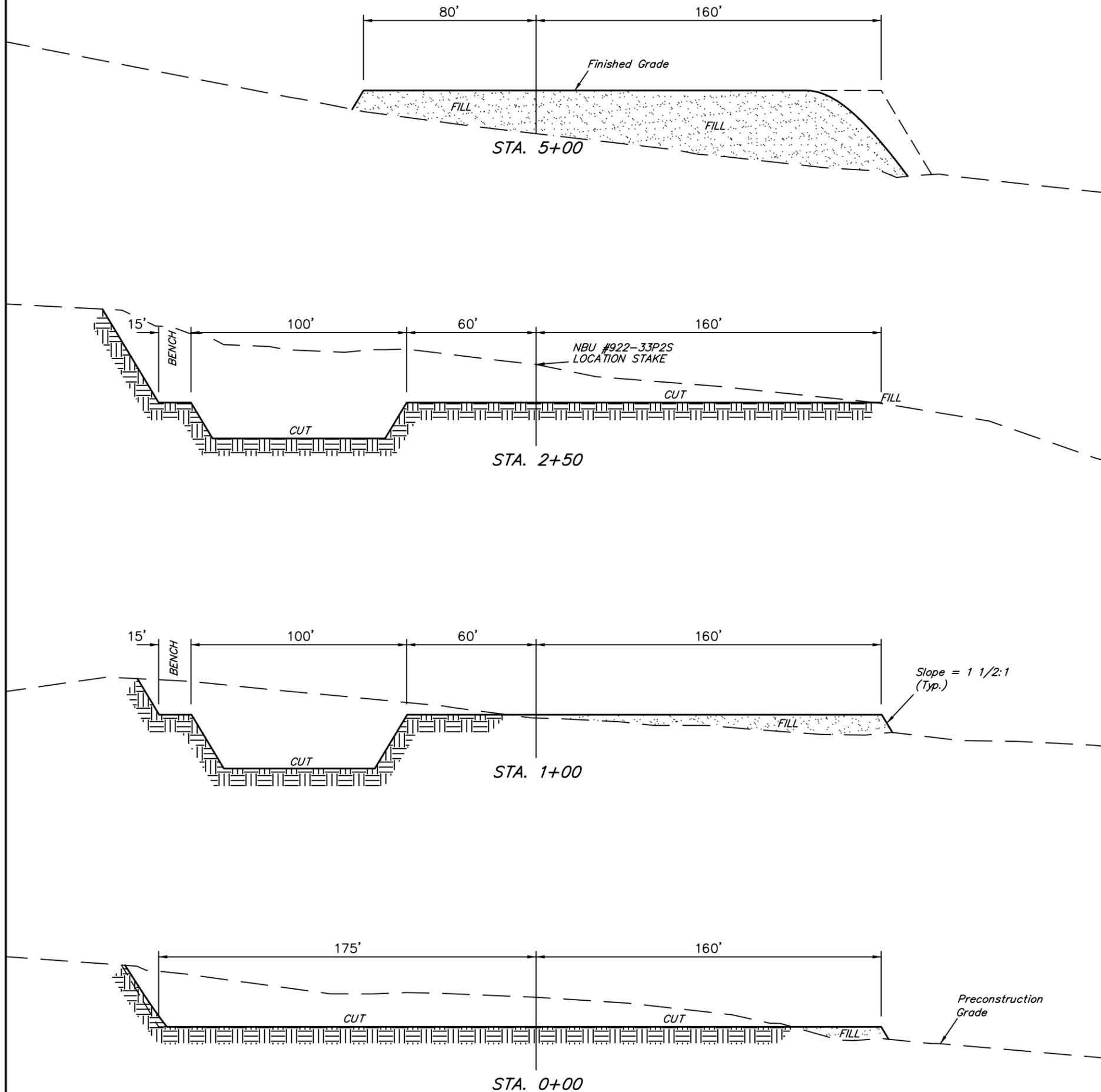
**NBU #922-33P2S, #922-3304S, #922-33N4S & #922-33P3S**

**SECTION 4, T10S, R22E, S.L.B.&M.**

**Lot 2**

1" = 20'  
X-Section  
Scale  
1" = 50'

DATE: 11-07-08  
Drawn By: D.P.



