FORM 3

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

AMENDED REPORT ☐

APPLICATION FOR PERMIT TO DRILL	**1. WELL NAME and NUMBER** NBU 921-8N
2. TYPE OF WORK DRILL NEW WELL (●) REENTER P&A WELL ( ) DEEPEN WELL ( )	**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 0575B	**11. MINERAL OWNERSHIP** FEDERAL (●) INDIAN ( ) STATE ( ) FEE ( )
	12. SURFACE OWNERSHIP FEDERAL ( ) INDIAN (●) STATE ( ) FEE ( )
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 (●) (Submit Commingling Application) NO ( )
	19. SLANT VERTICAL (●) DIRECTIONAL ( ) HORIZONTAL ( )

20. LOCATION OF WELL	**FOOTAGES**	**QTR-QTR**	**SECTION**	**TOWNSHIP**	**RANGE**	**MERIDIAN**
LOCATION AT SURFACE	705 FSL 2033 FWL	SESW	8	9.0 S	21.0 E	S
Top of Uppermost Producing Zone	705 FSL 2033 FWL	SESW	8	9.0 S	21.0 E	S
At Total Depth	705 FSL 2033 FWL	SESW	8	9.0 S	21.0 E	S

21. COUNTY UINTAH	**22. DISTANCE TO NEAREST LEASE LINE (Feet)** 705	**23. NUMBER OF ACRES IN DRILLING UNIT** 811
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1100	**26. PROPOSED DEPTH** MD: 10600 TVD: 10600
27. ELEVATION - GROUND LEVEL 4783	**28. BOND NUMBER** WYB000291	**29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE** Permit #43-8496

ATTACHMENTS

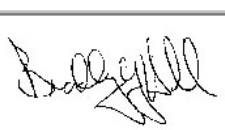
VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

☑ **WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER**	☑ **COMPLETE DRILLING PLAN**
☐ **AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)**	☐ **FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER**
☐ **DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)**	☑ **TOPOGRAPHICAL MAP**

NAME Danielle Piernot	**TITLE** Regulatory Analyst	**PHONE** 720 929-6156
SIGNATURE	**DATE** 09/11/2009	**EMAIL** danielle.piernot@anadarko.com

API NUMBER ASSIGNED
43047507340000

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 Buttress	9600	11.6			

Proposed Hole, Casing, and Cement						
String	**Hole Size**	**Casing Size**	**Top (MD)**	**Bottom (MD)**		
Surf	12.25	9.625	0	2825		
Pipe	**Grade**	**Length**	**Weight**			
	Grade J-55 LT&C	2825	36.0			

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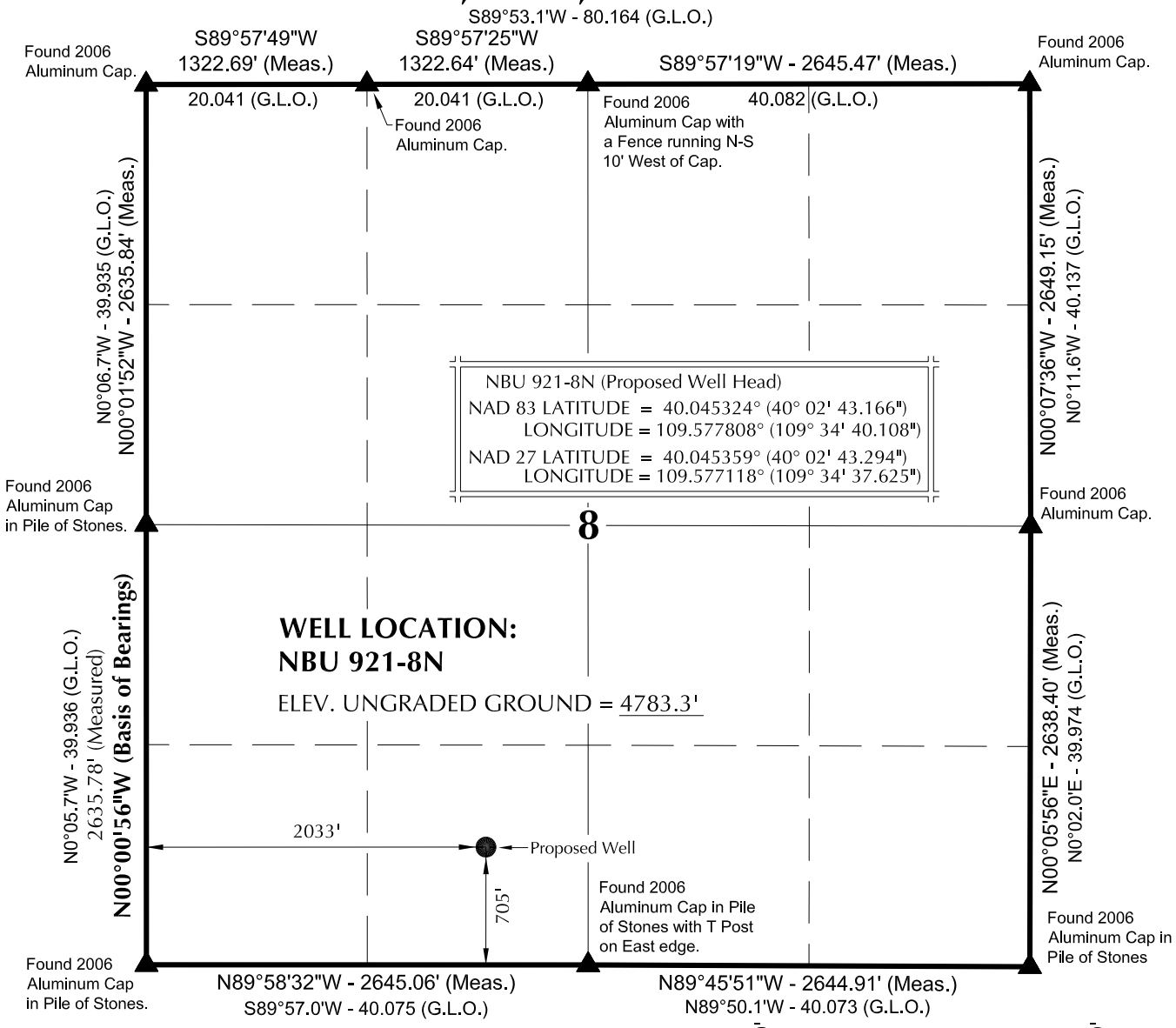
T9S, R21E, S.L.B.&M.



