

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL				1. WELL NAME and NUMBER NBU 920-14G		
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>				3. FIELD OR WILDCAT NATURAL BUTTES		
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO				5. UNIT or COMMUNITIZATION AGREEMENT NAME NATURAL BUTTES		
6. NAME OF OPERATOR KERR-MCGEE OIL & GAS ONSHORE, L.P.				7. OPERATOR PHONE 720 929-6587		
8. ADDRESS OF OPERATOR P.O. Box 173779, Denver, CO, 80217				9. OPERATOR E-MAIL mary.mondragon@anadarko.com		
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) UTU 0577A		11. MINERAL OWNERSHIP FEDERAL <input checked="" type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input checked="" type="checkbox"/> STATE <input type="checkbox"/> FEE <input type="checkbox"/>		
13. NAME OF SURFACE OWNER (if box 12 = 'fee')				14. SURFACE OWNER PHONE (if box 12 = 'fee')		
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')				16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN') Ute Tribe		18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/>		19. SLANT VERTICAL <input checked="" type="checkbox"/> DIRECTIONAL <input type="checkbox"/> HORIZONTAL <input type="checkbox"/>		
20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	2444 FNL 1947 FEL	SWNE	14	9.0 S	20.0 E	S
Top of Uppermost Producing Zone	2444 FNL 1947 FEL	SWNE	14	9.0 S	20.0 E	S
At Total Depth	2444 FNL 1947 FEL	SWNE	14	9.0 S	20.0 E	S
21. COUNTY UINTAH		22. DISTANCE TO NEAREST LEASE LINE (Feet) 1947		23. NUMBER OF ACRES IN DRILLING UNIT 2091		
		25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 800		26. PROPOSED DEPTH MD: 10600 TVD: 10600		
27. ELEVATION - GROUND LEVEL 4766		28. BOND NUMBER WYB000291		29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 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 type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

NAME Danielle Piernot	TITLE Regulatory Analyst	PHONE 720 929-6156
SIGNATURE	DATE 07/22/2009	EMAIL danielle.piernot@anadarko.com
API NUMBER ASSIGNED 43047505890000	APPROVAL  Permit Manager	

Proposed Hole, Casing, and Cement

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Prod	7.875	4.5	0	10600		
Pipe	Grade	Length	Weight			
	Grade HCP-110 LT&C	1000	11.6			
	Grade I-80 LT&C	9600	11.6			

Proposed Hole, Casing, and Cement

String	Hole Size	Casing Size	Top (MD)	Bottom (MD)		
Surf	12.25	9.625	0	2705		
Pipe	Grade	Length	Weight			
	Grade J-55 LT&C	2705	36.0			

NBU 920-14G

Surface: 2,444' FNL, 1,947' FEL (SW/4NE/4)
Sec. 14 T9S R20E

Uintah, Utah
Mineral Lease: UTU 0577A

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	1,738'	
Birds Nest	1,983'	Water
Mahogany	2,503'	Water
Wasatch	5,163'	Gas
Mesaverde	8,435'	Gas
MVU2	9,414'	Gas
MVL1	9,920'	Gas
TD	10,600'	

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 10,600' TD, approximately equals 6,604 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 4,272 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. Variations:

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.

Variance for FIT Requirements

Kerr-McGee Oil & Gas Onshore LP (KMG) also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). The air rig operation utilizes a 5M BOPE when drilling. This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

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 2705	36.00	J-55	LTC	0.80*	1.60	4.65
PRODUCTION	4-1/2"	0 to 9600	11.60	I-80	LTC	7,780	6,350	201,000
		9600 to 10600	11.60	HCP-110	LTC	1,777	1.04	2.01
						10,690	8,650	279,000
						2.43	1.29	29.56

*Burst on surface casing is controlled by fracture gradient as shoe with gas gradient above. D.F. = 2.07

- 1) Max Anticipated Surf. Press. (MASP) (Surf Csg) = (Pore Pressure at next csg point - (0.22 psi/ft-partial evac grad x TVD of next csg point))
(Burst Assumptions: TD = 12.2 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 4,272 psi
- 3) Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD
(Burst Assumptions: TD = 12.2 ppg) 0.62 psi/ft = bottomhole gradient
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MABHP 6,604 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
Option 1 TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt + 2% CaCl + 0.25 pps flocele	380	0%	15.60	1.18
NOTE: If well will circulate water to surface, option 2 will be utilized						
SURFACE LEAD	2,205'	Prem cmt + 16% Gel + 10 pps gilsonite + 0.25 pps Flocele + 3% salt BWOC	250	35%	11.00	3.82
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	4,660'	Premium Lite II + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 1% Retarder	450	40%	11.00	3.38
TAIL	5,940'	50/50 Poz/G + 10% salt + 2% gel + 0.1% R-3	1450	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 for a total of 15 bow spring centralizers.

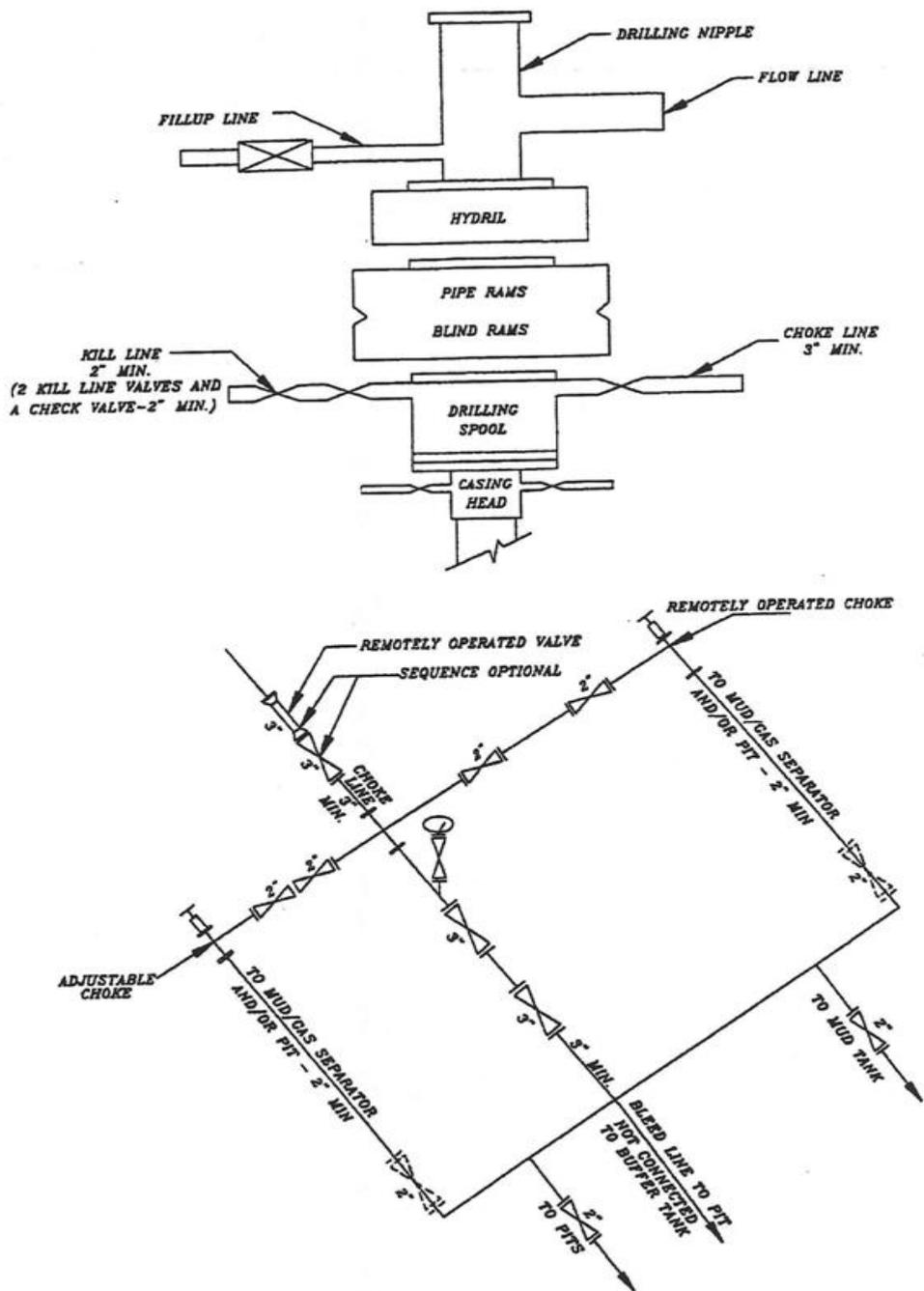
ADDITIONAL INFORMATION

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. 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.
Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.
Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____ DATE: _____
John Huycke / Emile Goodwin

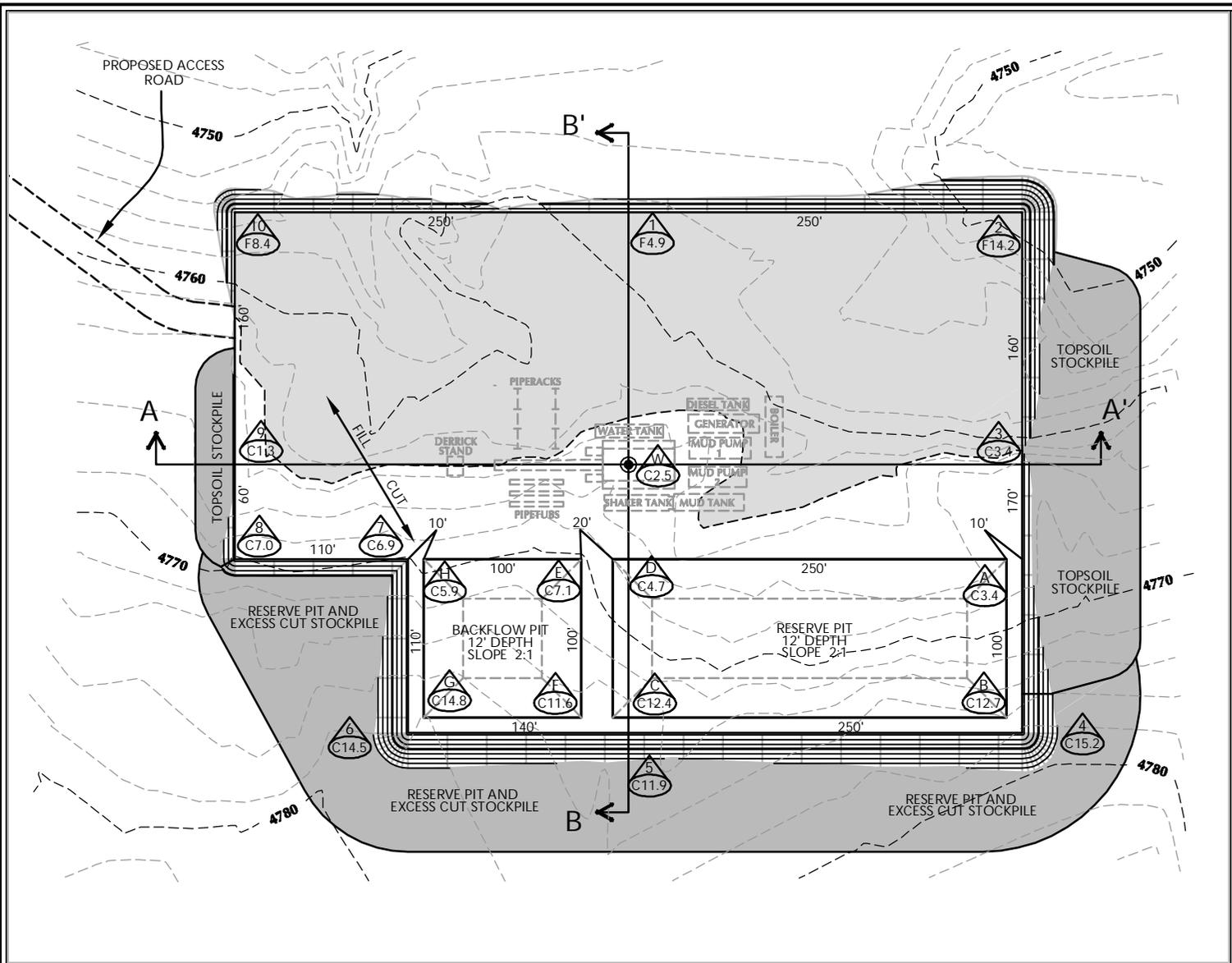
DRILLING SUPERINTENDENT: _____ DATE: _____
John Merkel / Lovel Young

EXHIBIT A NBU 920-14G



SCHMATIC DIAGRAM OF 5,000 PSI BOP STACK

APIWellNo:430475058900000*
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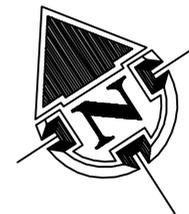
WELL PAD LEGEND

- WELL LOCATION
- - - EXISTING CONTOURS (2' INTERVAL)
- PROPOSED CONTOURS (2' INTERVAL)

WELL PAD NBU 920-14G QUANTITIES

EXISTING GRADE @ LOC. STAKE = 4765.8'
 FINISHED GRADE ELEVATION = 4763.3'
 CUT SLOPES = 1.5:1
 FILL SLOPES = 1.5:1

TOTAL CUT FOR WELL PAD = 16,569 C.Y.
 TOTAL FILL FOR WELL PAD = 16,062 C.Y.
 TOPSOIL @ 6" DEPTH = 3,246 C.Y.
 EXCESS MATERIAL = 507 C.Y.
 TOTAL DISTURBANCE = 4.02 ACRES
 SHRINKAGE FACTOR = 1.10
 SWELL FACTOR = 1.00
 RESERVE PIT CAPACITY (2' OF FREEBOARD)
 +/- 28,730 BARRELS
 RESERVE PIT VOLUME
 +/- 7,720 CY
 BACKFLOW PIT CAPACITY (2' OF FREEBOARD)
 +/- 9,490 BARRELS
 BACKFLOW PIT VOLUME
 +/- 2,660 CY