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

**\* NOTE:**  
FILL QUANTITY INCLUDES 5% FOR COMPACTION

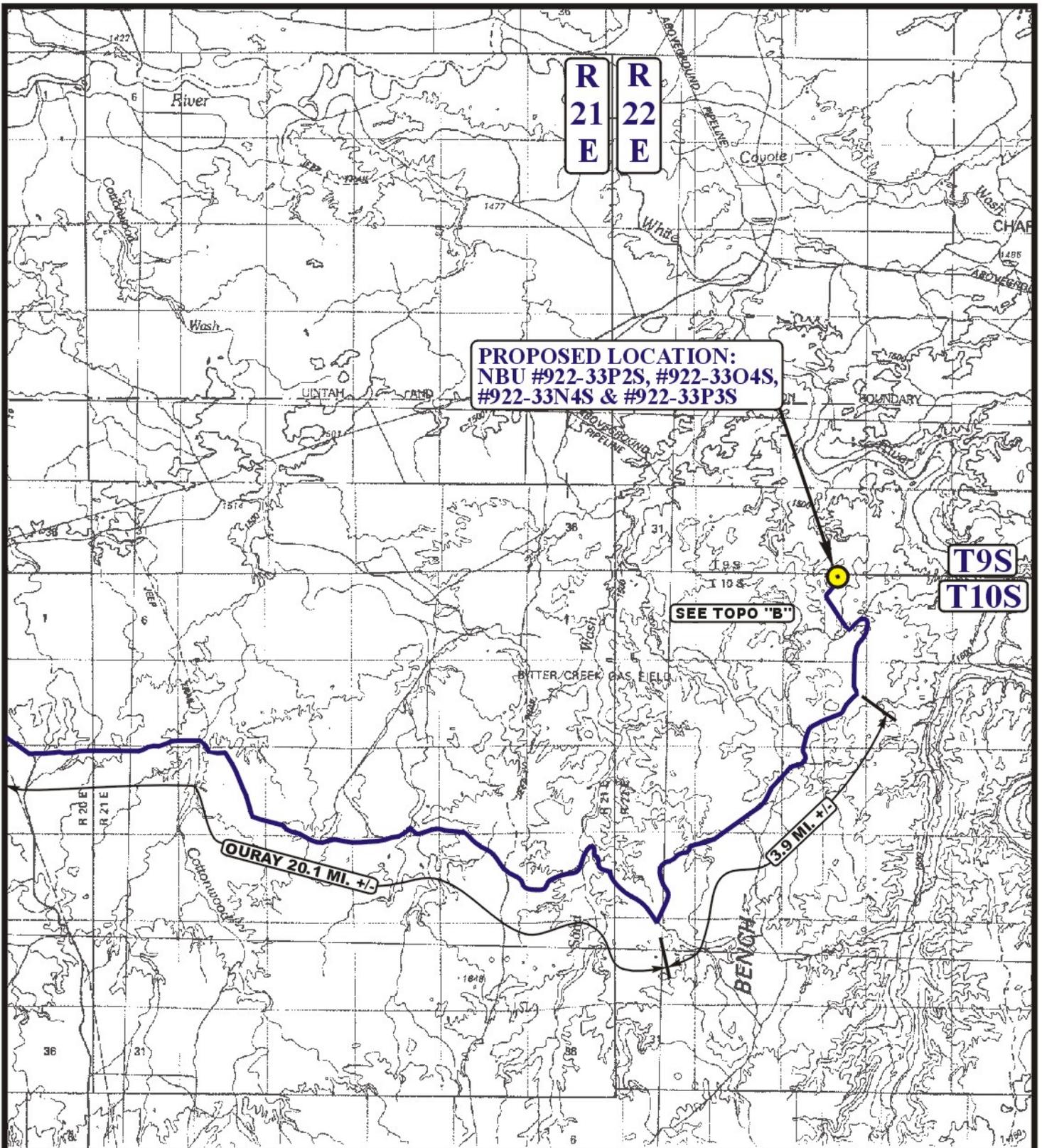
**APPROXIMATE ACREAGES**

WELL SITE DISTURBANCE	= ± 4.595 ACRES
ACCESS ROAD DISTURBANCE	= ± 0.128 ACRES
PIPELINE DISTURBANCE	= ± 0.055 ACRES
<b>TOTAL</b>	<b>= ± 4.778 ACRES</b>

**APPROXIMATE YARDAGES**

(6") Topsoil Stripping	= 3,140 Cu. Yds.
Remaining Location	= 20,190 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 23,330 CU.YDS.</b>
<b>FILL</b>	<b>= 16,640 CU.YDS.</b>

EXCESS MATERIAL	= 6,690 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 6,690 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:  
NBU #922-33P2S, #922-33O4S,  
#922-33N4S & #922-33P3S**