NOTES:

▲ = Section Corners Located

1. Well footages are measured at right angles to the Section Lines.
2. G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
3. Bearings are based on Global Positioning Satellite observations.
4. Basis of elevation is Tri-Sta "Two Water" located in the NW ¼ of Section 1, T10S, R21E, S.L.B.&M. The elevation of this Tri-Sta is shown on the Big Pack Mtn NE 7.5 Min. Quadrangle as being 5238'.

N

1000' 500' 0' 1000'

SCALE

SURVEYOR'S CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR No.362251 KOLBY R. KAY STATE OF UTAH

REGISTERED LAND SURVEYOR
REGISTRATION No. 362251
STATE OF UTAH

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

WELL PAD - NBU 921-8N

NBU 921-8N
WELL PLAT
705' FSL, 2033' FWL
SE ¼ SW ¼ OF SECTION 8, T9S, R21E, S.L.B.&M., UINTAH COUNTY, UTAH.

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

TIMBERLINE (435) 789-1365
ENGINEERING & LAND SURVEYING, INC.
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE SURVEYED: 04-09-09	SURVEYED BY: D.J.S.	SHEET NO: 1
DATE DRAWN: 04-10-09	DRAWN BY: M.W.W.	1 OF 9
SCALE: 1" = 1000'	Date Last Revised:	

NBU 921-8N
Surface: 705’ FSL 2,033’ FWL (SE/4SW/4)
Sec. 8 T9S R21E

Uintah, Utah
Mineral Lease: UTU 0575B

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

Formation	Depth	Resource
Uinta	0 – Surface	
Green River	1,803’	
Birds Nest	2,095’	Water
Mahogany	2,622’	Water
Wasatch	5,246’	Gas
Mesaverde	8,306’	Gas
MVU2	9,292’	Gas
MVL1	9,845’	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. Variances:

Please refer to the attached Drilling Program.
Onshore Order #2 – Air Drilling Variance

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

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

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

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

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

Background

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

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

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

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

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

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

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

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

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

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

Variance for FIT Requirements
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.