KERR-MCGEE OIL & GAS
ONSHORE L.P.
 1099 18th Street - Denver, Colorado 80202

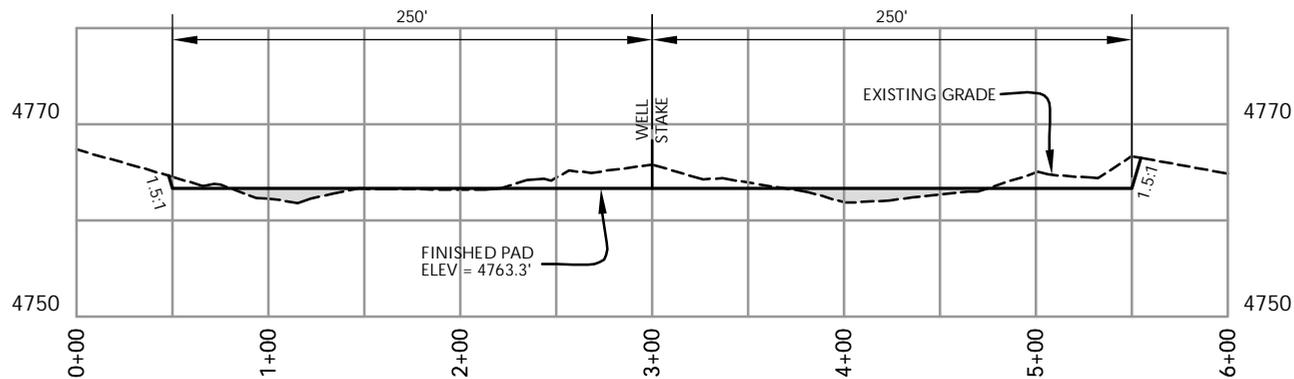


CONSULTING, LLC
 371 Coffeen Avenue
 Sheridan WY 82801
 Phone 307-674-0609
 Fax 307-674-0182

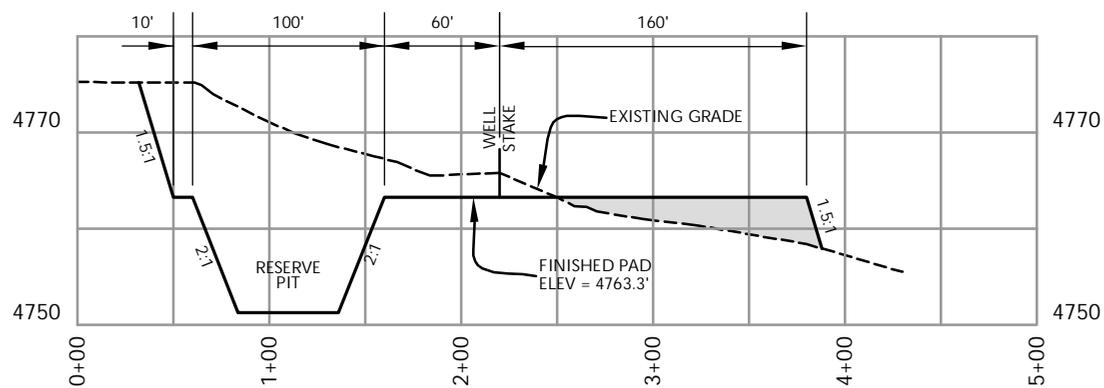
Scale: 1"=100'	Date: 2/25/09	SHEET NO:
REVISED:	BY DATE	2 OF 9

NBU 920-14G
WELL PAD - LOCATION LAYOUT
 2444' FNL, 1947' FEL
 SW1/4 NE1/4, SECTION 14, T.9S., R.20E.
 S.L.B.&M., Uintah County, Utah

Timberline (435) 789-1365
Engineering & Land Surveying, Inc.
 38 WEST 100 NORTH VERNAL, UTAH 84078



CROSS SECTION A-A'



CROSS SECTION B-B'

NOTE: CROSS SECTION B-B' DEPICTS
MAXIMUM RESERVE PIT DEPTH.

KERR-MCGEE OIL & GAS
ONSHORE L.P.
1099 18th Street - Denver, Colorado 80202



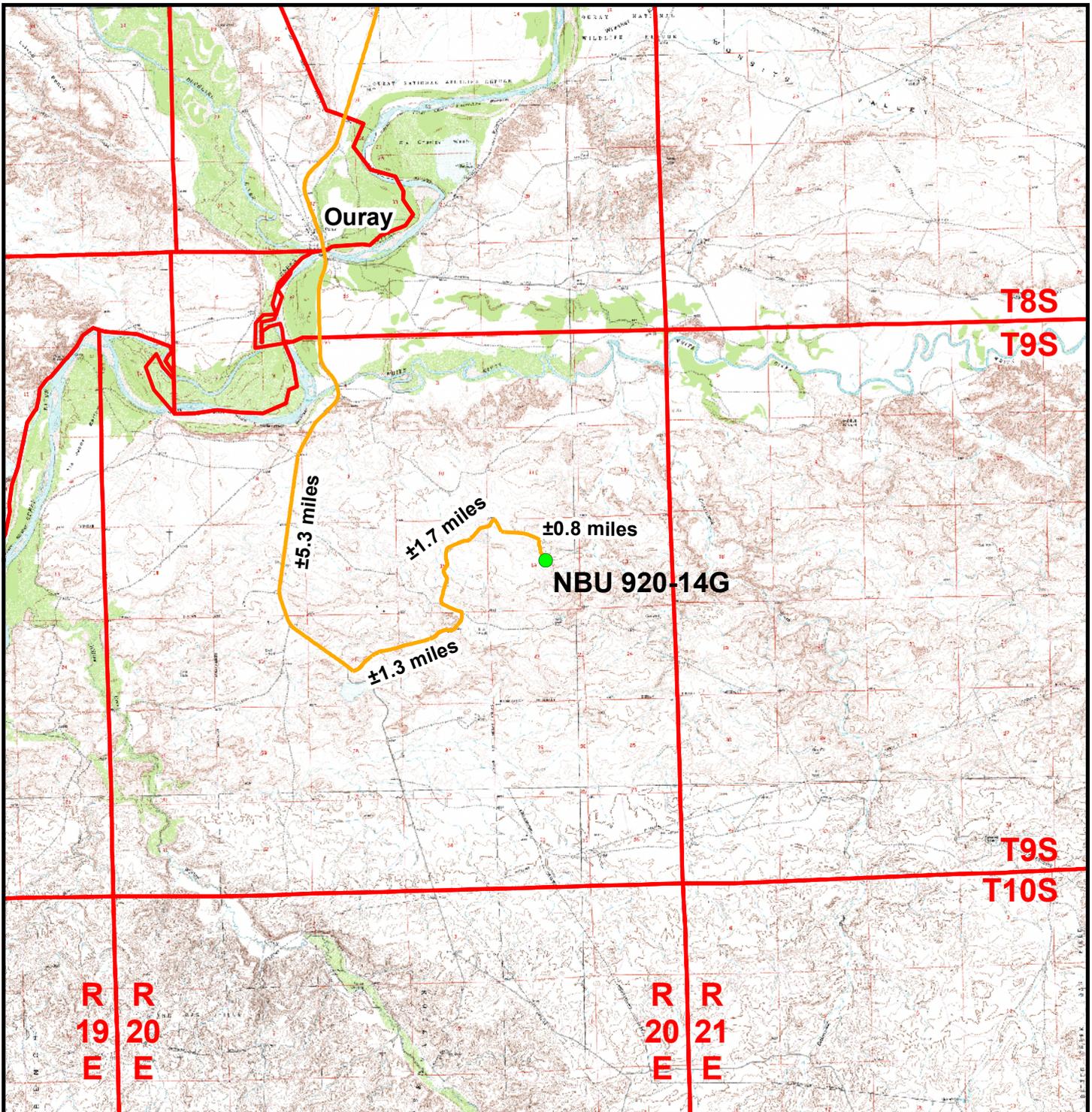
CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182



NBU 920-14G
WELL PAD - CROSS SECTIONS
2444' FNL, 1947' FEL
SW1/4 NE1/4, SECTION 14, T.9S., R.20E.
S.L.B.&M., UINTAH COUNTY, UTAH

Scale: 1"=100'	Date: 2/25/09	SHEET NO:
REVISD:	BY DATE	3 3 OF 9

Timberline (435) 789-1365
Engineering & Land Surveying, Inc.
38 WEST 100 NORTH VERNAL, UTAH 84078



Legend

- Proposed NBU 920-14G Well Location
- Access Route - Proposed

Kerr-McGee Oil & Gas Onshore, LP
 1099 18th Street, Denver, Colorado 80202

NBU 920-14G
Topo A
 2444' FNL, 1947' FEL
 SW¼ NE¼, Section 14, T9S, R20E
 S.L.B.&M., Uintah County, Utah



609 CONSULTING, LLC
 371 Coffeen Avenue
 Sheridan, WY 82801
 Phone (307) 674-0609
 Fax (307) 674-0182



Scale: 1:100,000	NAD83 USP Central
Drawn: JELO	Date: 16 Feb 2009
Revised:	Date:

Sheet No:
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5 of 9







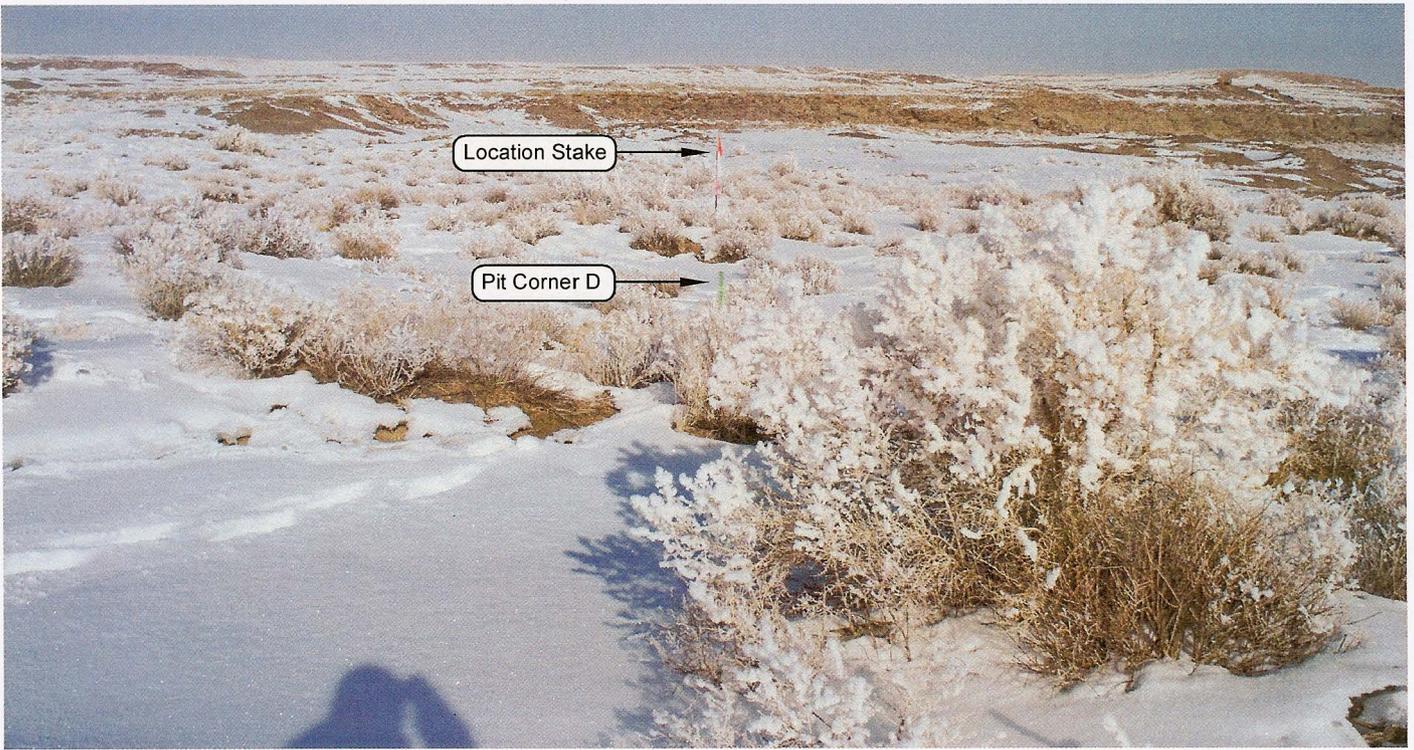


PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE

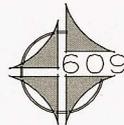
CAMERA ANGLE: NORTHEASTERLY



PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: SOUTHEASTERLY

Kerr-McGee
Oil & Gas Onshore, LP
 1099 18th Street - Denver, Colorado 80202



CONSULTING, LLC
 371 Coffeen Avenue
 Sheridan WY 82801
 Phone 307-674-0609
 Fax 307-674-0182

NBU 920-14G
 2444' FNL, 1947' FEL
 SW $\frac{1}{4}$ NE $\frac{1}{4}$ OF SECTION 14, T9S, R20E,
 S.L.B.&M. UINTAH COUNTY, UTAH.

LOCATION PHOTOS		DATE TAKEN: 01-19-09
		DATE DRAWN: 02-11-09
TAKEN BY: D.J.S.	DRAWN BY: K.K.O.	REVISED:
Timberline Engineering & Land Surveying, Inc.		(435) 789-1365
209 NORTH 300 WEST VERNAL, UTAH 84078		SHEET 4 OF 9

Kerr-McGee Oil & Gas Onshore, LP
NBU 920-14G
Section 14, T9S, R20E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 13.9 MILES TO THE JUNCTION OF STATE HIGHWAY 88. EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION ALONG STATE HIGHWAY 88 APPROXIMATELY 16.8 MILES TO OURAY, UTAH. FROM OURAY, PROCEED IN A SOUTHERLY DIRECTION ALONG THE SEEP RIDGE ROAD (COUNTY B ROAD 2810) APPROXIMATELY 5.3 MILES TO THE INTERSECTION OF A SERVICE ROAD TO THE NORTHEAST. EXIT LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION ALONG THE SERVICE ROAD APPROXIMATELY 1.3 MILES TO THE INTERSECTION OF A SECOND SERVICE ROAD TO THE NORTH. EXIT LEFT AND PROCEED IN A NORTHERLY THEN NORTHEASTERLY DIRECTION ALONG THE SECOND SERVICE ROAD APPROXIMATELY 1.7 MILES TO THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 4,170 FEET TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 39.8 MILES IN A SOUTHERLY DIRECTION.

NBU 920-14G

Surface: 2,444' FNL, 1,947' FEL (SW/4NE/4)
Sec. 14 T9S R20E

Uintah, Utah
Mineral Lease: UTU 0577A

Surface Owner: Ute Indian Tribe

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) and Bureau of Indian Affairs (BIA) documents. An NOS was submitted showing the surface location in SW/4 NE/4 of Section 14 T9S R20E.

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 BIA-Ft Duchesne Office.

An on-site meeting was held on June 24, 2009. Present were:

- Verlyn Pindell and Dave Gordon – BLM;
- Kolby Kay and Mitch Batty – Timberline Surveying, Inc.
- Tony Kazeck, Jeff Samuels, Raleen White, David Liddell, and Hal Blanchard – Kerr-McGee
- Bucky Secakuku – BIA
- Nick Hall – Grasslands Consulting, Inc.
- Scott Carson – Smiling Lake Consulting
- Keith Montgomery – Montgomery Archaeological Consultants, Inc.
-

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.

2. Planned Access Roads:

See MDP for additional details on road construction.

Approximately ±0.07 mile (380') 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.

The following guidelines will apply if the well is productive.