**SEE TOPO "B"**

**OURAY 20.1 MI. +/-**

**3.9 MI. +/-**

**LEGEND:**

 **PROPOSED LOCATION**

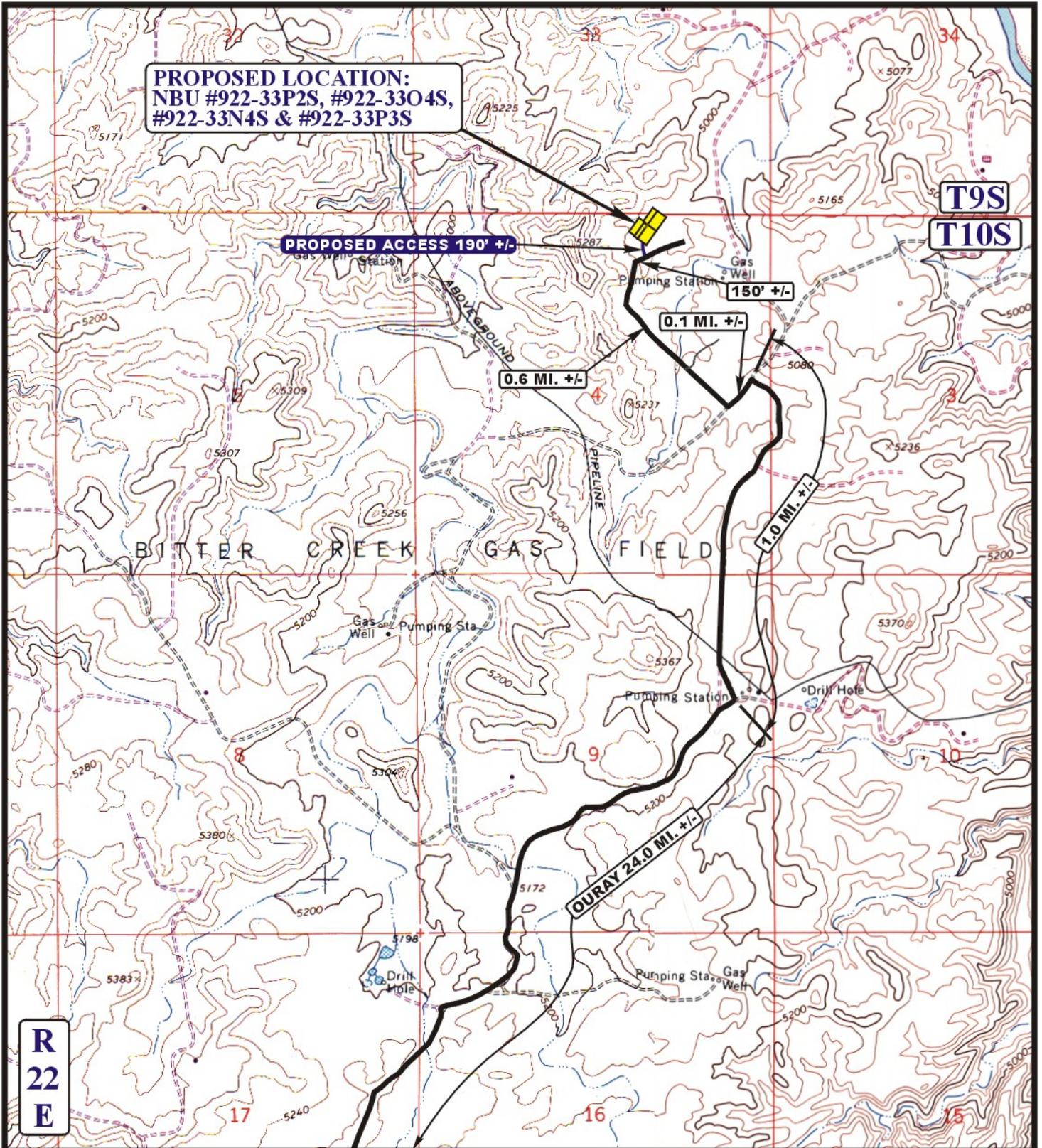
**Kerr-McGee Oil & Gas Onshore LP**

**NBU #922-33P2S, #922-33O4S, #922-33N4S  
& #922-33P3S  
SECTION 4, T10S, R22E, S.L.B.&M.  
LOT 2**

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



**TOPOGRAPHIC MAP** **11 10 08**  
MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: D.P. REVISED: 00-00-00 **A TOPO**