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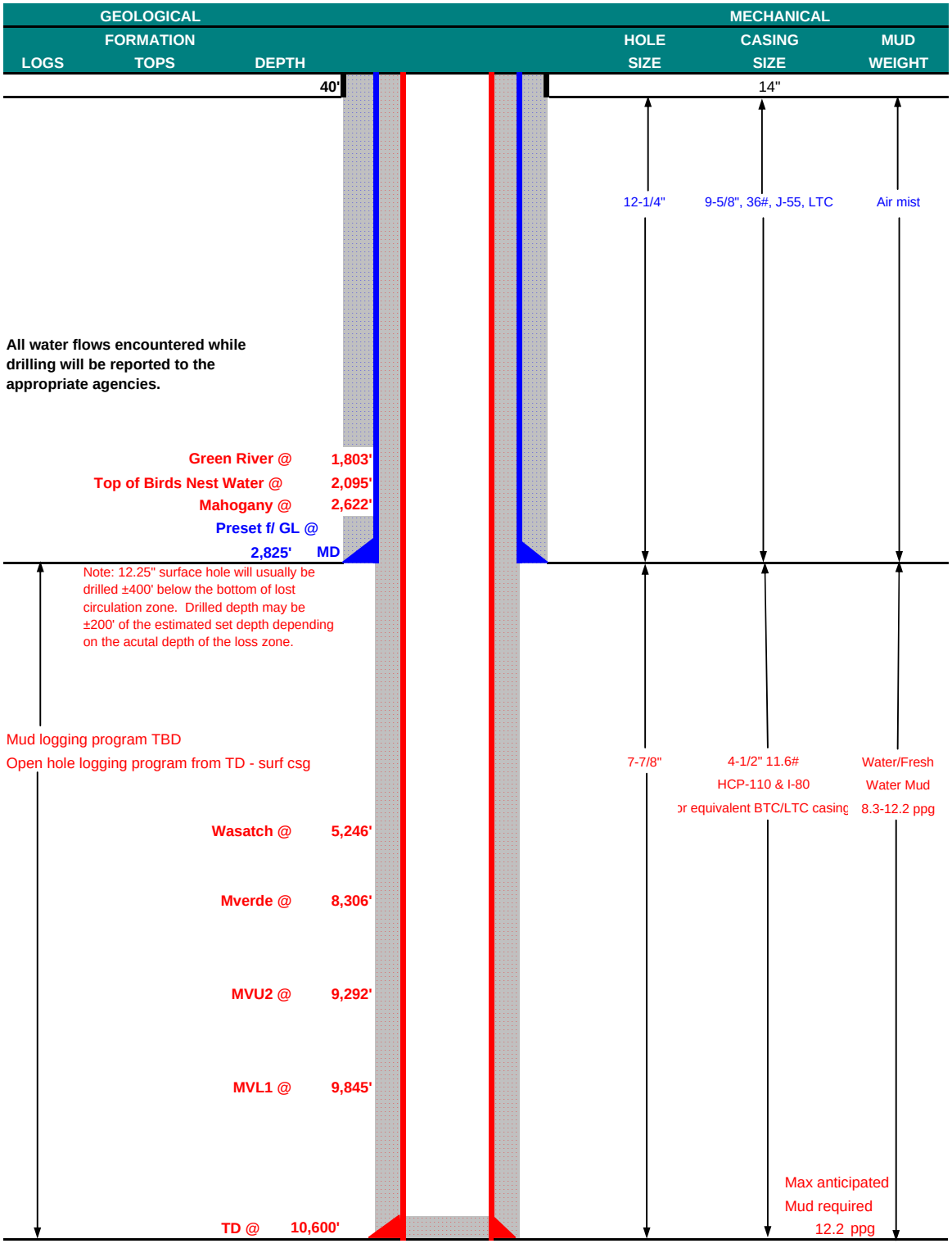
KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP	DATE	September 10, 2009
WELL NAME	**NBU 921-8N**	TD	10,600' MD/TVD
FIELD	Natural Buttes	COUNTY Uintah STATE Utah	FINISHED ELEVATION 4,781'
SURFACE LOCATION	SE/4 SW/4 705' FSL 2,033' FWL	Sec 8 T 9S R 21E	BHL Straight Hole
	Latitude: 40.045324	Longitude: -109.577808	NAD 83
OBJECTIVE ZONE(S)	Wasatch/Mesaverde		
ADDITIONAL INFO	Regulatory Agencies: BLM (MINERALS), Ute Tribe (SURFACE), UDOGM, Tri-County Health Dept.		



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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	2825	36.00	J-55	LTC	0.80*	1.53	4.45
								7,780	6,350	278,000
PRODUCTION	4-1/2"	0	to	9600	11.60	I-80	BTC	1.77	1.04	2.78
								10,690	8,650	279,000
		9600	to	10600	11.60	HCP-110	LTC	2.43	1.29	29.56

*Burst on suface casing is controlled by fracture gradient as shoe with gas gradient above. D.F. = 1.98

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))

2) MASP (Prod Casing) = Pore Pressure at TD - (0.22 psi/ft-partial evac gradient x TD)
(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	215	60%	15.60	1.18
Option 1			+ 0.25 pps flocele				
TOP OUT CMT (6 jobs)		1,200'	20 gals sodium silicate + Premium cmt	380	0%	15.60	1.18
			+ 2% CaCl + 0.25 pps flocele				
			Premium cmt + 2% CaCl				
SURFACE			**NOTE: If well will circulate water to surface, option 2 will be utilized**				
Option 2	LEAD	2,325'	Prem cmt + 16% Gel + 10 pps gilsonite	260	35%	11.00	3.82
			+ 0.25 pps Flocele + 3% salt BWOC				
	TAIL	500	Premium cmt + 2% CaCl	180	35%	15.60	1.18
			+ 0.25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,740'	Premium Lite II + 0.25 pps celloflake +	450	40%	11.00	3.38
			5 pps gilsonite + 10% gel '+ 1% Retarder				
	TAIL	5,860'	50/50 Poz/G + 10% salt + 2% gel	1430	40%	14.30	1.31
			+ 0.1% R-3				

*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.