Approximately ±1,070' (0.2 miles) of pipeline is proposed. Refer to Topo D for the existing pipeline. Appropriate surface use agreements have been or will be obtained from the Ute Indian Tribe. Pipeline segments will be welded or zaplocked together on disturbed areas in or near the location, whenever possible, and dragged into place

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 one of the following sources:

- Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32 T4S R3E, Water User Claim number 43-8496, application number 53617.
- Price Water Pumping Inc. Green River and White River, various sources, Water Right Number 49-1659, application number: a35745.

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.

Kerr-McGee shall call the BIA for the seed mixture prior to starting interim and/or final reclamation actions.

11. **Surface/Mineral Ownership:**

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

Ute Indian Tribe
PO 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. **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.



Kathy Schneebeck Dulnoan

July 22, 2009

Date

CLASS I REVIEW OF KERR-MCGEE OIL AND GAS
ONSHORE LP'S 88 PROPOSED WELL LOCATIONS
(T9S, R20E, SECS. 1, 14, 15, 20, 21, 22, 23, 27, 29, 32, 33, 34)
UINTAH COUNTY, UTAH

By:

Jacki A. Montgomery

Prepared For:

Ute Indian Tribe
Uintah and Ouray Agency

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. 08-318

March 4, 2009

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

**Paleontological Assessment for
Anadarko Petroleum Corp.**

NBU 920-14G

Ouray Quadrangle

Uintah County, Utah

Prepared for

Anadarko Petroleum Corp.

and

Ute Tribe

Uintah and Ouray Reservation

Prepared by

SWCA Environmental Consultants

SWCA #UT09-14314-15



Grasslands Consulting, Inc.

4800 Happy Canyon Road, Suite 110, Denver, CO 80237

(303) 759-5377 Office (303) 759-5324 Fax

SPECIAL STATUS PLANT AND WILDLIFE SPECIES REPORT

Operator: Kerr-McGee Oil & Gas Onshore LP

Wells: NBU 920-14A, NBU 920-14B, NBU 920-14C, NBU 920-14D, NBU 920-14F, NBU 920-14G, NBU 920-14H, NBU 920-14K, NBU 920-14L

Pipelines: Associated pipelines to proposed well pads

Access Roads: Associated access roads to proposed well pads

Location: Section 14, Township 9 South, Range 20 East; Uintah County, Utah

Survey-Species: Uinta Basin Hookless Cactus (*Sclerocactus wetlandicus*) and nesting raptors

Date: 06/18/2009 and 06/22/2009

Observer(s): Grasslands Consulting, Inc. Biologists: Dan Hamilton, Nick Hall, Jay Slocum, Matt Kelahan, and Jonathan Sexauer. Technician: Chad Johnson

Weather: Partly cloudy, 65-80°F, 510 mph winds with moderate precipitation.

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

July 24, 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
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(Proposed PZ WASATCH-MESA VERDE)

43-047-50590	NBU 920-14H	Sec 14 T09S R20E 1562 FNL 0500 FEL
43-047-50589	NBU 920-14G	Sec 14 T09S R20E 2444 FNL 1947 FEL
43-047-50591	NBU 921-19O1CS	Sec 19 T09S R21E 1078 FSL 1614 FEL BHL Sec 19 T09S R21E 0897 FSL 1974 FEL
43-047-50592	NBU 921-19O4BS	Sec 19 T09S R21E 1079 FSL 1594 FEL BHL Sec 19 T09S R21E 0540 FSL 1974 FEL
43-047-50593	NBU 921-19P4BS	Sec 19 T09S R21E 1082 FSL 1554 FEL BHL Sec 19 T09S R21E 0621 FSL 0654 FEL
43-047-50594	NBU 921-19P4CS	Sec 19 T09S R21E 1080 FSL 1574 FEL BHL Sec 19 T09S R21E 0254 FSL 0654 FEL
43-047-50595	NBU 921-20B3CS	Sec 20 T09S R21E 0957 FNL 1312 FWL BHL Sec 20 T09S R21E 1144 FNL 2612 FEL
43-047-50596	NBU 921-20D1CS	Sec 20 T09S R21E 0961 FNL 1272 FWL BHL Sec 20 T09S R21E 0346 FNL 0720 FWL

Page 2

43-047-50597 NBU 921-20D4BS Sec 20 T09S R21E 0963 FNL 1252 FWL
BHL Sec 20 T09S R21E 0798 FNL 0698 FWL

43-047-50598 NBU 921-20D4CS Sec 20 T09S R21E 0959 FNL 1292 FWL
BHL Sec 20 T09S R21E 1306 FNL 0770 FWL

43-047-50599 NBU 921-20I4CS Sec 20 T09S R21E 1873 FSL 0843 FEL
BHL Sec 20 T09S R21E 1507 FSL 0527 FEL

43-047-50600 NBU 920-20J4BS Sec 20 T09S R21E 1910 FSL 0891 FEL
BHL Sec 20 T09S R21E 1734 FSL 1839 FEL

43-047-50601 NBU 921-20P1BS Sec 20 T09S R21E 1885 FSL 0859 FEL
BHL Sec 20 T09S R21E 1140 FSL 0538 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:7-24-09

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 7/22/2009

API NO. ASSIGNED: 43047505890000

WELL NAME: NBU 920-14G

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

PHONE NUMBER: 720 929-6156

CONTACT: Danielle Piernot

PROPOSED LOCATION: SWNE 14 090S 200E

Permit Tech Review:

SURFACE: 2444 FNL 1947 FEL

Engineering Review:

BOTTOM: 2444 FNL 1947 FEL

Geology Review:

COUNTY: UINTAH

LATITUDE: 40.03592

LONGITUDE: -109.63098

UTM SURF EASTINGS: 616803.00

NORTHINGS: 4432431.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU 0577A

PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

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

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

Stipulations: 3 - Commingling - ddoucet
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 920-14G
API Well Number: 43047505890000
Lease Number: UTU 0577A
Surface Owner: INDIAN
Approval Date: 8/11/2009

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

Commingle:

In accordance with Cause No. 173-14 commingling the production from the Wasatch formation and the Mesaverde formation in this well 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 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:

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during

drilling of this well:

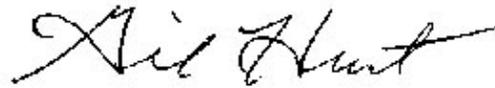
- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284 (please leave a voicemail message if not available)
- OR
- submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <http://oilgas.ogm.utah.gov>

Reporting Requirements:

All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) – due within 5 days of spudding the well
- Monthly Status Report (Form 9) – due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) – due prior to implementation
- Written Notice of Emergency Changes (Form 9) – due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) – due prior to implementation
- Report of Water Encountered (Form 7) – due within 30 days after completion
- Well Completion Report (Form 8) – due within 30 days after completion or plugging

Approved By:



Gil Hunt
Associate Director, Oil & Gas

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUL 22 2009

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER **BLM**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU0577A
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERRMCGEE OIL&GAS ONSHORE LP Contact: DANIELLE E PIERNOT Email: Danielle.Piernot@anadarko.com		7. If Unit or CA Agreement, Name and No. 891008900A
3a. Address PO BOX 173779 DENVER, CO 80202-3779		8. Lease Name and Well No. NBU 920-14G
3b. Phone No. (include area code) Ph: 720-929-6156 Fx: 720-929-7156		9. API Well No. 43 047 50589
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SWNE 2444FNL 1947FEL 40.03593 N Lat, 109.63172 W Lon At proposed prod. zone SWNE 2444FNL 1947FEL 40.03593 N Lat, 109.63172 W Lon		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* APPROXIMATELY 9 MILES SOUTHEAST OF OURAY, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area Sec 14 T9S R20E Mer SLB
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 1947 FEET	16. No. of Acres in Lease 2091.20	12. County or Parish UINTAH
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. APPROXIMATELY 800 FEET	19. Proposed Depth 10600 MD 10600 TVD	13. State UT
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4766 GL	22. Approximate date work will start 08/10/2009	17. Spacing Unit dedicated to this well
		20. BLM/BIA Bond No. on file WYB000291
		23. Estimated duration 60-90 DAYS

24. Attachments

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

- | | |
|---|--|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized officer. |

25. Signature (Electronic Submission)	Name (Printed/Typed) DANIELLE E PIERNOT Ph: 720-929-6156	Date 07/22/2009
--	---	--------------------

Title
REGULATORY ANALYST

Approved by (Signature) <i>Stephanie J Howard</i>	Name (Printed/Typed) Stephanie J Howard	Date 11/23/09
Title Assistant Field Manager	Office VERNAL FIELD OFFICE	

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

CONDITIONS OF APPROVAL ATTACHED

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

RECEIVED
DEC 07 2009

Additional Operator Remarks (see next page)

Electronic Submission #72381 verified by the BLM Oil & Gas Permitting System
For KERRMCGEE OIL&GAS ONSHORE LP, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 07/27/2009 ()

NOTICE OF APPROVAL

NOS OPD POSTED 1/27/09

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

096XJ5466 AE NONOS



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	Kerr McGee Oil & Gas Onshore	Location:	SWNE, Sec. 14, T9S, R20E
Well No:	NBU 920-14G	Lease No:	UTU-0577A
API No:	43-047-50589	Agreement:	Natural Buttes Unit

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to: ut_vn_opreport@blm.gov .
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

**SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

- All new and replacement internal combustion gas field engines of less than or equal to 300 design-rated horsepower must not emit more than 2 gms of NO_x per horsepower-hour. This requirement does not apply to gas field engines of less than or equal to 40 design-rated horsepower.
- All and replacement internal combustion gas field engines of greater than 300 design rated horsepower must not emit more than 1.0 gms of NO_x per horsepower-hour.
- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

Site-Specific Conditions of Approval:

- Paint facilities "shadow gray."
- Utilize pit-run/gravel for well pad and access road support.
- Monitor location by a permitted archaeologist during the construction process.
- In accordance with the guidelines specified in the Utah BLM Field Office Guidelines for Raptor Protection from Human and Land Use Disturbances, 2002 (See Appendix D), a raptor survey shall be conducted prior to construction of the proposed location, pipeline, or access road if construction will take place during raptor nesting season (January 01 through September 30) and conduct its operations according to specification in the guidelines.
- If project construction operation are scheduled to occur after June 18, 2010, KMG will conduct additional biological surveys in accordance with the guidelines specified I the USFWS Rare Plant Conservation Measures for Uinta Basin hookless cactus (See Appendix D) and conduct its operation according to its specifications.

BIA Standard Conditions of Approval:

- Soil erosion will be mitigated by reseeding all disturbed areas.
- The gathering pipelines will be constructed to lie on the surface. The surface pipelines will not be bladed or cleared of vegetation. Where pipelines are constructed parallel to roads they may be welded on the road and then lifted from the road onto the right-of-way. Where pipelines do not parallel roads but cross-country between sites, they shall be welded in place at well sites or on access roads and then pulled between stations with a suitable piece of equipment. Traffic will be restricted along these areas so that the pipeline right-of-way will not be used as an access road.
- An open drilling system shall be used, unless otherwise specified in 10.0 Additional Stipulations of this document and in the Application for Permit to Drill. A closed drilling system shall be sued in all

flood plain areas, and other highly sensitive areas, recommended by the Ute Tribe Technician, BIA, and other agencies involved.

- The reserve pit shall be lined with a synthetic leak proof liner. After the drilling operation is complete, excess fluids shall be removed from the reserve pit and either hauled to an approved disposal site or shall be used to drill other wells. When the fluids are removed the pit shall be backfilled a minimum of 3.0' below the soil surface elevation.
- A closed production system shall be used. This means all produced water and oil field fluid wastes shall be contained in leak proof tanks. These fluids shall be disposed of in either approved injection wells or disposal pits.
- Major low water crossings will be armored with pit run material to protect them from erosion.
- All personnel shall refrain from collecting any paleontological fossils and from disturbing any fossil resources in the area.
- If fossils are exposed or identified during construction, all construction must cease and immediate notification to the Energy and Minerals Department and the Cultural Rights Protection Officer.
- Before the site is abandoned the company will be required to restore the right-of-way to near its original state. The disturbed area will be reseeded with desirable perennial vegetation. If necessary, the Bureau of Indian Affairs or Bureau of Land Management will provide a suitable seed mixture.
- Noxious weeds will be controlled on all surface disturbances within the project area. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.
- If project construction operations are scheduled to occur after December 31, 2009, KMG shall conduct annual raptor surveys in accordance with the guidelines specified in the Utah Field Office Guidelines for Raptor Protection from Human and Land Use Disturbances, 2002 (See Appendix E) and conduct its operations according to applicable seasonal restrictions and spatial offsets.
- USFWS threatened and endangered plant and animal conservation measures will be followed, as appropriate to the species identified by the biological resource survey (See Appendix E).
- All personnel shall refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
- If artifacts or any culturally sensitive materials are exposed or identified during construction, all construction must cease and immediate notification to the Energy and Minerals Department and the Cultural Rights Protection Officer.

**DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)**

SITE SPECIFIC DOWNHOLE COAs:

- A Gamma Ray Log shall be run from TD to surface.

Variances Granted:

Air Drilling:

- Properly lubricated and maintained rotating head, variance granted to use a properly maintained and lubricated diverter bowl in place of a rotating head.
- Blooie line discharge 100' from the well bore, variance granted for blooie line discharge to be 45' from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100' from the well bore. Variance granted for two truck/trailer mounted air compressors located within 40 feet from the well bore and 60' from the blooie line.
- In lieu of mud products on location, Kerr McGee will fill the reserve pit with water for kill fluid.
- Automatic igniter. Variance granted for igniter due to there being no productive formations while drilling with air.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4.

Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

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

Well Name: **NBU 920-14G**

Api No: **43-047-50589** Lease Type: **FEDERAL**

Section **14** Township **09S** Range **20E** County **UINTAH**

Drilling Contractor **PETE MARTIN DRLG** RIG # **BUCKET**

SPUDDED:

Date **01/19/2010**

Time **10:00 AM**

How **DRY**

Drilling will Commence: _____

Reported by **JAMES GOBER**

Telephone # **(435) 828-7024**

Date **01/19//2010** Signed **CHD**

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 0577A	

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Tr
7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES	

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 920-14G
------------------------------------	--

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047505890000
---	---

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 2444 FNL 1947 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 14 Township: 09.0S Range: 20.0E Meridian: S	COUNTY: UINTAH
STATE: UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 1/19/2010			
<input type="checkbox"/> DRILLING REPORT Report Date:			

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

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'.
 RAN 14" SCHEDULE 10 PIPE. CMT W/28 SX READY MIX. SPUD WELL LOCATION ON 01/19/2010 AT 10:00 HRS.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 January 25, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 1/21/2010	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 0577A
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SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Tr 7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
--	--

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 920-14G
------------------------------------	--

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047505890000
---	---

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 2444 FNL 1947 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 14 Township: 09.0S Range: 20.0E Meridian: S	COUNTY: UINTAH STATE: UTAH
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11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 1/27/2010	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER:

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

MIRU PROPETRO AIR RIG ON 1/25/2010. DRILLED 11" SURFACE HOLE TO 2780'. RAN 8-5/8" 28# J-55 SURFACE CASING. PUMP 20 BBLs OF GEL WATER. PUMP 210 SX OF 11.0 PPG, 3.82 YIELD HI FILL LEAD CEMENT. PUMP 175 SX OF 15.8 PPG, 1.15 YIELD TAIL CEMENT. DROP PLUG ON FLY AND DISPLACE W/169 BBLs OF 8.3# H2O, 15 BBLs OF LEAD TO SURFACE W/400 PSI OF LIFT @ 5 BBLs/MIN. LAND PLUG 1000 PSI AND CHECK FLOAT. FLOAT HELD. PUMP 75 SX TOP OUT @ 15.8 PPG, 1.15 YIELD, 5 GAL/SK CEMENT DOWN 1". CEMENT FELL BACK.'. WAIT 1 HR, AND PUMP TOP OUT #2 W/25 SX SAME CMT, 5.1 BBL TO FILL TO SURFACE. WORT.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 February 01, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 1/28/2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 0577A	

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Tr
7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES	

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 920-14G
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2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047505890000
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3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
---	--	--

4. LOCATION OF WELL FOOTAGES AT SURFACE: 2444 FNL 1947 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 14 Township: 09.0S Range: 20.0E Meridian: S	COUNTY: Uintah
STATE: UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 4/1/2010			

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

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 4/1/2010 AT 12:10 P.M. THE CHRONOLOGICAL WELL HISTORY WILL BE SUBMITTED WITH THE WELL COMPLETION REPORT.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 April 05, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 4/5/2010	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 0577A	

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Tr
7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES	

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 920-14G
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2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047505890000
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3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 2444 FNL 1947 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 14 Township: 09.0S Range: 20.0E Meridian: S	COUNTY: UINTAH
STATE: UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> OTHER	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER:
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 3/5/2010			

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

FINISHED DRILLING FROM 2780' TO 10700' ON 03/03/2010. RAN 4 1/2" 11.6 I-80 PRODUCTION CASING. LEAD CEMENT W/ 610 SX OF CLASS G PREMIUM LITE @ 12.6 PPG, 1.93 YIELD. TAILED CEMENT W/ 1360 SX OF CLASS G 50/50 POZ MIX @ 14.3 PPG, 1.13 YIELD. DISPLACED W/ 165 BBLS WATER BUMP PLUG, FLOATS HELD. 30 BBLS LEAD BACK. NIPPLE DOWN BOP RELEASE PIONEER 69 RIG ON 3/4/2010 @ 12:30 HOURS.

Accepted by the
 Utah Division of
 Oil, Gas and Mining
FOR RECORD ONLY
 March 08, 2010

NAME (PLEASE PRINT) Laura Gianakos	PHONE NUMBER 307 752-1169	TITLE Regulatory Affairs Supervisor
SIGNATURE N/A	DATE 3/5/2010	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 0577A	

SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Tr
7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES	

1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 920-14G
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2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047505890000
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3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6007 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
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4. LOCATION OF WELL FOOTAGES AT SURFACE: 2444 FNL 1947 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 14 Township: 09.0S Range: 20.0E Meridian: S	COUNTY: Uintah
STATE: UTAH	

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

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<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:			
<input type="checkbox"/> SPUD REPORT Date of Spud:			
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 4/1/2010			

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

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 4/1/2010 AT 12:10 P.M. THE CHRONOLOGICAL WELL HISTORY WILL BE SUBMITTED WITH THE WELL COMPLETION REPORT.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 April 05, 2010

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 4/5/2010	

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU0577A

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
 Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
UTU63047A

2. Name of Operator **KERR-MCGEE OIL&GAS ONSHORE** Contact: **ANDY LYTLE**
 Mail: **andrew.lytle@anadarko.com**

8. Lease Name and Well No.
NBU 920-14G

3. Address **P.O. BOX 173779 DENVER, CO 80217** 3a. Phone No. (include area code)
 Ph: **720-929-6100**

9. API Well No.
43-047-50589

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface **SWNE 2444FNL 1947FEL 40.03593 N Lat, 109.63172 W Lon**
 At top prod interval reported below **SWNE 2444FNL 1947FEL 40.03593 N Lat, 109.63172 W Lon**
 At total depth **3696 FNL 1789 FEL SWNE 2444FNL 1947FEL 40.03593 N Lat, 109.63172 W Lon**

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey
or Area **Sec 14 T9S R20E Mer SLB**

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded
01/19/2010 15. Date T.D. Reached
03/02/2010 16. Date Completed
 D & A Ready to Prod.
04/01/2010

17. Elevations (DF, KB, RT, GL)*
4766 GL

18. Total Depth: MD 10700 TVD 10694 19. Plug Back T.D.: MD 10649 TVD 10643 20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
 RAL-GR-CCL-RPM 22. Was well cored? No Yes (Submit analysis)
 Was DST run? No Yes (Submit analysis)
 Directional Survey? No Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sk. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20.000	14.000 STEEL	36.7		40		28			
11.000	8.625 J55	28.0		2757		485			
7.875	4.500 I80	11.6		10693		1970			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	9926							

25. Producing Intervals 26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5696	8386	5696 TO 8386	0.360	120	OPEN
B) MESAVERDE	8688	10534	8688 TO 10534	0.360	200	OPEN
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
5696 TO 8386	PMP 3,864 BBLs SLICK H2O & 184,973 LBS 30/50 SD.
8688 TO 10534	PMP 7,953 BBLs SLICK H2O & 305,057 LBS 30/50 SD.

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
04/01/2010	04/21/2010	24	▶	10.0	2496.0	230.0			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
20/64	480 SI	1081.0	▶	10	2496	230		PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			▶						
Choke Size	Tbg. Press. Flwg.	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
	SI		▶						

(See Instructions and spaces for additional data on reverse side)
 ELECTRONIC SUBMISSION #85968 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
 ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED

MAY 11 2010

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	1690				
MAHOGANY	2500				
WASATCH	5162	8441			
MESAVERDE	8443	10700	TD		

32. Additional remarks (include plugging procedure):
ATTACHED IS THE CHRONOLOGICAL WELL HISTORY AND FINAL SURVEY.

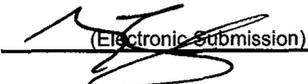
33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7 Other: | |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #85968 Verified by the BLM Well Information System.
For KERR-MCGEE OIL&GAS ONSHORE, LP, sent to the Vernal

Name (please print) ANDY LYTLE Title REGULATORY ANALYST

Signature  (Electronic Submission) Date 05/04/2010

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

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

US ROCKIES REGION
Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010				
Project: UTAH-UINTAH			Site: NBU 920-14G			Rig Name No: PIONEER 69/69, PROPETRO/		
Event: DRILLING			Start Date: 1/20/2010			End Date: 3/4/2010		
Active Datum: RKB @4,784.00ft (above Mean Sea Level)			UWI: NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0					
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
1/25/2010	8:00 - 15:00	7.00	MIRU	01	B	P		MOVE ON TO LOCATION, DRESS CONDUCTOR, INSTALL AIR BOWL, RIG UP RIG, BUILD DITCH, RIG UP AIR PACKAGE, RIG UP PUMP. THAW ICE ON PIT WITH WARM WATER. PRIME PUMPS, P/U STRAIGHT MOTOR .16 RPG SN 8069, M/U 11" Q507 SN 7018944 (1ST RUN).
	15:00 - 0:00	9.00	DRLSUR	02	B	P		DRILL 44'- 1230' (1186', 132'/HR) WOB 5-25K RPM 45, MOTOR RPM 104, GPM 650, ON/OFF PSI- 1600/1300 UP/DOWN/ROT=65/63/64 1K DRAG
1/26/2010	0:00 - 6:00	6.00	DRLSUR	02	B	P		DRILL 1230'-1860' (630,105'/HR) WOB 25K RPM 45 MOTOR RPM 104, GPM 650, ON/OFF PSI- 1600/1300 UP/DOWN/ROT=65/63/64 1K DRAG
	6:00 - 6:30	0.50	DRLSUR	10	B	P		MULTISHOT WIRELINE SURVEY 1800'= 1.1 DEG CORRECTED AZI= 181.3.
	6:30 - 18:00	11.50	DRLSUR	02	B	P		DRILL 1860'- 2780' (920',80'/HR) TD 1/26/2010 18:00 WOB 25K RPM 45, MOTOR RPM 104, GPM 650, ON/OFF PSI- 1500/1700 UP/DOWN/ROT=73/68/70 3K DRAG FULL CIRC THROUGH OUT DRILLING.
	18:00 - 19:30	1.50	CSG	05	F	P		CIRC AND CONDITION HOLE, FULL CIRC. CLEAN HOLE W/ POLYMER SWEEPS.
	19:30 - 20:00	0.50	DRLSUR	10	B	P		MULTISOT WIRELINE SURVEY 2720'= 1.4 CORRECTED AZI 128.9 AZI
	20:00 - 0:00	4.00	CSG	06	D	P		LDDS, LD BHA, MONEL, MOTOR AND BIT.
1/27/2010	0:00 - 0:30	0.50	CSG	06	D	P		LD BHA, MUD MOTOR AND BIT.
	0:30 - 4:00	3.50	CSG	12	C	P		RUN 62 JTS OF 8-5/8" 32# 1J-55 W/ 8RD LTC THREADS AND LAND FLOAT SHOE 2743' KB. RAN BAFFLE PLATE IN TOP OF SHOE JT LANDED @ 2698' KB.FILL CSG 800' AND 1700'. RUN 200' OF 1" PIPE DOWN BACKSIDE.
	4:00 - 4:30	0.50	RDMO	01	E	P		RIG DOWN RIG. RELEASE RIG 1/27/2010 04:30
	4:30 - 8:00	3.50	CSG	12	E	P		TEST LINES TO 2000' PSI, PUMP 130 BBLS OF H2O , PUMP 20 BBLS OF GEL WATER. PUMP 210 (142 BBLS) SX OF 11#, 3.82 YD, 23 GAL SX HI FILL LEAD CEMENT. PUMP 175 SX (35.8 BBLS) OF 15.8#, 1.15 YD, 5 GAL/SK TAIL CEMENT, DROP PLUG ON FLY AND DISPLACE W/ 169 BBLS OF 8.3# H2O, 15BBLS OF LEAD TO SURFACE W/ 490 PSI OF LIFT @ 5 BBLS/MIN. W/ LAND PLUG 1000 PSI AND CHECK FLOAT. FLOAT HELD. PUMP 75 SX (15.1 BBLS) OF 4% CALC 15.8# 1.15 YD, 5 GAL/SK CEMENT DOWN 1". CEMENT FELL BACK. WAIT 1 HR PUMP 25 SX 5.1 BBL TO FILL TO SURFACE.
2/15/2010	6:00 - 9:00	3.00	MIRU	01	A	P		RDRT
	9:00 - 16:00	7.00	MIRU	01	A	P		TRUCKS & CRANE ON LOCATION @ 09:00,4 BED TRUCKS 2 HAUL TRUCKS,2 FORKLIFTS,1 CRANE,4 EXTRA RIG HANDS,MOVE RIG 1 MILE ON MUDDY ROADS,SET IN ALL BUILDINGS
	16:00 - 0:00	8.00	MIRU	01	B	P		RIG UP SUB AND RAISE DERRICK TO 1/2 MAST,R/U ALL POWER & SUIT CASES,ATTEMPT TO SCOPE UP DERRICK SHEARED 2 BOLTS ON Y-BASE,R/U BACK YARD

US ROCKIES REGION
Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010	
Project: UTAH-UINTAH			Site: NBU 920-14G		Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING			Start Date: 1/20/2010		End Date: 3/4/2010
Active Datum: RKB @4,784.00ft (above Mean Sea Level) UWI: NE/NW/09/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0					

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
2/16/2010	0:00 - 0:00	24.00	MIRU	08	A	Z		RIG REPAIR, WAIT ON (DSI) DERRICK INSPECTOR & (GFP) HYDRAULICS MACHANIC,DSI & GPF ON LOC @ 16:00,INSPECT Y-BASE & HINDGE MOUNTS,BUFF OFF WELDS ON Y-BASE & HINDGE MOUNTS, MAGNAFLUX Y-BASE & HINDGE MOUNTS,WELDING BRACING & GUSSETS ON Y-BASE ,RIG CREW DOING VARIOUS MANTAINCE ON RIG WHILE WAITING
2/17/2010	0:00 - 11:00	11.00	DRLPRO	08	A	Z		RIG REPAIR
	11:00 - 18:00	7.00	DRLPRO	01	B	P		SCOPE DERRICK,R/U FLOOR, ETC
	18:00 - 0:00	6.00	DRLPRO	14	A	P		N/U BOPE
2/18/2010	0:00 - 1:00	1.00	DRLPRO	14	A	P		FINISH N/U
	1:00 - 5:30	4.50	DRLPRO	15	A	P		HPJSM W/ RIG & TESTER, R/U & TEST RAMS & ALL VALVES 250 LOW-5000 HIGH, ANN 2500, CASING 1500 F/ 30 MINS
	5:30 - 6:00	0.50	DRLPRO	24	A	P		INSTALL WEAR BUSHING
	6:00 - 7:00	1.00	DRLPRO	06	A	P		HPJSM W/ RIG & P/U CREWS, R/U & P/U BHA & 65JTS D/P, R/D
	7:00 - 8:00	1.00	DRLPRO	22	O	Z		REPAIR HYD FITTINGS ON P/U ARMS
	8:00 - 11:30	3.50	DRLPRO	06	A	P		P/U BHA & 65 JTS D/P, R/D KIMZEY
	11:30 - 12:30	1.00	DRLPRO	09	A	P		SLIP & CUT 150' DRLG LINE
	12:30 - 14:00	1.50	DRLPRO	24	A	P		INSTALL KELLY DRIVE BUSHINGS, ROT HEAD, CENTER STACK, PRE-SPUD INSPECTION
	14:00 - 16:00	2.00	DRLPRO	02	F	P		DRLG CEMENT & F/E & OPEN HOLE TO 2794
	16:00 - 17:00	1.00	DRLPRO	02	B	P		DRLG F/ 2794 TO 2842', 48' @ 48' PH
	17:00 - 17:30	0.50	DRLPRO	10	A	P		CIRC & SURVEY @ 2768' MISS RUN
	17:30 - 18:30	1.00	DRLPRO	02	B	P		DRLG F/ 2842 TO 2936', 94' @ 94' PH
	18:30 - 19:00	0.50	DRLPRO	10	A	P		CIRC & SURVEY @ 2861', 1 DEG @ 154.25 AZI
	19:00 - 0:00	5.00	DRLPRO	02	B	P		DRLG F/ 2936 TO 3441', 505' @ 101' PH, WOB 16-18, RPM 55, MM 98, SPM 125, GPM 473, PU/SO/ROT 105-90-100, ON/OFF 1250-1070, DIFF 150-300, CIRC RESERVE PIT W/ GEL & POLY SWEEPS
2/19/2010	0:00 - 0:30	0.50	DRLPRO	10	B	P		CIRC & SURVEY @ 3367', 1.2 DEG @ 187.0 AZI
	0:30 - 11:30	11.00	DRLPRO	02	B	P		DRLG F/ 3441 TO 4485', 1044' @ 94.9' PH
	11:30 - 12:00	0.50	DRLPRO	10	B	P		CIRC & SURVEY @ 4408', 2.3 DEG @ 162.4 AZI
	12:00 - 15:30	3.50	DRLPRO	02	B	P		DRLG F/ 4485 TO 4928', 443' @ 126.6' PH
	15:30 - 16:00	0.50	DRLPRO	07	A	P		SERVICE RIG
	16:00 - 21:30	5.50	DRLPRO	02	B	P		DRLG F/ 4928 TO 5433', 505' @ 91.8' PH
	21:30 - 22:00	0.50	DRLPRO	10	B	P		CIRC & SURVEY @ 5358', 1.7 DEG @ 170.8 AZI
	22:00 - 0:00	2.00	DRLPRO	02	B	P		DRLG F/ 5433 TO 5654', 231' @ 115.5' PH, WOB 16-18, RPM 55, MM 98, SPM 125, GPM 473, PU/SO/ROT 140-125-135, ON/OFF 1500-1360, DIFF 150-300, CIRC RESERVE PIT W/ GEL & POLY SWEEPS, MW 8.3, VIS 26
2/20/2010	0:00 - 9:00	9.00	DRLPRO	02	B	P		DRLG F/ 5654 TO 6444', 790' @ 87.7' PH
	9:00 - 10:00	1.00	DRLPRO	10	B	P		CIRC & SURVEY, 1.7 DEG @ 159.9 AZI
	10:00 - 15:30	5.50	DRLPRO	02	B	P		DRLG F/ 6444 TO 6886', 442' @ 80.4' PH
	15:30 - 16:00	0.50	DRLPRO	07	A	P		SERVICE RIG
	16:00 - 0:00	8.00	DRLPRO	02	B	P		DRLG F/ 6886 TO 7247', 361' @ 45.1' PH, WOD 18-20, RPM 50-55, MM 98, SPM 1254, GPM 473, PU/SO/ROT 160-140-150, ON/OFF 2100-1950, DIFF 150-250, START MUD UP @ 6300, MW 9.9, VIS 38, NO FLARE
2/21/2010	0:00 - 5:30	5.50	DRLPRO	02	B	P		DRLG F/ 7247 TO 7454, 207' @ 37.6' PH, MW 9.9, VIS 38, NO FLARE