**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS



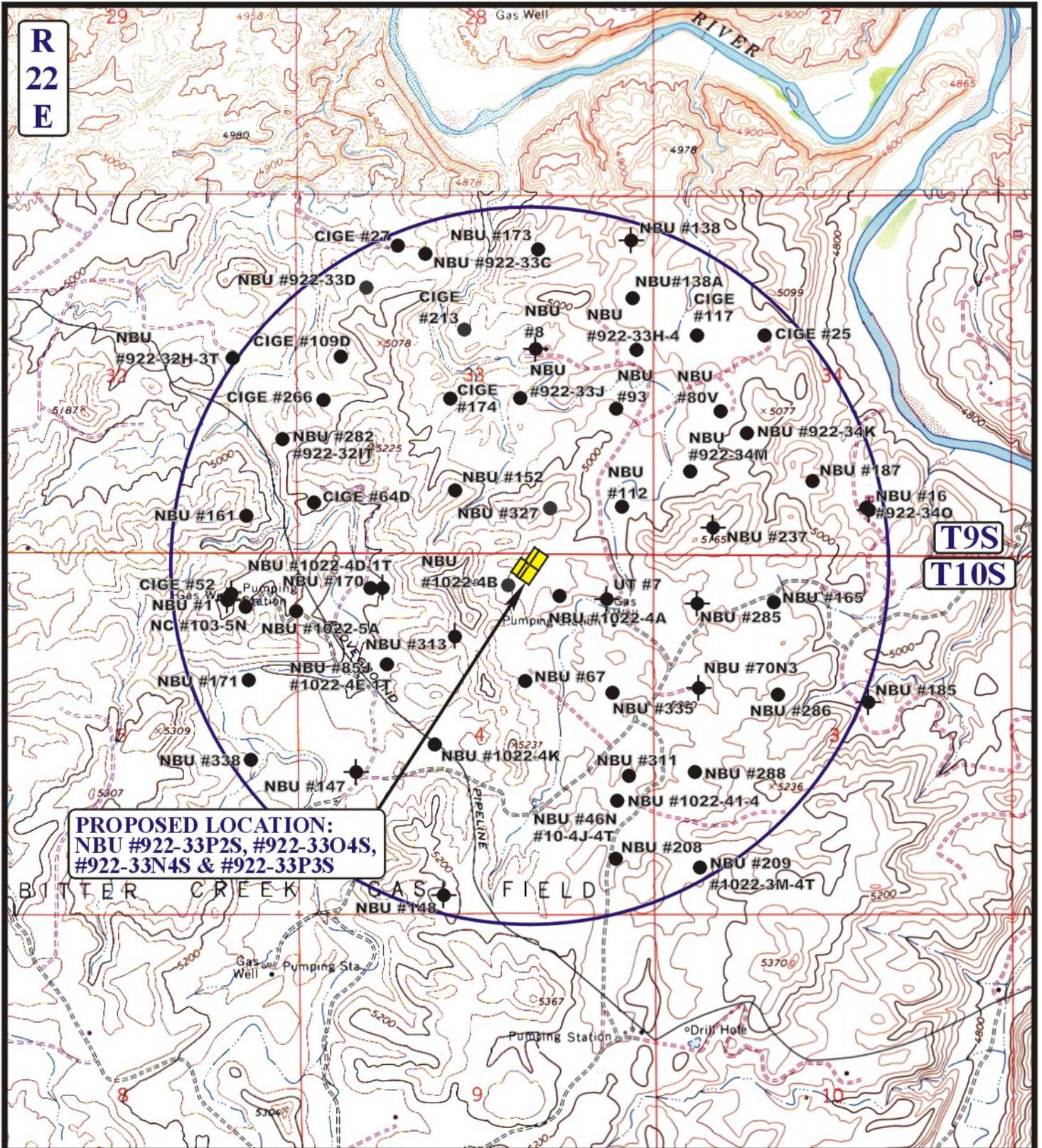
**Kerr-McGee Oil & Gas Onshore LP**

NBU #922-33P2S, #922-33O4S, #922-33N4S  
 & #922-33P3S  
 SECTION 4, T10S, R22E, S.L.B.&M.  
 LOT 2

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

**TOPOGRAPHIC MAP** **11 10 08**  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: D.P. REVISED: 00-00-00

**B**  
**TOPO**



**PROPOSED LOCATION:  
NBU #922-33P2S, #922-33O4S,  
#922-33N4S & #922-33P3S**

**LEGEND:**

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

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

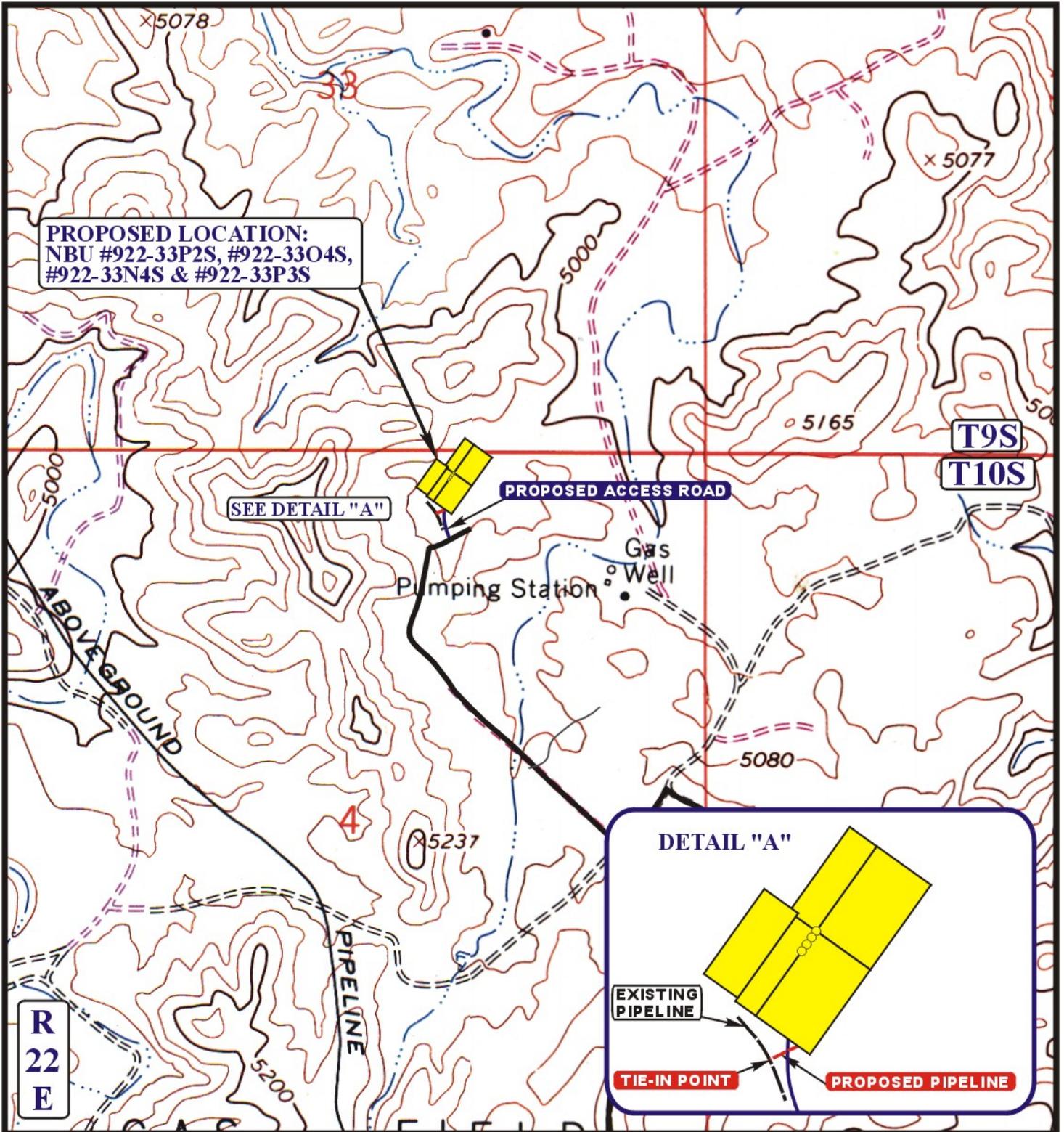
NBU #922-33P2S, #922-33O4S, #922-33N4S  
& #922-33P3S  
SECTION 4, T10S, R22E, S.L.B.&M.  
LOT 2

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



**TOPOGRAPHIC MAP** 11 06 08  
MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: D.P. REVISED: 00-00-00





**APPROXIMATE TOTAL PIPELINE DISTANCE = 80' +/-**

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

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

NBU #922-33P2S, #922-33O4S, #922-33N4S  
 & #922-33P3S  
 SECTION 4, T10S, R22E, S.L.B.&M.  
 LOT 2



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



**TOPOGRAPHIC**  
**MAP**

**11 10 08**  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: D.P. REVISED: 00-00-00

**D**  
**TOPO**

# Kerr-McGee Oil & Gas Onshore LP

NBU #922-33P2S, #922-33O4S, #922-33N4S & #922-33P3S

LOCATED IN UINTAH COUNTY, UTAH

SECTION 4, T10S, R22E, S.L.B.&M.