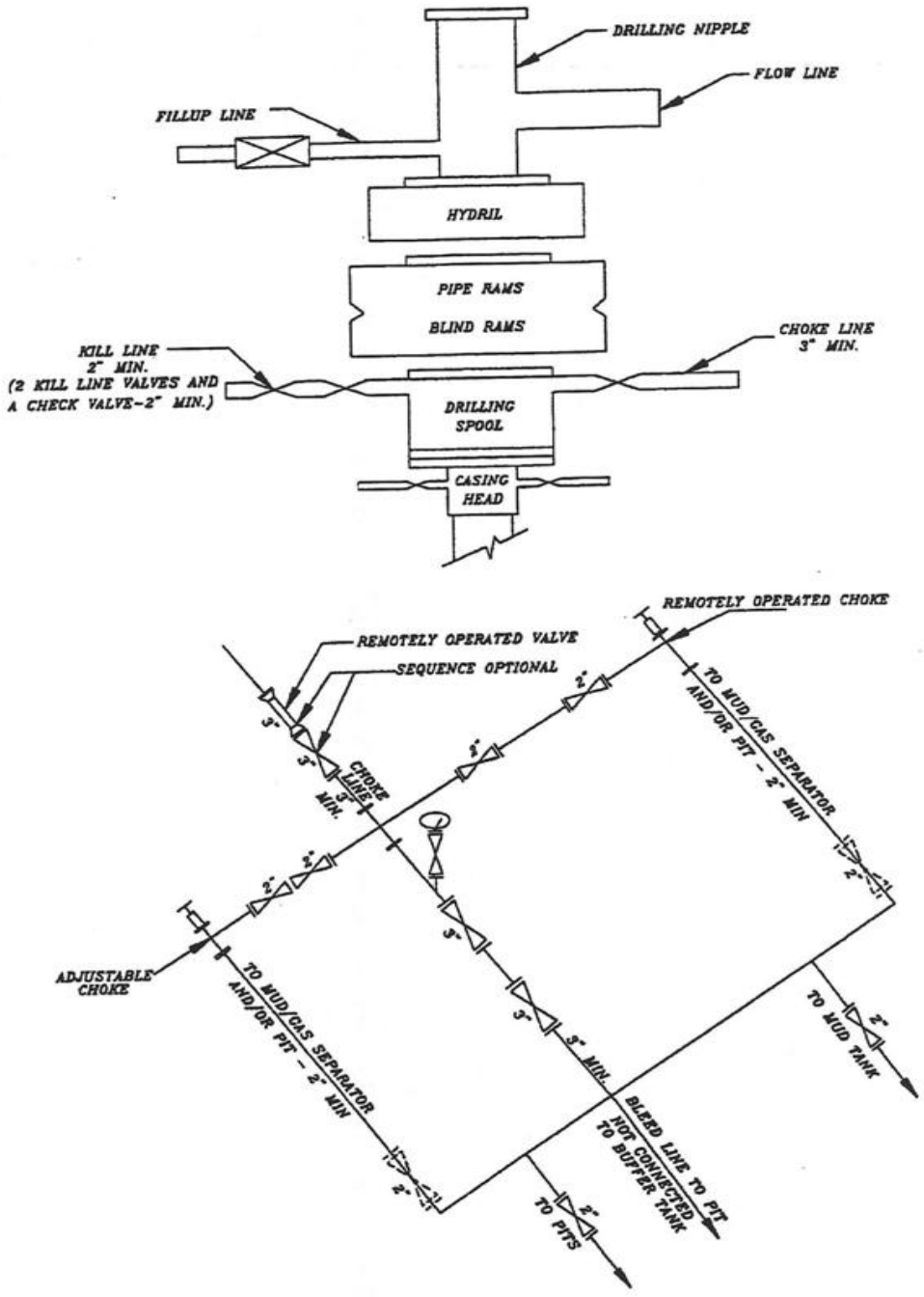
Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

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

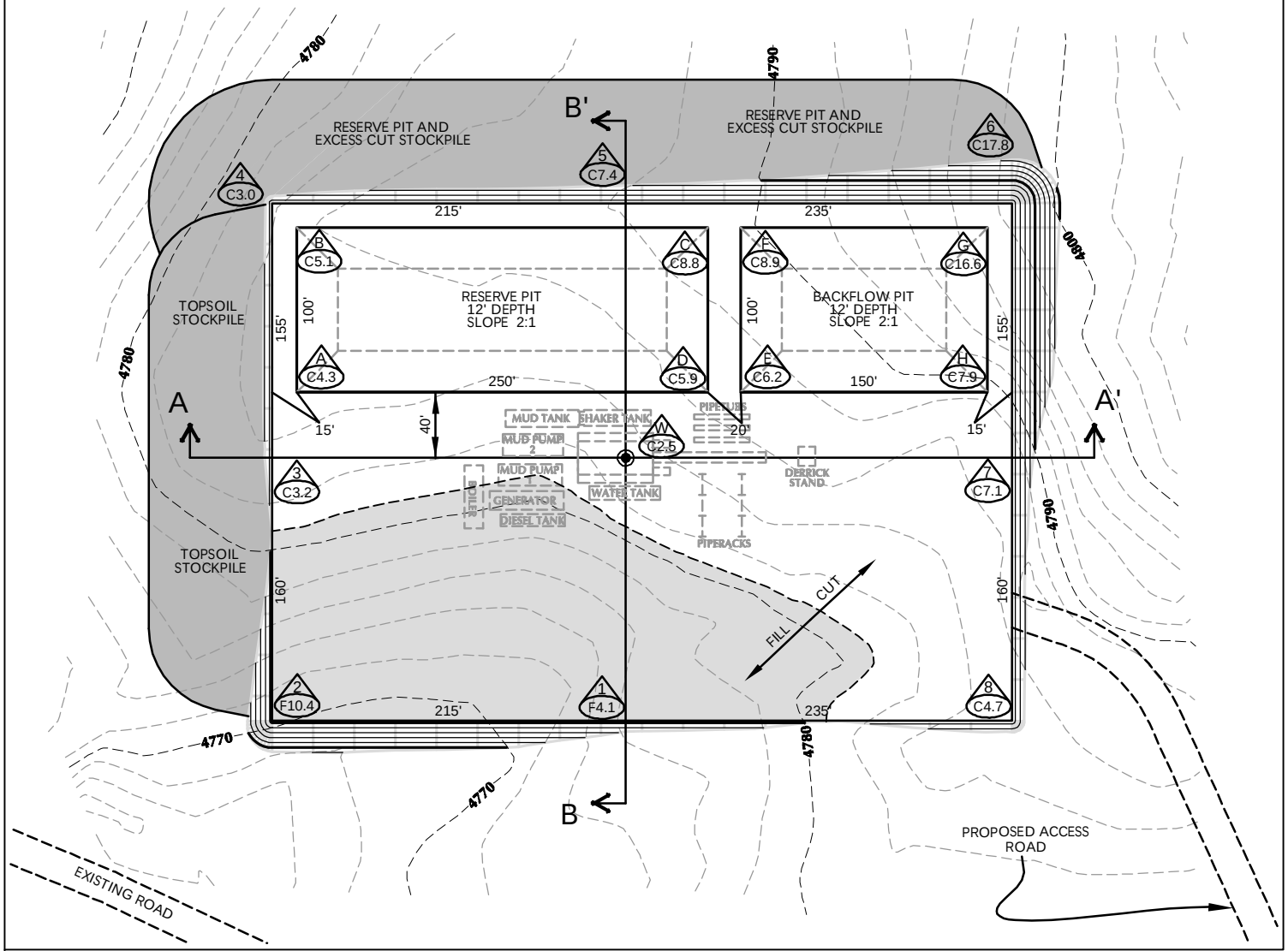
DRILLING ENGINEER: _____ **DATE:** _____
John Huycke / Emile Goodwin