US ROCKIES REGION
Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010	
Project: UTAH-UINTAH			Site: NBU 920-14G		Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING			Start Date: 1/20/2010		End Date: 3/4/2010
Active Datum: RKB @4,784.00ft (above Mean Sea Level)			UWI: NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
2/22/2010	5:30 - 6:30	1.00	DRLPRO	10	B	P		CIRC & SURVEY @ 7384', 2.1 DEG @ 151.2 AZI
	6:30 - 7:00	0.50	DRLPRO	02	B	P		DRLG F/ 7454 TO 7464', 10' @ 20' PH
	7:00 - 8:30	1.50	DRLPRO	22	B	Z		400 PSI LOSS ON BOTTOM, CHECK SURFACE EQUIPMENT, DETERMANDED MM PROBLEM
	8:30 - 11:00	2.50	DRLPRO	22	B	Z		MIX & PUMP PILL, POOH W/ SPINNERS NO ROT
	11:00 - 11:30	0.50	DRLPRO	08	A	Z		REPLACE AIR LINE TO DRAWTOOL CLUTCH
	11:30 - 12:00	0.50	DRLPRO	07	A	P		SERVICE RIG
	12:00 - 14:00	2.00	DRLPRO	22	B	P		FINISH POOH, TWISTED OFF MM, LEFT 8' OF MM & ROTOR IN HOLE
	14:00 - 15:00	1.00	DRLPRO	22	B	S		L/D MM, IBS & MONEL DC
	15:00 - 18:00	3.00	DRLPRO	22	B	S		WAIT ON FISHING TOOLS
	18:00 - 21:00	3.00	DRLPRO	22	B	P		UNLOAD, STRAP & MAKEUP FISHING TOOLS
	21:00 - 23:00	2.00	DRLPRO	08	B	Z		REPAIR OIL & AIR LINES IN COMPOUND
	23:00 - 0:00	1.00	DRLPRO	22	B	P		TIH W/ OVER SHOT
	0:00 - 3:30	3.50	DRLPRO	22	B	S		TIH TO 3027' STUCK OVER SHOT, WORK FREE
	3:30 - 7:00	3.50	DRLPRO	22	B	S		POOH TO MAKE WIPER TRIP
2/23/2010	7:00 - 11:30	4.50	DRLPRO	22	B	P		P/U CONE BIT & BIT SUB, TIH WIPER TRIP, HIT BRIDGE @ 6000, P/U KELLY
	11:30 - 14:00	2.50	DRLPRO	22	B	S		WASH & REAM TIGHT HOLE 200', RAISE MW TO 11.4, VIS 45
	14:00 - 15:30	1.50	DRLPRO	22	B	P		TIH TO TOP OF FISH
	15:30 - 18:00	2.50	DRLPRO	22	B	P		CIRC & COND HOLE ON TOP OF FISH
	18:00 - 23:00	5.00	DRLPRO	22	B	P		POOH & P/U FISHING TOOLS, 7 5/8 OVER SHOT
	23:00 - 0:00	1.00	DRLPRO	22	B	P		TIH W/ OVERSHOT
	0:00 - 2:00	2.00	DRLPRO	22	B	S		TIH W/ OVER SHOT
	2:00 - 3:30	1.50	DRLPRO	22	B	S		TIGHT HOLE @ 3000' WORK DOWN TO 3460'
	3:30 - 7:00	3.50	DRLPRO	22	B	S		STOP MOVING DOWN
	7:00 - 13:00	6.00	DRLPRO	22	B	S		POOH & L/D 7 5/8 FISHING TOOLS
	13:00 - 14:00	1.00	DRLPRO	22	B	S		P/U 4" FISHING TOOLS, TIH
	14:00 - 18:00	4.00	DRLPRO	19	A	Z		CIRC & COND ABOVE FISH @ 7436'
	18:00 - 0:00	6.00	DRLPRO	22	B	S		WORK OVER & TRY TO CATCH FISH, WILL NOT BIT ON ROTOR
	0:00 - 1:00	1.00	DRLPRO	22	B	S		POOH TO CHANGE GRAPPLS TO 3 & 7/8"
2/24/2010	1:00 - 6:00	5.00	DRLPRO	22	B	S		MAKE UP NEW GRAPPLS IN OVER SHOT
	6:00 - 6:30	0.50	DRLPRO	22	B	S		TIH TO TOP OF FISH @ 7436'
	6:30 - 7:30	1.00	DRLPRO	22	B	S		CIRC & COND TOP OF FISH
	7:30 - 9:00	1.50	DRLPRO	19	A	Z		WORK DOWN OVER FISH
	9:00 - 15:00	6.00	DRLPRO	19	A	Z		JAR ON FISH
	15:00 - 16:00	1.00	DRLPRO	22	B	S		POOH
	16:00 - 18:00	2.00	DRLPRO	22	B	S		L/D FISH & TOOLS
	18:00 - 19:00	1.00	DRLPRO	22	B	S		P/U BIT #2, MM, MONEL, TIH TO SHOE
	19:00 - 21:00	2.00	DRLPRO	09	A	P		CUT DRLG LINE, FILL PIPE
	21:00 - 21:30	0.50	DRLPRO	22	B	S		TIH, FILL PIPE @ 5000'
	21:30 - 0:00	2.50	DRLPRO	22	B	S		WASH & REAM 90' TO BOTTOM, 30' FILL
	0:00 - 14:30	14.50	DRLPRO	02	B	P		DRLG F/ 7464 TO 7535', 71' @ 28.4' PH
	14:30 - 15:00	0.50	DRLPRO	07	A	P		DRLG F/ 7535 TO 8244', 709' @ 48.9' PH
	15:00 - 0:00	9.00	DRLPRO	07	A	P		SERVICE RIG
2/25/2010	0:00 - 14:30	14.50	DRLPRO	02	B	P		DRLG F/ 8244 TO 8560', 319' @ 35.1' PH, WOB 20, MW 11.2, VIS 42, RPM 50-55, MM 73, SPM 120, GPM 454, PU/SO/ROT 170/150/160, ON/OFF 2500-2150, DIFF, 150-350, NO FLARE
	14:30 - 15:00	0.50	DRLPRO	07	A	P		DRLG F/ 8560 TO 9034', 474' @ 35.1' PH, MW 11.6, VIS 44
2/26/2010	0:00 - 13:30	13.50	DRLPRO	02	B	P		

US ROCKIES REGION
Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010	
Project: UTAH-UINTAH			Site: NBU 920-14G		Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING			Start Date: 1/20/2010		End Date: 3/4/2010
Active Datum: RKB @4,784.00ft (above Mean Sea Level)			UWI: NE/NW/09/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	13:30 - 14:00	0.50	DRLPRO	07	A	P		SERVICE RIG
	14:00 - 0:00	10.00	DRLPRO	02	B	P		DRLG F/ 9034 TO 9351', 317' @ 31.7' PH, WOB 20, MW 11.6, VIS 45, SPM 115, GPM 435, RPM 50, MM 70, PU/SO/ROT 180-165-175, ON/OFF 2500-2150, DIFF 150-350, NO FLARE
2/27/2010	0:00 - 13:30	13.50	DRLPRO	02	B	P		DRLG F/ 9351 TO 9825', 474' @ 35.1' PH
	13:30 - 14:00	0.50	DRLPRO	07	A	P		SERVICE RIG
	14:00 - 23:00	9.00	DRLPRO	02	B	P		DRLG F/ 9825 TO 10032', 207' @ 23' PH, MW 12.4, VIS 45
2/28/2010	23:00 - 0:00	1.00	DRLPRO	06	A	P		POOH F/ BIT #3
	0:00 - 1:30	1.50	DRLPRO	06	A	P		POOH TO 4900'
	1:30 - 6:00	4.50	DRLPRO	22	A	X		WORK TIGHT HOLE, BACK REAM, TIGHT F/ 4900 TO 4200, TIGHT @ 3800
	6:00 - 9:00	3.00	DRLPRO	06	A	P		POOH
	9:00 - 12:00	3.00	DRLPRO	06	A	P		TIH, FILL PIPE @ SHOE
3/1/2010	12:00 - 0:00	12.00	DRLPRO	22	H	X		REAM F/ 4500 TO 4650, PACK OFF RE REAM
	0:00 - 5:00	5.00	DRLPRO	22	H	X		REAM F/ 5200 TO 5750
	5:00 - 6:30	1.50	DRLPRO	06	A	P		TIH TO 7400'
	6:30 - 8:00	1.50	DRLPRO	03	A	X		TIGHT @ 7460 TO 7515, REAM & CLEAN HOLE
	8:00 - 9:30	1.50	DRLPRO	06	A	P		TIH TO 10014'
	9:30 - 10:00	0.50	DRLPRO	03	D	P		WASH 45' TO BOTTOM 30' FILL
	10:00 - 14:00	4.00	DRLPRO	02	B	P		DRLG F/ 100032 TO 10141', 109' @ 27.25' PH
	14:00 - 14:30	0.50	DRLPRO	07	A	P		SERVICE RIG
	14:30 - 16:00	1.50	DRLPRO	02	B	P		DRLG F/ 10141 TO 10174', 33' @ 22' PH
	16:00 - 21:00	5.00	DRLPRO	08	B	X		PULL 2 JTS OFF BOTTOM & CIRC, REPLACE SWIVEL & REMOUNT KELLY SPINNERS, WASH BACK TO BOTTOM
3/2/2010	21:00 - 0:00	3.00	DRLPRO	02	B	P		DRLG F/ 10174 TO 10246', 72' @ 24' PH, MW 12.4, VIS 45, WOB 18-20, RPM 50, MM 67, SPM 110, GPM 416, PU/SO/ROT 190-170-180, ON/OFF 2600-2400 DIFF 150-300, NO FLARE
	0:00 - 13:30	13.50	DRLPRO	02	B	P		DRLG F/ 10246 TO 10646' 400' 29.6 FPH, MW 12.6, VIS 44, WOB 18-20, RPM 50, MMRPM 67, SPM 110, GPM 416, PU/SO/ROT 200 -175-190, ON/OFF 2400-2600, DIFF 150-300, NO FLARE
	13:30 - 14:00	0.50	DRLPRO	07	A	P		RIG SERVICE
	14:00 - 16:00	2.00	DRLPRO	02	B	P		DRLG F/ 10646' TO 10700' 54' 27 FPH, MW 12.6, VIS 44, WOB 18-20, RPM 50, MMRPM 65, SPM 108, GPM 409, PU/SO/ROT 205-175-195, ON/OFF 2400-2600, DIFF 150-275, NO FLARE
	16:00 - 18:00	2.00	DRLPRO	05	C	P		CIRC F/ SHORT TRIP, PUMP PILL, BLOW KELLY
	18:00 - 22:30	4.50	DRLPRO	06	E	P		SHORT TRIP TO CASING SHOE, WORK THROUGH TIGHT SPOT F/ 4823 TO 4818 AND @4318, 10-30K DRAG THROUGHOUT MAHOGANY, FILL PIPE @ SHOE
3/3/2010	22:30 - 0:00	1.50	DRLPRO	06	E	P		TIH
	0:00 - 1:30	1.50	DRLPRO	06	E	P		FINISH TIH F/ CASING SHOE , NO PROBLEMS
	1:30 - 4:00	2.50	DRLPRO	05	C	P		WASH 8' TO BTM, CIRC F/ LDDP, SAFETY MEETING W/ RIG CREW & KIMZEY, R/U LAYDOWN MACHINE
	4:00 - 13:30	9.50	DRLPRO	06	A	P		LDDP, BREAK KELLY, LD BHA, PULL WEAR RING, (WORKED THROUGH TIGHT SPOT @ 3810 SEVERAL TIMES)
	13:30 - 17:30	4.00	DRLPRO	11	C	P		SAFETY MEETING W/ RIG CREW & BAKER ATLAS, R/U & RUN TRIPLE COMBO, LOGS BRIDGED OUT @ 4503' , POOH R/D LOGGERS
	17:30 - 18:30	1.00	DRLPRO	12	A	P		SAFETY MEETING W/ RIG CREW & CASERS, R/U CASERS