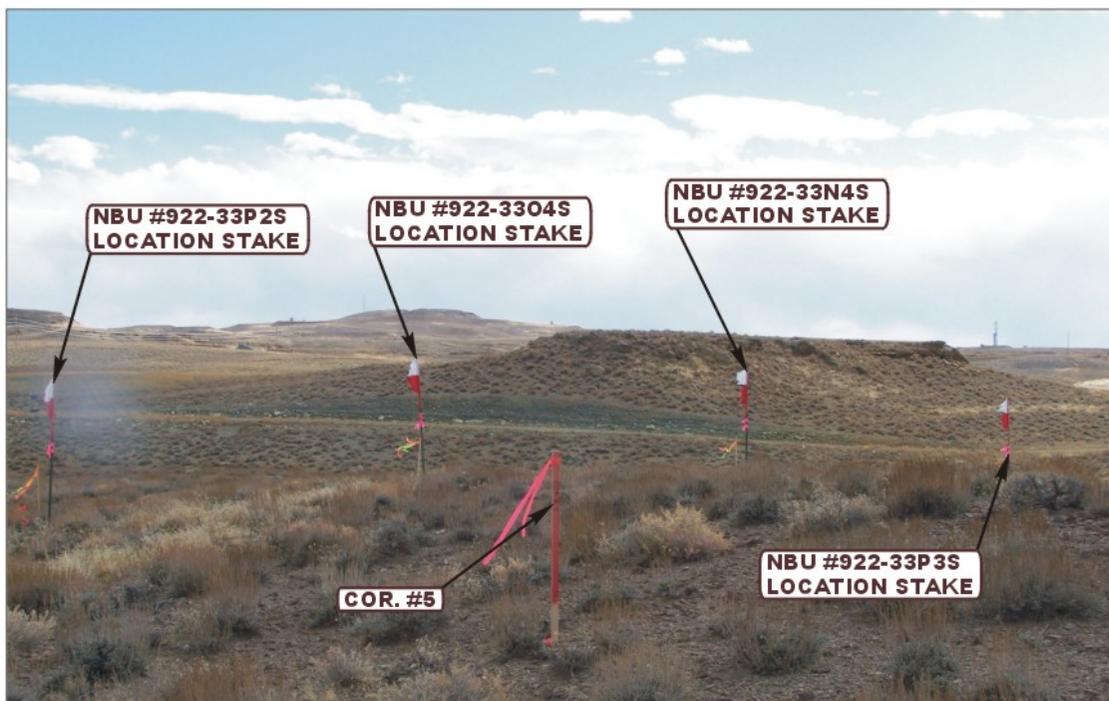


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKES

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHERLY



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

- Since 1964 -

<b>LOCATION PHOTOS</b>			<b>11</b>	<b>10</b>	<b>08</b>	<b>PHOTO</b>
			MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: D.P.	REVISED: 00-00-00				

# Kerr-McGee Oil & Gas Onshore LP

NBU #922-33P2S, #922-33O4S, #922-33N4S & #922-33P3S

PIPELINE ALIGNMENT  
LOCATED IN UINTAH COUNTY, UTAH  
SECTION 4, T10S, R22E, S.L.B.&M.



PHOTO: VIEW OF TIE-IN POINT

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

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

<b>PIPELINE PHOTOS</b>	<b>11</b>	<b>10</b>	<b>08</b>	<b>PHOTO</b>
	MONTH	DAY	YEAR	
TAKEN BY: L.K.	DRAWN BY: D.P.		REVISED: 00-00-00	

**Kerr-McGee Oil & Gas Onshore LP**  
**NBU #922-33P2S, #922-33O4S, #922-33N4S**  
**& #922-33P3S**  
**SECTION 4, T10S, R22E, S.L.B.&M.**

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 8.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 150' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTH; FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 190' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 56.7 MILES.

**NBU 922-33N4S**

Surface: 178' FNL, 1,840' FEL (NW/4NE/4) Sec. 4 T10S R22E - Lot 2  
BHL: 227' FSL 2,546' FWL (SE/4SW/4) Sec. 33 T9S R22E  
Mineral Lease: UTU 01191A

**NBU 922-33O4S**

Surface: 162' FNL, 1,829' FEL (NW/4NE/4) Sec. 4 T10S R22E - Lot 2  
BHL: 253' FSL 1,474' FEL (SW/4SE/4) Sec. 33 T9S R22E  
Mineral Lease: UTU 01191

**NBU 922-33P2S**

Surface: 145' FNL, 1,817' FEL (NW/4NE/4) Sec. 4 T10S R22E - Lot 2  
BHL: 1,097' FSL 948' FEL (SE/4SE/4) Sec. 33 T9S R22E  
Mineral Lease: UTU 01191

**NBU 922-33P3S**

Surface: 194' FNL, 1,852' FEL (NW/4NE/4) Sec. 4 T10S R22E - Lot 2  
BHL: 585' FSL 935' FEL (SE/4SE/4) Sec. 33 T9S R22E  
Mineral Lease: UTU 01191

Pad: Bonanza 1022-4B

Uintah, Utah

**ONSHORE ORDER NO. 1**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN  
SUBMITTED WITH SITE-SPECIFIC INFORMATION***

This Application for Permit to Drill (APD) is filed under the Notice of Staking (NOS) process as stated in Onshore Order No. 1 (OSO #1) and supporting Bureau of Land Management (BLM) documents. An NOS was submitted in March 17, 2009 showing the surface locations in NW/4 NE/4 of Section 4 T10S R22E.

This Surface Use Plan of Operations (SUPO) or 13-point plan provides the site-specific information for the above-referenced wells. This information is to be incorporated by reference into the Master Development Plan (MDP) for Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee). The MDP is available upon request from the BLM-Vernal Field Office.

An on-site meeting was held on March 31, 2009. Present were:

- Verlyn Pindell, Dave Gordon – BLM;
- Kolby Kay – 609 Consulting, LLC
- Tony Kazeck, Raleen White, Sheila Upchego, Grizz Oleen, Hal Blanchard, Charles Chase and Jeff Samuels – Kerr-McGee.

**Directional Drilling:**

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

**1. Existing Roads:**

- A) Refer to Topo Map A for directions to the location.
- B) Refer to Topo Maps A and B for location of access roads within a 2-mile radius.
- C) Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

**2. Planned Access Roads:**

*See MDP for additional details on road construction.*

Approximately  $\pm 0.04$  miles ( $\pm 190'$ ) of new access road is proposed. Please refer to the attached Topo Map B. No pipelines will be crossed with the new construction.

*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 and are typically shown on the attached Exhibits and Topo maps.*

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

Please refer to Topo Map C.