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

EXHIBIT A
NBU 921-8N



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK



WELL PAD LEGEND

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

WELL PAD NBU 921-8N QUANTITIES

EXISTING GRADE @ LOC. STAKE = 4783.3'
FINISHED GRADE ELEVATION = 4780.8'
CUT SLOPES = 1.5:1
FILL SLOPES = 1.5:1

TOTAL CUT FOR WELL PAD = 20,025 C.Y.
TOTAL FILL FOR WELL PAD = 9,388 C.Y.
TOPSOIL @ 6" DEPTH = 2,957 C.Y.
EXCESS MATERIAL = 10,637 C.Y.
TOTAL DISTURBANCE = 3.67 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)
+/- 15,900 BARRELS
BACKFLOW PIT VOLUME
+/- 4,350 CY

HORIZONTAL 0 50 100 1" = 100'
2' CONTOURS

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

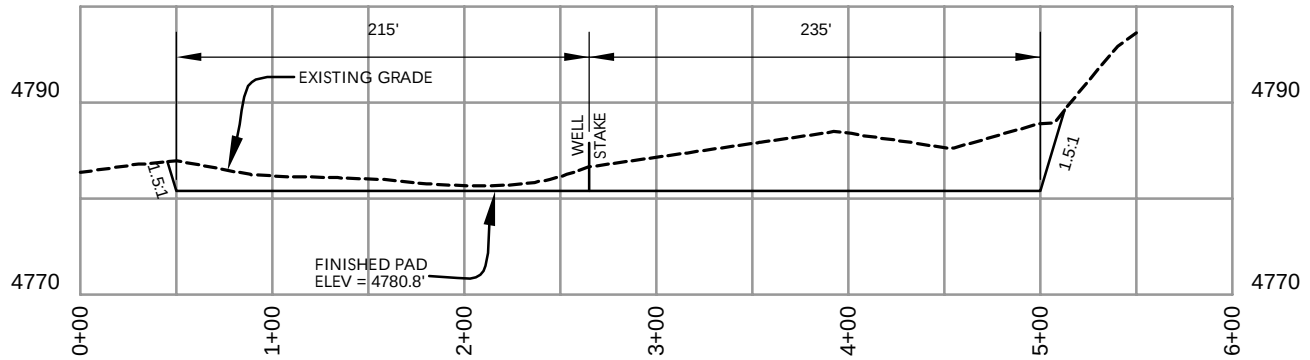
WELL PAD - NBU 921-8N

WELL PAD - LOCATION LAYOUT
NBU 921-8N
705' FSL, 2033' FWL
SE1/4 SW1/4 OF SECTION 8, T9S, R21E,
S.L.B.&M., UINTAH COUNTY, UTAH

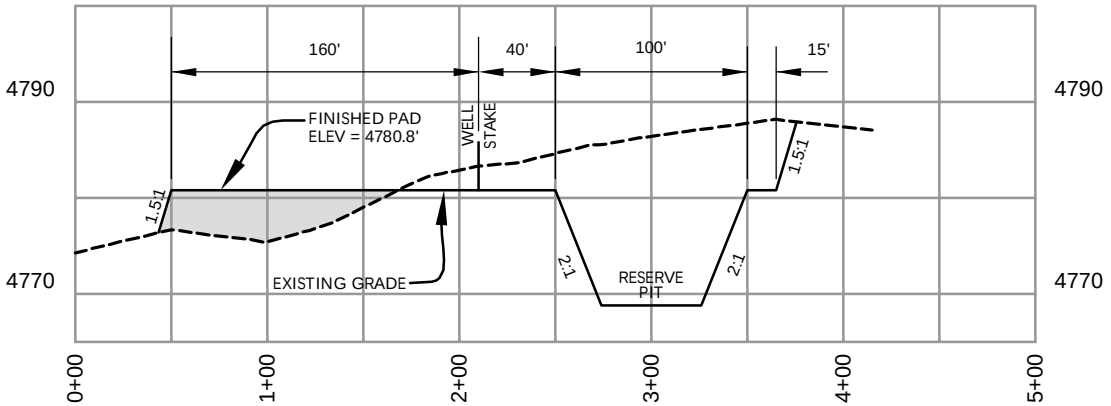
609 CONSULTING, LLC
371 Coffeen Avenue
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