US ROCKIES REGION
Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010	
Project: UTAH-UINTAH			Site: NBU 920-14G		Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING			Start Date: 1/20/2010		End Date: 3/4/2010
Active Datum: RKB @4,784.00ft (above Mean Sea Leve			UWI: NE/NW/O/9/S/20/E/14/O/0/26/PM/N/2,444.00/E/0/1,947.00/O/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
3/4/2010	18:30 - 0:00	5.50	DRLPRO	12	C	P		RUN 4.5,11.6 PROD CASING
	0:00 - 2:00	2.00	DRLPRO	12	C	P		FINISH RUNNING PROD CSG , 26 JTS P110,228 JTS I-80 4.5,11.6 , SHOE @ 10693' ,FLOAT @ 10649',MARKER @ 5163',LAND ON HANGER
	2:00 - 4:00	2.00	DRLPRO	05	D	P		FILL PIPE ,CIRC F/ CEMENT ,R/D CASERS
	4:00 - 7:30	3.50	DRLPRO	12	E	P		SAFETY MEETING W/ RIG CREW & BJ SERVICES ,R/U & PUMP 40 BBLS PREFLUSH,610 SX, 12.6# ,1.93 YLD LEAD CMT ,1360 SX 14.3# ,1.31 YLD TAIL CMT,DISPLACE W/ 165 BBLS CLAY TREAT WATER, FINAL LIFT PSI 3100,BUMP PLUG 3550 PSI ,30 BBLS LEAD CMT BACK TO PIT ,FLOATS HELD ,TOP OF TAIL 4000',R/D BJ
	7:30 - 8:30	1.00	DRLPRO	24	A	P		FLUSH STACK ,INSTALL PACK OFF
	8:30 - 12:30	4.00	DRLPRO	14	A	P		N/D BOP ,CLEAN PITS ,RELEASE RIG @ 12:30 3/4/2010 TO NBU 920-14F

US ROCKIES REGION

Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010	
Project: UTAH-UINTAH			Site: NBU 920-14G		Rig Name No: PIONEER 69/69, PROPETRO/
Event: DRILLING			Start Date: 1/20/2010		End Date: 3/4/2010
Active Datum: RKB @4,784.00ft (above Mean Sea Level) UVI: NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0					

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	12:30 - 12:30	0.00	DRLPRO					<p>CONDUCTOR CASING: Cond. Depth set: 44 Cement sx used:</p> <p>SPUD DATE/TIME: 1/25/2010 15:00</p> <p>SURFACE HOLE: Surface From depth:44 Surface To depth: 2,794 Total SURFACE hours: 26.50 Surface Casing size:8 5/8 # of casing joints ran: 62 Casing set MD:2,743.0 # sx of cement:485 Cement blend (ppg):LEAD 11.0, TAIL 15.8, TOPOUT 15.8 Cement yield (ft3/sk): LEAD 1.15, TAIL 3.82, TOPOUT 1.15 # of bbls to surface: 2 BBLS LEAD Describe cement issues: Describe hole issues:</p> <p>PRODUCTION: Rig Move/Skid start date/time: 2/15/2010 9:00 Rig Move/Skid finish date/time:2/17/2010 18:00 Total MOVE hours: 57.0 Prod Rig Spud date/time: 2/18/2010 14:00 Rig Release date/time: 3/4/2010 12:30 Total SPUD to RR hours: 334.5 Planned depth MD 10,698 Planned depth TVD 10,698 Actual MD: 10,700 Actual TVD: 10,694 Open Wells \$: \$1,033,162 AFE \$: \$1,067,485 Open wells \$/ft:\$96.56</p> <p>PRODUCTION HOLE: Prod. From depth: 2,794 Prod. To depth:10,700 Total PROD hours: 155.5 Production Casing size: 4.5" ,11.6# # of casing joints ran: 254 Casing set MD:10,697.0 # sx of cement:1,790 Cement blend (ppg):LEAD 12.6 TAIL 14.3 Cement yield (ft3/sk): LEAD 1.93 TAIL 14.3 Est. TOC (Lead & Tail) or 2 Stage : LEAD 18' TAIL 4000' Describe cement issues: Describe hole issues:</p> <p>DIRECTIONAL INFO: KOP: Max angle: Departure: Max dogleg MD:</p>

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 920-14G	Spud Conductor: 1/19/2010	Spud Date: 1/25/2010
Project: UTAH-UINTAH	Site: NBU 920-14G	Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 3/25/2010	End Date: 3/31/2010
Active Datum: RKB @4,784.00ft (above Mean Sea Level)	UWI: NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
3/25/2010	7:00 - 7:30	0.50	COMP	48		P		HSM. ROADING RIG & RIGGING UP.
	7:30 - 16:30	9.00	COMP	31	I	P		ROAD RIG FROM NBU 920-14C TO NBU 920-14G. SPOT IN EQUIPMENT. ND WH NU BOP. PU 3 7/8" BIT & SUB RIH W / 280 JTS TO 8,830'. POOH W / 140 STANDS. PREPPED TO PRESSURE TEST CASING & PERFORATE. SWI SDFN.
3/26/2010	6:30 - 7:00	0.50	COMP	48		P		HSM. PRESSURE TESTING & PERFORATING
	7:00 - 8:00	1.00	COMP	33	C	P		MIRU B & C QUICK TEST. PRESSURE TEST CASING & BOTH FRAC VALVES TO 7,000 PSI. RDMO B&C QUICK TEST.
	8:00 - 15:00	7.00	COMP	37	C	P		MIRU SCHLUMBERGER TO PERFORATE ZONE 1. PU 3 1/8" EXP GNS, 23 GRM, .36 HOLES, 90 & 120 DEG PHASING. RIH PERF 10,532'-34 4SPF, 10,510'-12' 4SPF, 10,502'-04' 3SPF, 10,430'-34' 3SPF, 10,400'-02' 3SPF, 40 HOLES. POOH W / WIRE LINE. PREP TO FRAC ON MONDAY.
3/29/2010	7:00 - 7:20	0.33	COMP	48		P		HSM, PRESS TESTING , FRACING & WIRELINE
	7:20 - 8:15	0.92	COMP	36	B	P		[STAGE 1] MIRU FRAC TECH PRIME UP PUMPING LINE & PRESS TEST SRFACE LINES TO 8,000 PSI. WHP= 2,066 PSI, BRK@ 4,303 PSI @ 2.9 GPM, ISIP 3,497 PSI, FG .77. PUMP 100 BBLS @ 51 BPM 5,900 PSI, = 100% PERFS OPEN. MP 6,552 PSI MR 51 BPM, AP 5,750 PSI AR 50.3 BPM, ISIP 3,585 PSI, FG.78. NPI 88 PSI, PMPD 1,733 BBLS SW & 59,233 LBS OF 30/50 SND & 5,000 LBS OF RESIN SND. TOTAL PROP 64,233 LBS.
	8:15 - 10:30	2.25	COMP	36	B	P		[STAGE 2] PU 4 1/2" CBP & 3 1/8 EXP GUNS, 23 GRM, .36" HOLES, 90 & 120 DEG PHASING SET 8K HALI BURTON CBP @ 10,132' & PERF MESA VERDE @ 10,100'-10,102' 4 SPF 8 SHOTS, 10,066'-10,070' 3 SPF 12 SHOTS, 10,030'- 10,032' 4 SPF 8 SHOTS, 10,004'-10,006' 3 SPF 6 SHOTS, 9,970'-9,972 3 SPF 6 SHOTS TOTAL 40 HOLES. WHP= 690 PSI , BRK @ 3,338 PSI @ 5.6 BPM, ISIP 2,761 PSI , FG .71. PUMP 100 BBLS @ 50 BPM @ 6,000 PSI, = 73% PERFS OPEN. MP 6,730 PSI MR 52.5 BPM, AP 6,170 PSI, AR 50.9 BPM, ISIP 2,761 PSI, FG .79. NPI 830 PSI, PMPD 2,261 BBLS SW & 81,805 LBS OF 30/50 SND & 5,000 LBS OF RESIN SAND. TOTAL PROP 86,805 LBS.

US ROCKIES REGION

Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010	
Project: UTAH-UINTAH			Site: NBU 920-14G		Rig Name No: GWS 1/1
Event: COMPLETION			Start Date: 3/25/2010		End Date: 3/31/2010
Active Datum: RKB @4,784.00ft (above Mean Sea Level)			UWI: NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	10:30 - 12:15	1.75	COMP	36	B	P		[STAGE 3] PU 4 1/2" CBP & 3 1/8 EXP GUNS, 23 GRM, .36" HOLES, 90 & 120 DEG PHASING SET 8K HALI BURTON CBP @ 9,828' & PERF MESA VERDE @ 9,794'-9,798' 4 SPF 16 SHOTS, 9,690'-9,694' 3 SPF 12 SHOTS, 9,588'-9,592' 3 SPF 12 SHOTS TOTAL 40 HOLES. WHP= 530 PSI , BRK @ 6,564 PSI @ 4.6 BPM, ISIP 3,179 PSI , FG .76. PUMP 100 BBLs @ 50 BPM @ 6,100 PSI, = 83% PERFS OPEN. MP 6,582 PSI MR 51.5 BPM, AP 5,420 PSI, AR 50.4 BPM, ISIP 3,102 PSI, FG .75. NPI -77 PSI, PMPD 1,390 BBLs SW & 48,607 LBS OF 30/50 SND & 5,000 LBS OF RESIN SAND. TOTAL PROP 53,607 LBS.
	12:15 - 13:45	1.50	COMP	36	B	P		[STAGE 4] PU 4 1/2" CBP & 3 1/8 EXP GUNS, 23 GRM, .36" HOLES, 120 DEG PHASING SET 8K HALI BURTON CBP @ 9,500' & PERF MESA VERDE @ 9,454'-9,464' 4 SPF 40 SHOTS, TOTAL 40 HOLES. WHP= 600 PSI , BRK @ 3,456 PSI @ 4.6 BPM, ISIP 2,596 PSI , FG .71. PUMP 100 BBLs @ 51 BPM @ 5,750 PSI, = 75% PERFS OPEN. MP 6,525 PSI MR 51.1 BPM, AP 5,330 PSI, AR 50.8 BPM, ISIP 3,273 PSI, FG .78. NPI 677 PSI, PMPD 1087 BBLs SW & 36,260 LBS OF 30/50 SND & 5,000 LBS OF RESIN SAND. TOTAL PROP 41,260 LBS.
	13:45 - 15:30	1.75	COMP	36	B	P		[STAGE 5] PU 4 1/2" CBP & 3 1/8 EXP GUNS, 23 GRM, .36" HOLES, 90 & 120 DEG PHASING SET 8K HALI BURTON CBP @ 9,000' & PERF MESA VERDE @ 8,958'-8,960' 4 SPF 8 SHOTS, 8,924'-8,926' 4 SPF 8 SHOTS, 8,840'-8,844' 3 SPF 12 SHOTS, 8,722'- 8,724' 3 SPF 6 SHOTS, 8,688'-8,690' 3 SPF 6 SHOTS TOTAL 40 HOLES. WHP= 700 PSI , BRK @ 2,814 PSI @ 5.4 BPM, ISIP 2,596 PSI , FG .73. PUMP 100 BBLs @ 50 BPM @ 5,250 PSI, = 88% PERFS OPEN. MP 5,469 PSI MR 53.2 BPM, AP 4,740 PSI, AR 51.8 BPM, ISIP 3,155 PSI, FG .79. NPI 559 PSI, PMPD 1,418 BBLs SW & 54,152 LBS OF 30/50 SND & 5,000 LBS OF RESIN SAND. TOTAL PROP 59,152 LBS.
	15:30 - 17:00	1.50	COMP	36	B	P		[STAGE 6] PU 4 1/2" CBP & 3 1/8 EXP GUNS, 23 GRM, .36" HOLES, 120 DEG PHASING SET 8K HALI BURTON CBP @ 8,416' & PERF WASATCH @ 8,380'-8,386' 4 SPF 24 SHOTS, 8,216'-8,220' 4 SPF 16 SHOTS, TOTAL 40 HOLES. WHP= 500 PSI , BRK @ 3,144 PSI @ 3.0 BPM, ISIP 2,720 PSI , FG .76. PUMP 100 BBLs @ 52 BPM @ 5,150 PSI, = 100% PERFS OPEN. MP 5,828 PSI MR 54.5 BPM, AP 5,045 PSI, AR 53.2 BPM, ISIP 3,180 PSI, FG .82. NPI 460 PSI, PMPD 1,484 BBLs SW & 66,040 LBS OF 30/50 SND & 5,000 LBS OF RESIN SAND. TOTAL PROP 71,040 LBS.
	17:00 - 18:00	1.00	COMP	37	C	P		[STAGE 7] PU 4 1/2" CBP & 3 1/8 EXP GUNS, 23 GRM, .36" HOLES, 120 DEG PHASING SET 8K HALI BURTON CBP @ 6,732' & PERF WASATCH @ 6,696'-6,702' 4 SPF 24 SHOTS, 6,494'-6,498' 4 SPF 16 SHOTS, TOTAL 40 HOLES.