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

*See MDP for additional details on Existing and Proposed Facilities.*

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

*See MDP for additional details on Location and Type of Water Supply.*

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, Application number 53617. Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

**6. Source of Construction Materials:**

*See MDP for additional details on Source of Construction Materials.*

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

*See MDP for additional details on Methods of Handling Waste Materials.*

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 in Sec. 5 T9S R22E  
NBU #159 in Sec. 35 T9S R21E  
Ace Oilfield in Sec. 2 T6S R20E  
MC&MC in Sec. 12 T6S R19E  
Pipeline Facility in Sec. 36 T9S R20E  
Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E  
Bonanza Evaporation Pond in Sec. 2 T10S R23E

**8. Ancillary Facilities:**

*See MDP for additional details on Ancillary Facilities.*

None are anticipated.

**9. Well Site Layout:** (See Location Layout Diagram)

*See MDP for additional details on Well Site Layout.*

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

- Net wire (39-inch) will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.
- The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.
- Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.
- All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

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

*See MDP for additional details on Plans for Reclamation of the Surface.*

**11. Surface/Mineral Ownership:**

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

**12. Other Information:**

*See MDP for additional details on Other Information.*

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

Kathy Schneebeck Dulnoan  
Regulatory Analyst  
Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779  
(720) 929-6007

Tommy Thompson  
General Manager, Drilling  
Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779  
(720-929-6724)

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

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

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

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by 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 I have full knowledge of the State and Federal laws applicable to this operation; 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 in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

  
\_\_\_\_\_  
Danielle Piernot

June 8, 2009  
\_\_\_\_\_  
Date



# 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 8, 2009

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

Re: Directional Drilling R649-3-11  
NBU 922-33N4S  
T9S-R22E  
Section 33: SESW  
Surface: 178' FNL, 1840' FEL  
Bottom Hole: 227' FSL, 2546' FWL  
Uintah County, Utah

Dear Mrs. Mason:

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

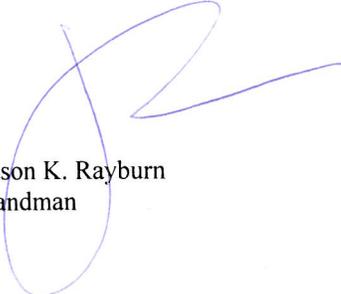
- Kerr-McGee's NBU 922-33N4S is located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize 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

Jason K. Rayburn  
Landman



CLASS I REVIEW OF KERR-MCGEE OIL AND GAS  
ONSHORE LP'S 46 PROPOSED WELL LOCATIONS  
(T9S, R22E, SEC. 29, 30, 31, 32, 33, 34; T10S, R22E, SEC. 4)  
UINTAH COUNTY, UTAH

By:

Nicole Shelnut

Prepared For:

Bureau of Land Management  
Vernal Field Office  
and  
State of Utah  
School & Institutional Trust Lands Administration

Prepared Under Contract With:

Kerr-McGee Oil and Gas Onshore LP  
1368 South 1200 East  
Vernal, Utah 84078

Prepared By:

Montgomery Archaeological Consultants, Inc.  
P.O. Box 219  
Moab, Utah 84532

MOAC Report No. 08-356

February 26, 2009

United States Department of Interior (FLPMA)  
Permit No. 08-UT-60122

Public Lands Policy Coordination Office  
Archaeological Survey Permit No. 117

**IPC #08-325**

## **Paleontological Reconnaissance Survey Report**

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**Survey of Kerr McGee's Proposed Multi-Well Pads, Access Roads,  
and Pipelines for "NBU #922-33E2DS, 33E3AS, 33F3DS, &  
33E3DS" & "NBU #922-33P2S, 33P3S, 33N4S, & 33O4S"  
(Sec. 33, T 9 S, R 22 E) & (Sec. 4, T 10 S, R 22 E)**

Archy Bench  
Topographic Quadrangle  
Uintah County, Utah

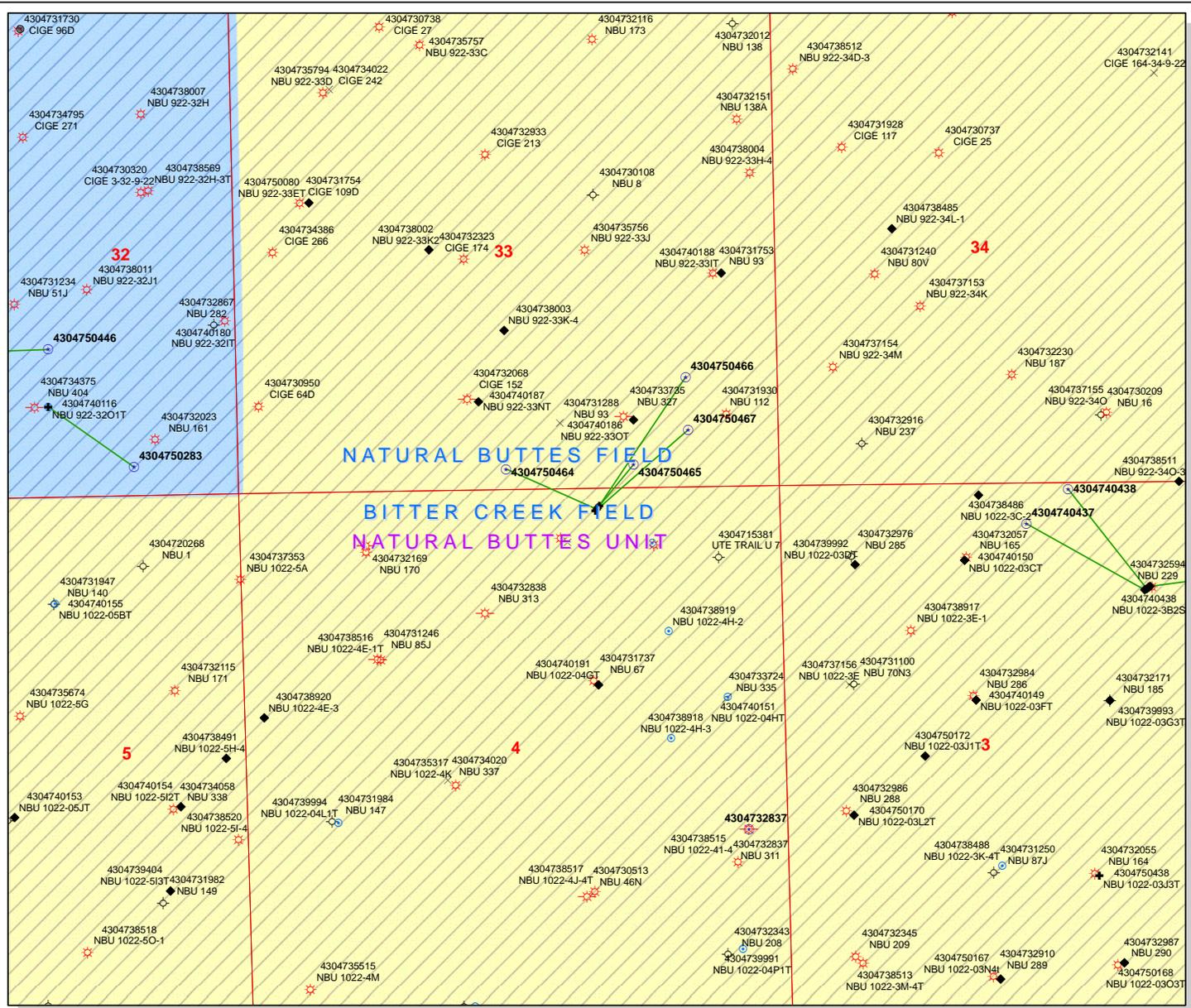
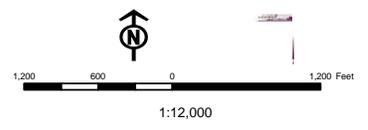
December 16, 2008