Scale: 1"=100' | Date: 4/13/09 | SHEET NO: 2 2 OF 9
REVISED:

TIMBERLINE ENGINEERING & LAND SURVEYING, INC.
209 NORTH 300 WEST - VERNAL, UTAH 84078 (435) 789-1365



CROSS SECTION A-A'



CROSS SECTION B-B'

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

WELL PAD - NBU 921-8N

WELL PAD - CROSS SECTIONS
NBU 921-8N
705' FSL, 2033' FWL
SE1/4 SW1/4 SECTION 8, T.9S., R.21E.
S.L.B.&M., UINTAH COUNTY, UTAH

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

HORIZONTAL 0 50 100 1" = 100'
VERTICAL 0 10 20 1" = 20'

Scale: 1"=100' | Date: 4/13/09 | SHEET NO: 3 3 OF 9
REVISED:

TIMBERLINE (435) 789-1365
ENGINEERING & LAND SURVEYING, INC.
209 NORTH 300 WEST - VERNAL, UTAH 84078

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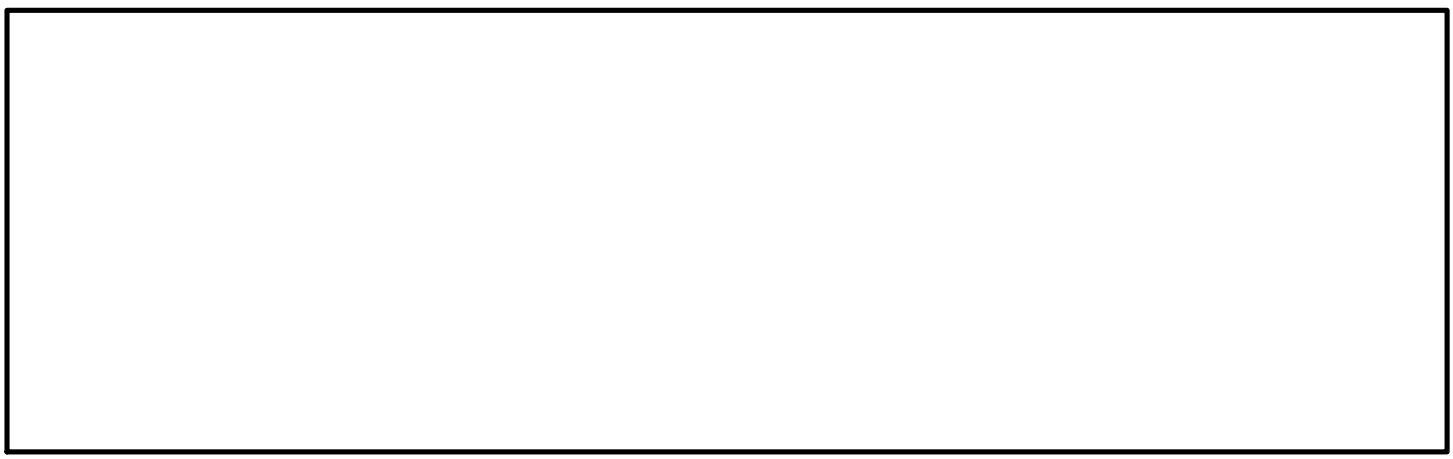

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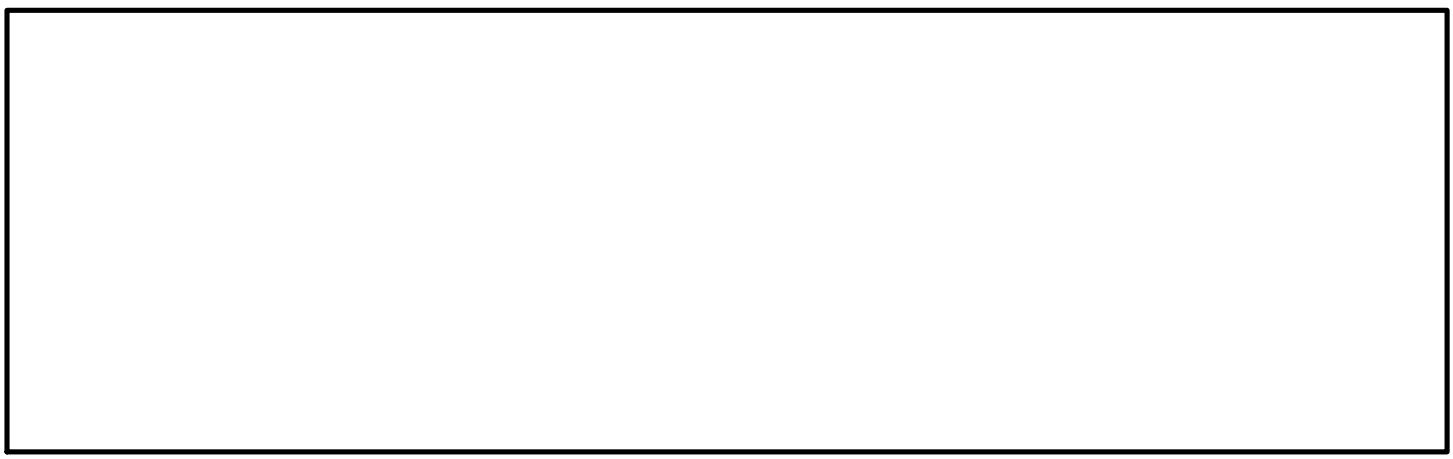