US ROCKIES REGION

Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010	Spud Date: 1/25/2010
Project: UTAH-UINTAH		Site: NBU 920-14G	Rig Name No: GWS 1/1
Event: COMPLETION		Start Date: 3/25/2010	End Date: 3/31/2010
Active Datum: RKB @4,784.00ft (above Mean Sea Level)		UWI: NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
3/30/2010	6:30 - 7:00	0.50	COMP	48		P		HSM, RIGGING DOWN FRAC CREW & NU BOPS [STAGE 7] FRAC WASATCH PERFS 6,494'-6,498', 6,696'-6,702' WHP= 377 PSI, BRK@ 2,219 PSI @ 5.7 GPM, ISIP 1,790 PSI, FG .70. PUMP 100 BBLS @ 50 BPM 4,100 PSI, = 80 % PERFS OPEN. MP 4,551 PSI MR 55 BPM, AP 3,662 PSI AR 53.6 BPM, ISIP 1,872 PSI, FG.72. NPI 82 PSI, PMPD 721 BBLS SW & 25,528 LBS OF 30/50 SND & 5,000 LBS OF RESIN SND. TOTAL PROP 30,528 LBS.
	7:00 - 7:15	0.25	COMP	36	B	P		
	7:15 - 10:00	2.75	COMP	36	B	P		
	10:00 - 15:00	5.00	COMP	31	I	P		[STAGE 8] PU 4 1/2" CBP & 3 1/8 EXP GUNS, 23 GRM, .36" HOLES, 120 DEG PHASING SET 8K HALI BURTON CBP @ 5,736' & PERF WASATCH @ 5,696'-5,706' 4 SPF 40 SHOTS, TOTAL 40 HOLES. WHP= 283 PSI , BRK @ 2,390 PSI @ 5.1 BPM, ISIP 1071 PSI , FG .62. PUMP 100 BBLS @ 51 BPM @ 3,660 PSI, = 68% PERFS OPEN. MP 5,810 PSI MR 54.8 BPM, AP 3,600 PSI, AR 52.6 BPM, ISIP 2,208 PSI, FG .82. NPI 1,137 PSI, PMPD 1,659 BBLS SW & 78,405 LBS OF 30/50 SND & 5,000 LBS OF RESIN SAND. TOTAL PROP 83,405 LBS. SET KILL PLUG @ 5,646'
3/31/2010	6:30 - 7:00	0.50	COMP	48		P		ND FRAC VALVE , NU BOPS, PU 3 7/8" BIT & POBS, RIH W/ 176 JTS TBG TO 5,662'. RU POWER SWIVEL FOR DRILL OUT IN AM. HSM, WORKING W/ POWER SWIVEL

US ROCKIES REGION

Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010	
Project: UTAH-UINTAH		Site: NBU 920-14G		Rig Name No: GWS 1/1	
Event: COMPLETION		Start Date: 3/25/2010		End Date: 3/31/2010	
Active Datum: RKB @4,784.00ft (above Mean Sea Level)			UWI: NE/NW/09/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	7:00 - 17:00	10.00	COMP	44	C	P		<p>SICP 0 PSI, BREAK CIRC CONVENTIONAL W/ T-MAC , PRESS TEST BOPS TOO 3000 PSI, START DRLG PLUGS.</p> <p>C/O 10' SAND, TAG 1ST PLUG @ 5,646' DRL PLUG IN 11 MIN. 800 PSI INCREASE RIH.</p> <p>C/O 30' SAND, TAG 2ND PLUG @ 5736' DRL PLUG IN 5 MIN. 350 PSI INCREASE RIH.</p> <p>C/O 30' SAND, TAG 3RD PLUG @ 6,732' DRL PLUG IN 7 MIN. 750 PSI INCREASE RIH.</p> <p>C/O 30' SAND, TAG 4TH PLUG @ 8,416' DRL PLUG IN 6 MIN. 700 PSI INCREASE RIH.</p> <p>C/O 45' SAND, TAG 5TH PLUG @ 9,000' DRL PLUG IN 5 MIN. 800 PSI INCREASE RIH</p> <p>C/O 30' SAND, TAG 6TH PLUG @ 9,500' DRL PLUG IN MIN. 900 PSI INCREASE RIH.</p> <p>C/O ' SAND, TAG 7TH PLUG @ 9,828' DRL PLUG IN MIN. PSI INCREASE RIH.</p> <p>C/O ' SAND, TAG 8TH PLUG @ 10,132' DRL PLUG IN MIN. PSI INCREASE.</p> <p>RIH TO PBTD @ 10,647' LD 23 JTS, LAND TBG W/ 314 JTS 2 3/8" L-80 EOT 9,926.85', SN @ 9,924.65'</p> <p>RD FLOOR, ND BOPS, NU WH, DROP BALL TO SHEAR OFF BIT W/ 3,400 PSI.</p> <p>TURN OVER TO FLOW BACK CREW. RD RIG PARK ON LOCATION.</p> <p>KB= 18' 4 1/16 HANGER= .83' 314 JTS 2 3/8 L-80 = 9905.82' POBS= 2.20' EOT @ 9,926.85' SN @ 9,924.65'</p> <p>TWTR= 12,017 BBLS TWR= 3,600 BBLS TWLTR= 8,417 BBLS</p>
4/1/2010	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 1750#, TP 2000#, 20/64" CK, 66 BWPH, MED SAND, - GAS TTL BBLS RECOVERED: 4894 BBLS LEFT TO RECOVER: 7123</p>
	11:20 -		PROD	50				<p>WELL TURNED TO SALES @ 1120 HR ON 4/1/2010 - 1125 MCFD, 1584 BWPD, CP 1775#, FTP 2100#, CK 20/64"</p>
4/2/2010	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 1900#, TP 2100#, 20/64" CK, 50 BWPH, MED SAND, - GAS TTL BBLS RECOVERED: 6234 BBLS LEFT TO RECOVER: 5783</p>
4/3/2010	7:00 -			33	A			<p>7 AM FLBK REPORT: CP 2450#, TP 2200#, 20/64" CK, 35 BWPH, MED SAND, - GAS TTL BBLS RECOVERED: 7239 BBLS LEFT TO RECOVER: 4778</p>

US ROCKIES REGION
Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010				
Project: UTAH-UINTAH		Site: NBU 920-14G		Rig Name No: GWS 1/1				
Event: COMPLETION		Start Date: 3/25/2010		End Date: 3/31/2010				
Active Datum: RKB @4,784.00ft (above Mean Sea Level)			UWI: NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0					
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
4/4/2010	7:00 -			33	A			7 AM FLBK REPORT: CP 2500#, TP 1950#, 20/64" CK, 28 BWPH, LIGHT SAND, - GAS TTL BBLs RECOVERED: 7937 BBLs LEFT TO RECOVER: 4080

1 General

1.1 Customer Information

Company	US ROCKIES REGION
Representative	
Address	

1.2 Well Information

Well	NBU 920-14G	Wellbore No.	OH
Well Name	NBU 920-14G	Common Name	NBU 920-14G
Project	UTAH-UINTAH	Site	NBU 920-14G
Vertical Section		North Reference	True
Azimuth		Origin E/W	
Origin N/S		UWI	NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0
Spud Date	1/25/2010	Active Datum	RKB @4,784.00ft (above Mean Sea Level)

2 Survey Name

2.1 Survey Name: Survey #1

Survey Name	Survey #1	Company	PROPETRO
Started	1/25/2010	Ended	
Tool Name	MSS	Engineer	Anadarko

2.1.1 Tie On Point

MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)
14.00	0.00	0.00	14.00	0.00	0.00

2.1.2 Survey Stations

Date	Type	MD (ft)	Inc (°)	Azi (°)	TVD (ft)	N/S (ft)	E/W (ft)	V. Sec (ft)	DLeg (°/100ft)	Build (°/100ft)	Turn (°/100ft)	TFace (°)
1/25/2010	Tie On	14.00	0.00	0.00	14.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1/26/2010	NORMAL	1,814.00	1.10	181.30	1,813.89	-17.27	-0.39	-17.27	0.06	0.06	0.00	181.30
	NORMAL	2,794.00	1.40	128.90	2,793.69	-34.20	8.71	-34.20	0.12	0.03	-5.35	257.51
2/18/2010	NORMAL	2,861.00	1.00	154.25	2,860.67	-35.24	9.60	-35.24	0.98	-0.60	37.84	139.22
2/19/2010	NORMAL	3,367.00	1.20	187.00	3,366.58	-44.47	10.88	-44.47	0.13	0.04	6.47	89.18
	NORMAL	4,408.00	2.30	162.40	4,407.09	-75.20	15.86	-75.20	0.13	0.11	-2.36	312.96
	NORMAL	5,358.00	1.70	170.80	5,356.51	-107.29	23.88	-107.29	0.07	-0.06	0.88	158.12
2/20/2010	NORMAL	6,374.00	1.70	159.90	6,372.07	-136.31	31.47	-136.31	0.03	0.00	-1.07	264.55
2/21/2010	NORMAL	7,384.00	2.10	151.20	7,381.51	-166.60	45.53	-166.60	0.05	0.04	-0.86	319.80
2/28/2010	NORMAL	10,000.00	2.90	115.40	9,995.15	-236.99	128.41	-236.99	0.07	0.03	-1.37	278.48
3/3/2010	NORMAL	10,630.00	2.50	118.70	10,624.45	-250.43	154.86	-250.43	0.07	-0.06	0.52	160.41
3/4/2010	NORMAL	10,700.00	2.50	118.70	10,694.39	-251.89	157.53	-251.89	0.00	0.00	0.00	0.00

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 0577A
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Tr
1. TYPE OF WELL Gas Well	7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	8. WELL NAME and NUMBER: NBU 920-14G
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	9. API NUMBER: 43047505890000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2444 FNL 1947 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 14 Township: 09.0S Range: 20.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
	COUNTY: UINTAH
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 11/17/2010 <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> DEEPEN <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> SI TA STATUS EXTENSION <input checked="" type="checkbox"/> OTHER	<input checked="" type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input type="text" value="Wellhead"/>

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

The operator requests approval to conduct wellhead/casing repair operations on the subject well location. Please find the attached procedure for the proposed repair work on the subject well location.

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

Date: 11/18/2010

By: *Derek Quist*

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 11/16/2010

Greater Natural Buttes Unit



NBU 920-14G
COMPLETIONS PROCEDURE

DATE:11/15/10
AFE#:2029128

COMPLETIONS ENGINEER: Michael Sollee, Denver, CO
(970) 929-6057 (Office)
(832) 859-0515 (Cell)

SIGNATURE:

ENGINEERING MANAGER: JEFF DUFRESNE

SIGNATURE:

REMEMBER SAFETY FIRST!

Name: NBU 920-14G
Location: SWNE 14 T9S R20E
Uintah County, UT
Date: 11/15/10

ELEVATIONS: 4784 GL 4802 KB

TOTAL DEPTH: 10700 **PBTD:** 10647
SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 2757'
PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 10693'
 Marker Joint **5142 - 5163'**

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

TOPS:

1690' Green River
 1879' Bird's Nest
 2500' Mahogany
 5162' Wasatch
 8461' Mesaverde
 10700' Bottom of Mesaverde (TD)

T.O.C.@N/A

Current Downhole Equipment:

CIBP @ 5640' w/ 4 sx cmt on top

Tubing: 2-3/8" L-80 tubing at 5502'

Note: Equipment to have on location:

- a. 2 jts 4-1/2" x 11.6# x 8rd
- b. 2 jts 4-1/2" x 11.6" x Buttress
- c. Buttress x 8rd change overs.
- d. Elevators for 4-1/2" csg.
- e. Tongs for 4-1/2" csg.
- f. All Weatherford well head parts needed, with Weatherford hand.

PROCEDURE: Prior to initiating back-off or casing cutting activities the BLM will be notified. No work will be accomplished prior to notifying the appropriate BLM representative.

1. MIRU service rig. Check & bleed pressure off 4 1/2" prod csg x 8 5/8" surf csg annulus.

2. NDWH. POOH L-80 tbg.
3. If a casing backoff can be performed, proceed with Step 4. If a casing patch will be run, proceed with Step 11.
4. PU 4 ½" internal casing cutter on 10' X 2 3/8" L-80 8RD tbg sub & RIH. RU pwr swivel & cut off 4 ½" prod csg 2' below mandrel hanger.
5. POOH & LD cutting tools, LD mandrel hanger & 2' x 4 ½" csg stub.
6. PU 7 3/8" OD overshot w/ 4 ½" grapple & RIH. Latch fish.
7. MIRU wireline w/ lubricator. PU string shot & RIH. Shoot @ ~46'. (csg collar below 4' landing sub)
8. Back off csg @ ~46' & POOH. LD csg.
9. PU new 4 ½" 11.6# csg jt, 10' x 4 ½" csg sub & rih. Screw into csg. Pull 80 – 100k lbs. Install C-22 csg slips. Pressure tst csg to 7000 psi. Casing will be tested to 200 psi, 2,000 psi and finally 7,000 psi with each step held and charted for 10 minutes. Final pressure to be held for 30 minutes. Check for communication at each step. Land csg & install WH. Pressure test annulus to 50 psi, 200 psi and 900 psi. with each step held and charted for 10 minutes. Check for communication at each step.
10. Continue with completion procedure at Step 17.
11. PU 4 ½" mechanical internal csg cutter on 2 3/8" L-80 8RD tbg jt & RIH. RU pwr swivel & cut off 4 ½" prod csg @ +/- 35'. POOH, LD tbg and csg cutter.
12. POOH, LD 4' x 4 ½" landing sub, mandrel hanger & cut off 4 ½" prod csg.
13. PU Logan Oil Tools 10,000 psi 4 ½" external csg patch, 1 jt 11.6# l-80 Buttress csg w/crossover subs to 6" drl collar & bmp sub. Work csg patch over fish top.
14. PU 80,000 lbs. LD bumper sub and drill collar. Pressure test 4 ½" csg to 7000 psi. Pressure tst csg to 7000 psi. Casing will be tested to 200 psi, 2,000 psi and finally 7,000 psi with each step held and charted for 10 minutes. Final pressure to be held for 30 minutes. Check for communication at each step. Hold and record pressure for 30 minutes. Check for communication. Pressure test annulus to 50 psi, 200 psi and 900 psi. with each step held and charted for 10 minutes.
15. Install Weatherford C-22 slips & land csg in 60,000 - 80,000 lbs tension.
16. Cut off 4 ½" csg stub. Bevel cut to the inside as directed by wellhead recommendation.
17. NU and test BOPs.
18. TIH with 3 7/8" bit, pump off sub, SN and tubing.
19. Drill out CIBP at 5640' and clean out to PBTD.

20. ND BOP, NU wellhead
21. Shear off bit and land tubing at $\pm 9940'$ unless indicated otherwise by the well's behavior.
22. Clean out well with foam and/or swabbing unit until steady flow has been established from completion.
23. RDMO

For design questions, please call

Michael Sollee, Denver, CO

(970) 929-6057 (Office)

(832) 859-0515 (Cell)

For field implementation questions, please call

Jeff Samuels Vernal, UT

435-781-9770 (Office)



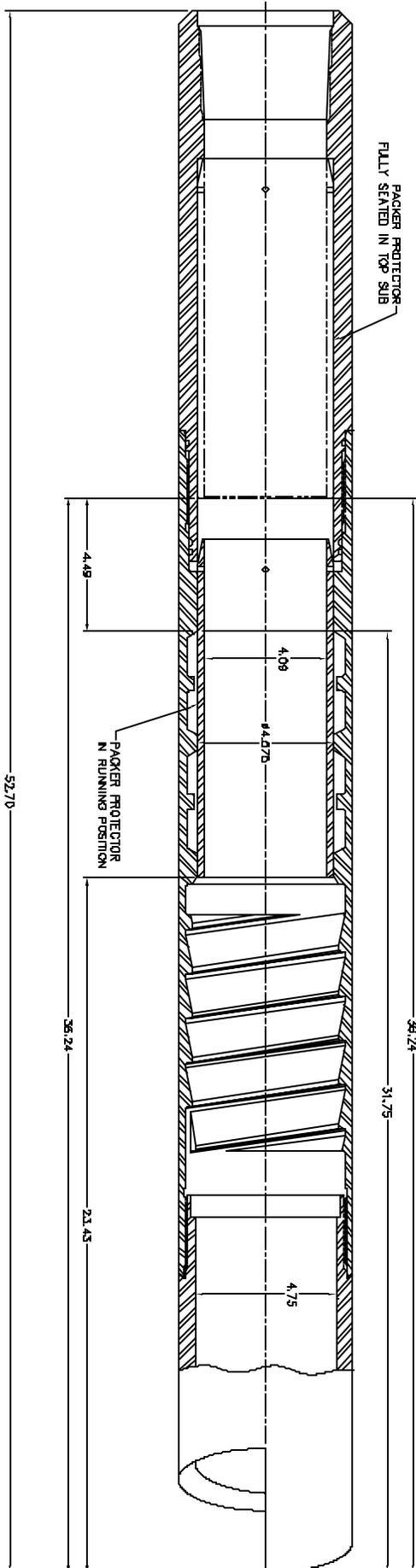
Logan High Pressure Casing Patches Assembly Procedure

All parts should be thoroughly greased before being assembled.