Prepared by Stephen D. Sandau  
Paleontologist for  
Intermountain Paleo-Consulting  
P. O. Box 1125  
Vernal, Utah 84078

**API Number: 4304750464**  
**Well Name: NBU 922-33N4S**  
**Township 10.0 S Range 22.0 E Section 4**  
**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>	<b>GIS_STAT_TYPE</b>
ACTIVE	<Null>
EXPLORATORY	APD
GAS STORAGE	DRL
NF PP OIL	GI
NF SECONDARY	GS
PI OIL	LA
PP GAS	NEW
PP GEOTHERM	OPS
PP OIL	PA
SECONDARY	PGW
TERMINATED	POW
<b>Fields</b>	RET
<b>STATUS</b>	SGW
ACTIVE	SOW
COMBINED	TA
Sections	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)

June 12, 2009

Memorandum

To: Assistant District Manager Minerals, Vernal District  
From: Michael Coulthard, Petroleum Engineer  
Subject: 2009 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 2009 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
43-047-50465	NBU 922-33O4S Sec 04	T10S R22E 0162 FNL 1829 FEL
	BHL Sec 33	T09S R22E 0253 FSL 1474 FEL
43-047-50464	NBU 922-33N4S Sec 04	T10S R22E 0178 FNL 1840 FEL
	BHL Sec 33	T09S R22E 0227 FSL 2546 FWL
43-047-50466	NBU 922-33P2S Sec 04	T10S R22E 0145 FNL 1817 FEL
	BHL Sec 33	T09S R22E 1097 FSL 0948 FEL
43-047-50467	NBU 922-33P3S Sec 04	T10S R22E 0194 FNL 1852 FEL
	BHL Sec 33	T09S R22E 0585 FSL 0935 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:6-12-09

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

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**APD RECEIVED:** 6/8/2009

**API NO. ASSIGNED:** 43047504640000

**WELL NAME:** NBU 922-33N4S

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

**PHONE NUMBER:** 720 929-6156

**CONTACT:** Danielle Piernot

**PROPOSED LOCATION:** NWNE 4 100S 220E

**Permit Tech Review:**

**SURFACE:** 0178 FNL 1840 FEL

**Engineering Review:**

**BOTTOM:** 0227 FSL 2546 FWL

**Geology Review:**

**COUNTY:** UINTAH

**LATITUDE:** 39.98473

**LONGITUDE:** -109.44138

**UTM SURF EASTINGS:** 633079.00

**NORTHINGS:** 4427016.00

**FIELD NAME:** NATURAL BUTTES

**LEASE TYPE:** 1 - Federal

**LEASE NUMBER:** UTU 01191A

**PROPOSED PRODUCING FORMATION(S):** WASATCH-MESA VERDE

**SURFACE OWNER:** 1 - Federal

**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

**Commingling 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  
BHL SEC 33 T9S:

**Stipulations:** 3 - Commingling - ddoucet  
4 - Federal Approval - dmason  
15 - Directional - 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 922-33N4S  
**API Well Number:** 43047504640000  
**Lease Number:** UTU 01191A  
**Surface Owner:** FEDERAL  
**Approval Date:** 6/17/2009

**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 . The expected producing formation or pool is the WASATCH-MESA VERDE Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

**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

**Commingling:**

In accordance with Board Cause No. 173-14, completion into and commingling of production from the Wasatch and Mesaverde formations is allowed.

**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:**

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

In accordance with Utah Admin. R.649-3-11, Directional Drilling, the operator shall submit a complete angular deviation and directional survey report to the Division within 30 days following completion of the well.

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.

**Notification Requirements:**

Notify the Division within 24 hours of spudding the well.

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

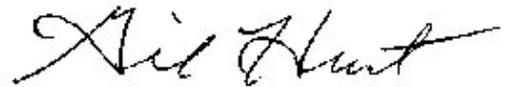
Notify the Division prior to commencing operations to plug and abandon the well.

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

**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 that reads "Gil Hunt". The signature is written in a cursive, flowing style.