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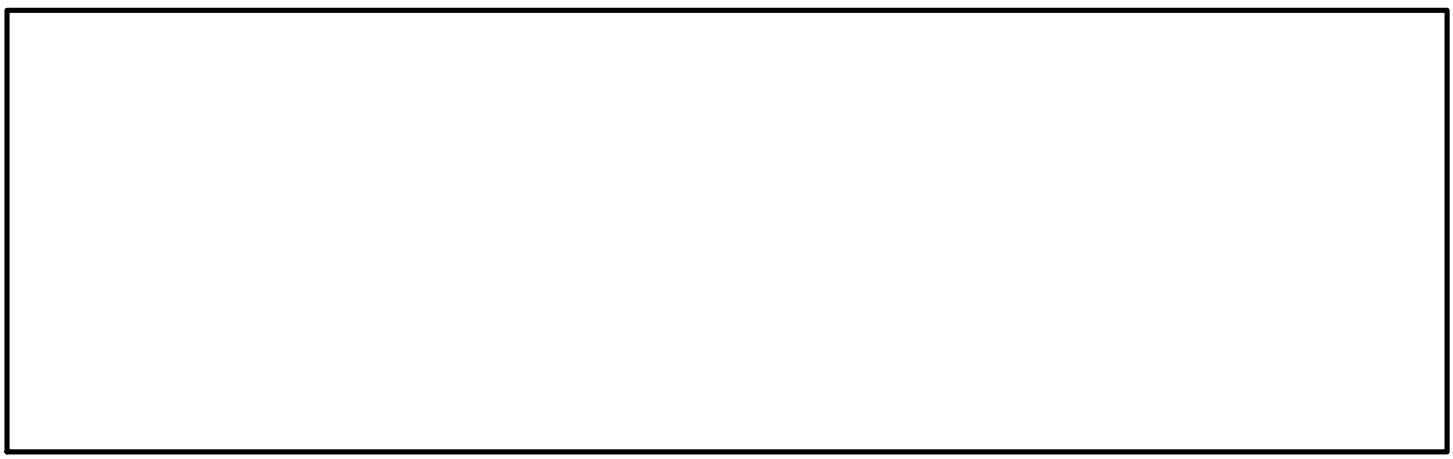

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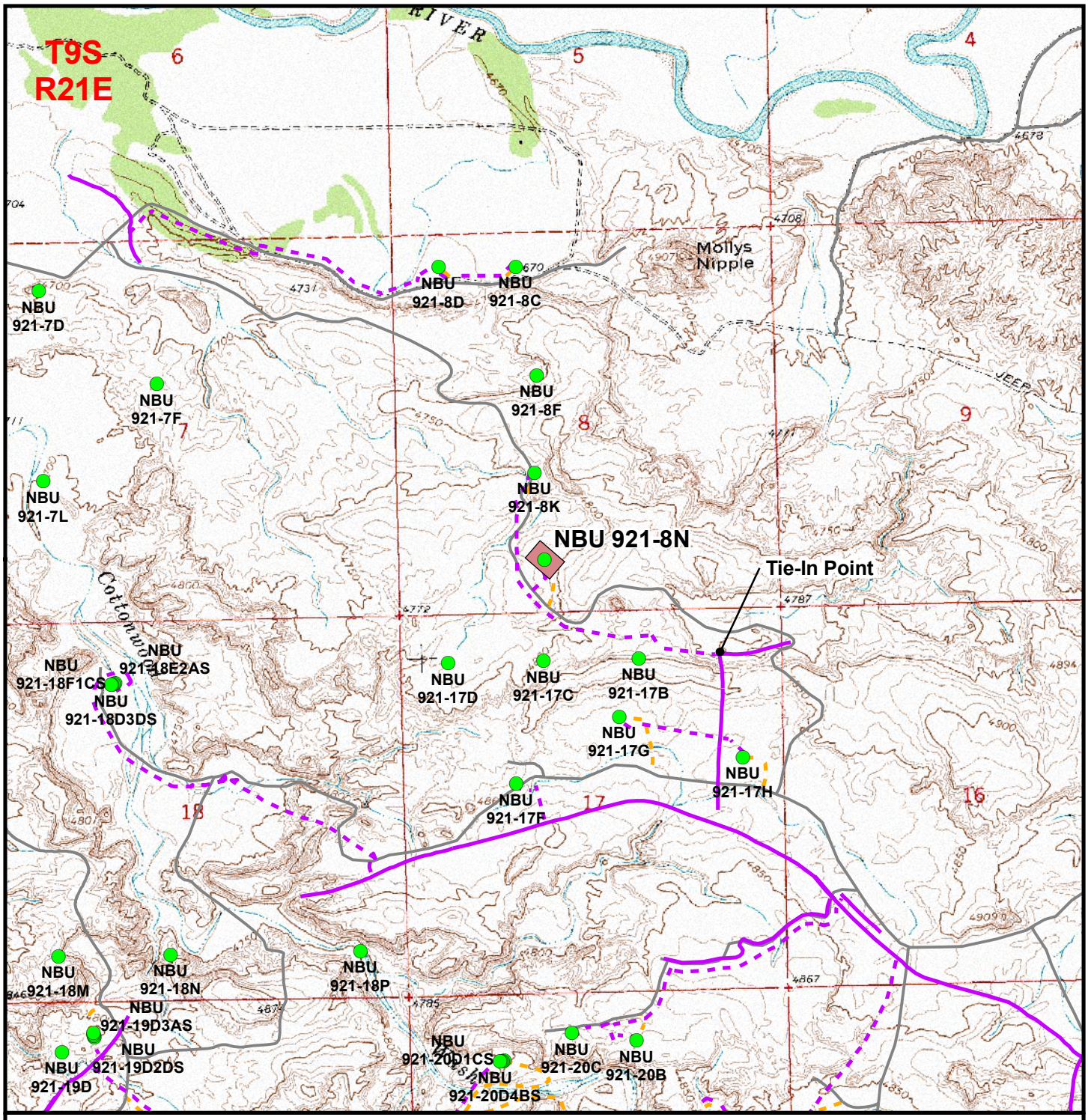