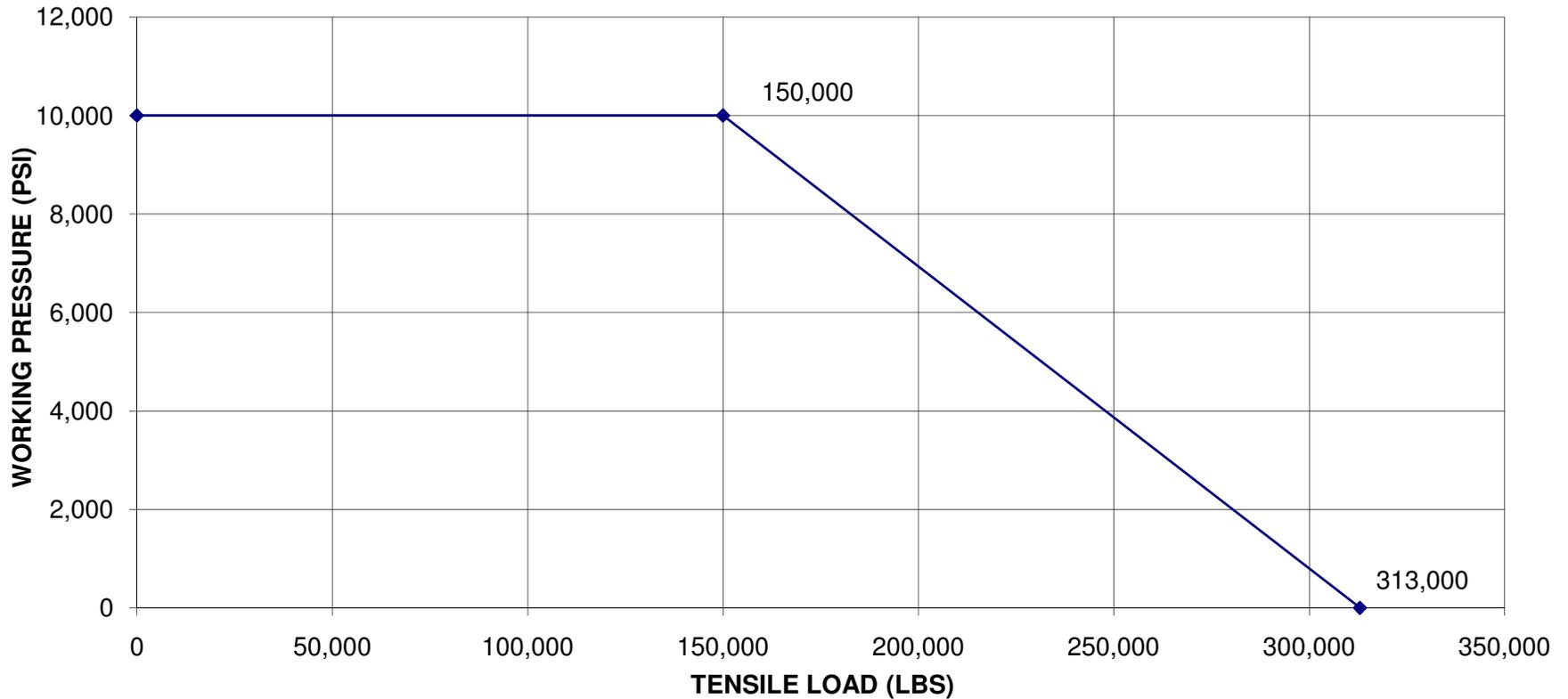
1. Install all four Logan Type "L" Packers in the spaces provided in the Casing Patch Bowl. Refer to diagram provided for proper installation.
2. Install Packer Protector from the Basket Grapple end of the Bowl. The beveled end of the Packer Protector goes in first. Carefully push the Packer Protector through the four Type "L" Packers.
3. Align Shear Pin Holes in Packer Protector so that the holes have just passed into the counter bore at the Top Sub end, refer to diagram. The Packer Protector is provided with four Shear Pin Holes. Use only two holes, 180 degrees apart and install the pins.
4. Screw the Basket Grapple in from the lower end of the Bowl, using left-hand rotation. The Tang Slot in the Basket Grapple must land in line with the slot in the Bowl.
5. Insert the Basket Grapple Control into the end of the Bowl. Align Tang on the Basket Grapple Control with the Tang Slot of the Bowl and Basket Grapple. This secures the Bowl and the Basket Grapple together.
6. Install the Cutlipped Guide into the lower end of the Bowl.
7. Install O-Rings on the two five-foot long Extensions. Screw the first Extension into the top end of the Bowl. Screw the second Extension into the top end of the first Extension.
8. Install O-Ring on Top Sub. Screw Top Sub into top end of second Extension.

Follow recommended Make-Up Torque as provided in chart.

510L-005-001 4-1/2" LOGAN HP CASING PATCH



**STRENGTH DATA FOR LOGAN 5.88" OD "L" TYPE CSG PATCH
4-1/2 CASING, 10K PSI MAX WP 125K YIELD MAT'L
LOGAN ASSEMBLY NO. 510L-005 -000**



COLLAPSE PRESSURE:
11,222 PSI @ 0 TENSILE
8,634 PSI @ 220K TENSILE

Tensile Strength @ Yield:
Tensile Strength w/ 0 Int. Press.= 472,791lbs.
Tensile Strength w/ 10K Int. Press.= 313,748lbs.

DATA BY SLS 11/16/2009

RECEIVED November 16, 2010

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 0577A
SUNDRY NOTICES AND REPORTS ON WELLS Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: Ute Tr
1. TYPE OF WELL Gas Well	7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	8. WELL NAME and NUMBER: NBU 920-14G
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	9. API NUMBER: 43047505890000
4. LOCATION OF WELL FOOTAGES AT SURFACE: 2444 FNL 1947 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWNE Section: 14 Township: 09.0S Range: 20.0E Meridian: S	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
	COUNTY: UINTAH
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input checked="" type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 12/1/2010	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT 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 type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Wellhead"/>

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

The operator has concluded the wellhead/casing repair on the subject well location. Please see the attached chronological well history for details of the operation.

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

NAME (PLEASE PRINT) Andy Lytle	PHONE NUMBER 720 929-6100	TITLE Regulatory Analyst
SIGNATURE N/A		DATE 12/3/2010

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 920-14G Spud Conductor: 1/19/2010 Spud Date: 1/25/2010
 Project: UTAH-UINTAH Site: NBU 920-14G Rig Name No: DOUBLE HOOK/UNK
 Event: WELL WORK EXPENSE Start Date: 11/23/2010 End Date: 12/1/2010
 Active Datum: RKB @4,784.00ft (above Mean Sea Level) UWI: NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
11/23/2010	14:00 - 15:30	1.50	ALL	30	G	P		ROAD RIG F/ NBU 922-32N4AS TO NBU 920-14G.
	15:30 - 16:00	0.50	ALL	48		P		HSM, REVIEW JSA # 1 (RIG UP)
	16:00 - 17:00	1.00	ALL	30	A	P		CP. 0 PSI. TP. 0 PSI. MIRU
11/24/2010	7:00 - 7:30	0.50	ALL	48		P		HSM, REVIEW JSA #7 (TRIPPING OUT TBG)
	7:30 - 8:30	1.00	ALL	30	F	P		CP. 0 PSI. TP.O PSI. ND WH, NU BOPS, RU FLOOR & TBG EQUIPMENT.
	8:30 - 11:00	2.50	ALL	31	I	P		UNLAND HANGER, POOH 174 JTS. 2-3/8 L/N-80 TBG, LD 1.875 ND BOPS, DUG AROUND WH.
	11:00 - 11:45	0.75	ALL	47	A	P		RU PWR SWVL, FILL 4-1/2 CSG W/ T-MAC.
	11:45 - 17:00	5.25	ALL	44	D	P		PU 4-1/2" INTERNAL CSG CUTTER ON 8' X 2-3/8" L-80 TBG SUB, ATTEMPT CUT @ 7', CAN NOT PULL MANDREL, RD PWR SWVL, TRY PULLING ON W/ BLOCKS TO 15K, RU PWR SWVL, REPLACE KNIVES & ATTEMPT SECOND CUT @ 8', STILL CAN NOT PULL MANDREL, RD PWR SWVL, PU & RIH 4.010 SPEAR CSG GRAPPLE, WOULD NOT GET THROUGH WELLHEAD, TRY A 3.947 GRAPPLE WOULD NOT GO OVER BACK PRESSURE VALVE THREADS INSIDE MANDREL, LD SPEAR, INSTALL NIGHT CAP. SWI, SDFWE.
11/29/2010	7:00 - 7:30	0.50	ALL	48		P		HSM, REVIEW JSA # 8
	7:30 - 9:00	1.50	ALL	31	I	P		CP. 0 PSI, REMOVE NIGHT CAP, PU HANGER RUNNING TOOL, PULLED 40K, CAN LOOSE L/D 7' PIECE 4-1/2 CSG.
	9:00 - 9:30	0.50	ALL	47	A	P		RU PWR SWVL.
	9:30 - 12:00	2.50	ALL	44	A	P		PU- RIH 7-3/4 SHOE & 7-3/8 WASH PIPE, TAG CMT @ 2', D/O CMT TO 20', POOH WP & SHOE RECOVER 1' STUB IN SHOE, RIH 7-3/8 DRESSED OFF ASSEMBLY & DRESS FISH TOP, POOH L/D TOOL, RD PWR SWVL.
	12:00 - 17:00	5.00	ALL	31	I	P		PU 4-1/2 CSG PATCH, LATCH ON & PULLED 60K, RU B&C QUICK TEST, TESTED 200 PSI. FOR 5 MINS, HELD, 1000 PSI. FOR 5 MINS, HELD , 5000 PSI. FOR 15 MINS,HELD, 7000 PSI. FOR 15 MINS, HELD, MADE 4" FINAL CUT ON 4-1/2 CSG, HUNG 4-1/2 CSG W/ C-21 SLIPS PACK CSG HEAD, TESTED SURFACE CSG, 200 PSI. FOR 5 MINS, PACKING LEAKING, RE-PACK & TEST SURFACE CSG TO 1000 PSI. LOST 600 PSI. IN 2 MINS, NO COMMUNICATION IN 4-1/2 CSG OR OUTSIDE WELL HEAD, RD B&C QUICK TEST, NU 11.5 FLANGE & TORQUE UP CROSS OVER SPOOL, TEST SEALS & FLANGE TO 5000 PSI./ 10 MINS, 1-7/8 BOLTS TORQUED TO 2900 FT LBS/ 7500 PSI. INSTALLED NIGHT CAP, SWI, SDFN.
11/30/2010	7:00 - 7:30	0.50	ALL	48		P		HSM, REVIEW JSA # 11 (NU)
	7:30 - 8:30	1.00	ALL	30	F	P		NU BOPS, RU FLOOR & TBG EQUIPMENT.
	8:30 - 10:30	2.00	ALL	31	I	P		PU & RIH 3-7/8 ROCK BIT, POBS, 1.875 XN & 2-3/8 L/N 80 TBG, TAG CMT @ 5583' W/ 177 JTS.
	10:30 - 11:00	0.50	ALL	47	A	P		RU PWR SWVL, RU AIR FOAM UNIT, INSTALLED TSF,
	11:00 - 11:50	0.83	ALL	31	N	P		CIRC WELL AROUND, BROKE CIRC IN 50 MINS
	11:50 - 12:20	0.50	ALL	44	A	P		D/O CMT F/ 5583' FELL FREE TO 5615'

US ROCKIES REGION
Operation Summary Report

Well: NBU 920-14G		Spud Conductor: 1/19/2010		Spud Date: 1/25/2010	
Project: UTAH-UINTAH		Site: NBU 920-14G		Rig Name No: DOUBLE HOOK/UNK	
Event: WELL WORK EXPENSE		Start Date: 11/23/2010		End Date: 12/1/2010	
Active Datum: RKB @4,784.00ft (above Mean Sea Leve		UWI: NE/NW/0/9/S/20/E/14/0/0/26/PM/N/2,444.00/E/0/1,947.00/0/0			

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	12:20 - 13:05	0.75	ALL	44	C	P		D/O CIBP @ 5640' HAD 1000 PSI. INCREASE, CONTROL WELL W/ 10 BBLS, RD PWR SWVL, POOH 4 JTS, REMOVE TSF.
	13:05 - 18:00	4.92	ALL	31	I	P		PU & RIH 336 JTS. 2-3/8 L/N-80 TBG F/ TRAILER, TAG FILL @ 10,614', L/D 1 JNT, POOH 20 JTS. EOT @ 9949' W/ 315 JTS. IN WELL. SWI SDFN.
12/1/2010	7:00 - 7:30	0.50	ALL	48		P		HSM, REVIEW JSA # 10 (LAND TBG)
	7:30 - 12:00	4.50	ALL	31	I	P		CP. 1600 PSI. TP.0 PSI. RIH 20 JTS. 2-3/8 L/N-80 TBG TO 10,583,' DROP BALL, POB W/ 45 BBLS NO PRESSURE, POOH L/D 23 JTS, ON TRAILER, RU ASA WIRELINE SERVICE, BROACH TBG TO SN @ 9940, RD ASA WIRELINE SERVICE, LAND & LUB TBG HANGER, RD FLOOR & TBG EQUIPMENT, ND BOPS, NU WH, RDMOL. MOVE TO NBU 920-14H.
								<p>TBG DETAIL</p> <p>KB-----18'</p> <p>7-1/16 WEATHERFORD HANGER-----83"</p> <p>314 JTS. L/N-80 TBG-----9903.37'</p> <p>1.875XN POBS-----2.20'</p> <p>EOT @-----9924.40'</p> <p>TAG FILL @ 10,614'</p> <p>BTM PERF @ 10,534'</p> <p>WLTR. 0 BBLS.</p>

ENTITY ACTION FORM

Operator: KERR MCGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
 Address: P.O. Box 173779
city DENVER
state CO zip 80217 Phone Number: (720) 929-6100

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750486	BONANZA 1023-5G2AS		SWNE	5	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>A</i>	99999	<i>17459</i>	1/18/2010			<i>1/28/10</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 1/18/2010 AT 15:00 HRS. <i>BHL = SWNE</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750589	NBU 920-14G		SWNE	14	9S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>B</i>	99999	<i>2900</i>	1/19/2010			<i>1/28/10</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 1/19/2010 AT 10:00 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750590	NBU 920-14H		SENE	14	9S	20E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>B</i>	99999	<i>2900</i>	1/20/2010			<i>1/28/10</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 1/20/2010 AT 11:00 HRS.							

ACTION CODES:

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

RECEIVED
JAN 21 2010

ANDY LYTLE

Name (Please Print)

Signature

REGULATORY ANALYST

Title

1/21/2010

Date