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 01191A
<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>  <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 922-33N4S
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047504640000
<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> 0178 FNL 1840 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 4 Township: 10.0S Range: 22.0E 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: 6/17/2010	<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:** June 23, 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> 6/17/2010



**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 43047504640000**

**API:** 43047504640000

**Well Name:** NBU 922-33N4S

**Location:** 0178 FNL 1840 FEL QTR NWNE SEC 4 TWNP 100S RNG 220E MER S

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

**Date Original Permit Issued:** 6/17/2009

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
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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

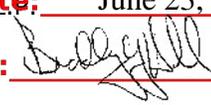
**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Danielle Piernot

**Date:** 6/17/2010

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

**Date:** June 23, 2010

**By:** 

**RECEIVED** June 17, 2010

<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 01191A
<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>  <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 922-33N4S
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047504640000
<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> 0178 FNL 1840 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 4 Township: 10.0S Range: 22.0E 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: 6/17/2010	<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
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	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input checked="" type="checkbox"/> APD EXTENSION
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**Approved by the Utah Division of Oil, Gas and Mining**

**Date:** June 23, 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> 6/17/2010



**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 43047504640000**

**API:** 43047504640000

**Well Name:** NBU 922-33N4S

**Location:** 0178 FNL 1840 FEL QTR NWNE SEC 4 TWNP 100S RNG 220E MER S

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

**Date Original Permit Issued:** 6/17/2009

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.

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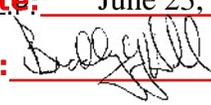
**Approved by the  
Utah Division of  
Oil, Gas and Mining**

**Signature:** Danielle Piernot

**Date:** 6/17/2010

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

**Date:** June 23, 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 01191A
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<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> NBU 922-33N4S
<b>2. NAME OF OPERATOR:</b> KERR-MCGEE OIL & GAS ONSHORE, L.P.	<b>9. API NUMBER:</b> 43047504640000
<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> 0178 FNL 1840 FEL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWNE Section: 04 Township: 10.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start: 6/17/2011	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
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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:** 05/16/2011

**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> 5/13/2011	



**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 43047504640000**

**API:** 43047504640000

**Well Name:** NBU 922-33N4S

**Location:** 0178 FNL 1840 FEL QTR NWNE SEC 04 TWP 100S RNG 220E MER S

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

**Date Original Permit Issued:** 6/17/2009

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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:** 5/13/2011

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



# 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>



**OCT 31 2011**

IN REPLY REFER TO:  
3160 (UTG011)

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

43 047 50464

Re: Request to Return APD  
Well No. NBU 922-33N4S  
Lot 2, Sec. 4, T10S, R22E  
Uintah County, Utah  
Lease No. UTU-01191A  
Natural Buttes Unit

Dear Ms. Jacobson:

The Application for Permit to Drill (APD) for the above referenced well received in this office on June 9, 2009, is being returned unapproved per a request to this office in an email message from Andy Lytle received on February 14, 2011. 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**

**NOV 07 2011**

**DIV. OF OIL, GAS & MINING**



GARY R. HERBERT  
Governor  
GREG 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

March 13, 2012

Jenn Hawkins  
Kerr McGee Oil & Gas Onshore, L.P.  
1099 18th Street, Suite 1800  
Denver, CO 80202

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

Dear Ms. Hawkins:

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 March 7, 2012.

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  
SITLA, Ed Bonner



<b>API Number</b>	<b>Well Name</b>
4304750274	NBU 727-35E
4304737762	FEDERAL 920-24G
4304750439	FEDERAL 1022-15L
4304750440	FEDERAL 1022-15K
4304750441	FEDERAL 1021-25I
4304750442	FEDERAL 1021-25M
4304750443	FEDERAL 1021-25N
4304738796	FEDERAL 1022-27K
4304738980	BITTER CREEK 1122-3N
4304737763	FEDERAL 920-24H
4304739156	NBU 1022-24O
4304736573	NBU 1022-23C
4304751040	NBU 920-22L4CS
4304751041	NBU 920-22M1BS
4304751042	NBU 920-22M4BS
4304751051	NBU 920-23L2DS
4304751052	NBU 920-23L4BS
4304738921	NBU 1022-8B-4T
4304739253	NBU 921-15L
4304738159	NBU 1022-20B
4304738169	NBU 1022-28I
4304750464	NBU 922-33N4S
4304750465	NBU 922-33O4S
4304750466	NBU 922-33P2S
4304750467	NBU 922-33P3S
4304738820	LOVE 1121-18B
4304740189	NBU 922-35IT
4304738491	NBU 1022-5H-4
4304750093	NBU 1022-34F
4304750094	NBU 1022-35M
4304750095	NBU 1022-34E
4304750097	FEDERAL 1022-27M
4304750067	NBU 921-16F3S
4304750068	NBU 921-16E4S
4304737103	FEDERAL 1022-29C
4304750127	NBU 420-29E
4304739527	NBU 1021-20F
4304739528	NBU 1021-20E
4304739530	NBU 1021-20B
4304738741	LOVE 1121-7P
4304738742	LOVE 1121-7L
4304738744	LOVE 1121-7F
4304738745	LOVE 1121-7D
4304738747	LOVE 1121-8P
4304738750	LOVE 1121-8F
4304738754	LOVE 1121-15L
4304738755	LOVE 1121-15N
4304739525	NBU 1021-20H
4304738795	NBU 1022-27O
4304738807	NBU 1022-34D
4304738920	NBU 1022-4E-3
4304737547	NBU 1022-17P
4304751050	NBU 920-23L1BS
4304737907	NBU 1021-3L
4304737908	NBU 1021-3D

4304737909	NBU 1021-3H
4304737917	NBU 1021-25E
4304737911	NBU 1021-24C
4304750029	NBU 375-13E
4304750033	NBU 515-25E
4304750034	NBU 673-25E
4304750035	NBU 674-25E
4304737963	NBU 1021-3G
4304737965	NBU 1021-5D
4304737684	NBU 498-13E