Legend

Well - Proposed | Well Pad | Pipeline - Proposed | Road - Proposed | Pipeline - Existing | Road - Existing

Proposed Pipeline Length From Tie-In Point To Edge Of Pad: ±3,105ft
Proposed Pipeline Length Around Pad: ±660ft

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

Well Pad - NBU 921-8N

NBU 921-8N
Topo D
705' FSL, 2033' FWL
SE¼ SW¼, Section 8, T9S, R21E
S.L.B.&M., Uintah County, Utah

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

N

Scale: 1" = 2000ft	NAD83 USP Central	Sheet No: 8	8 of 9
Drawn: JELo	Date: 13 April 2009		
Revised:	Date:		

’APIWellNo:43047507340000’

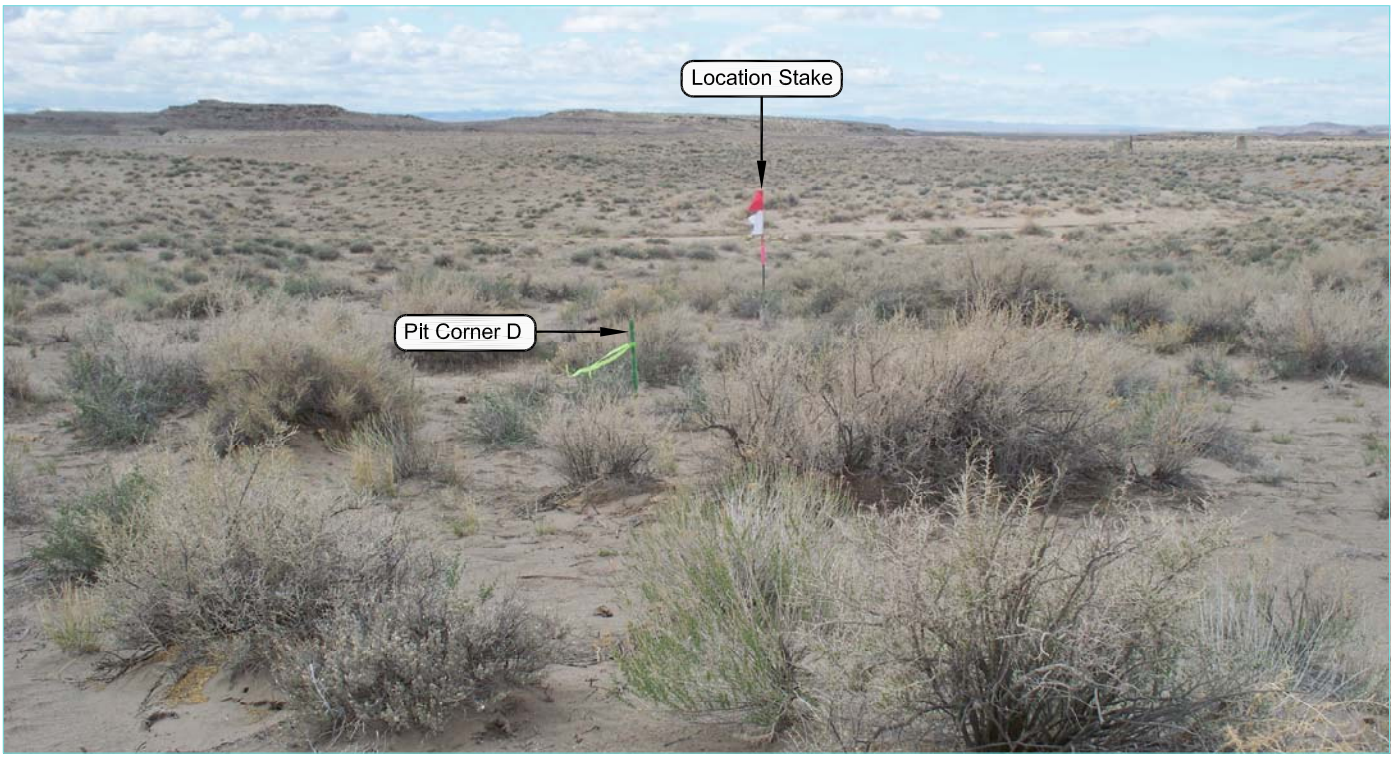


PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE CAMERA ANGLE: WESTERLY

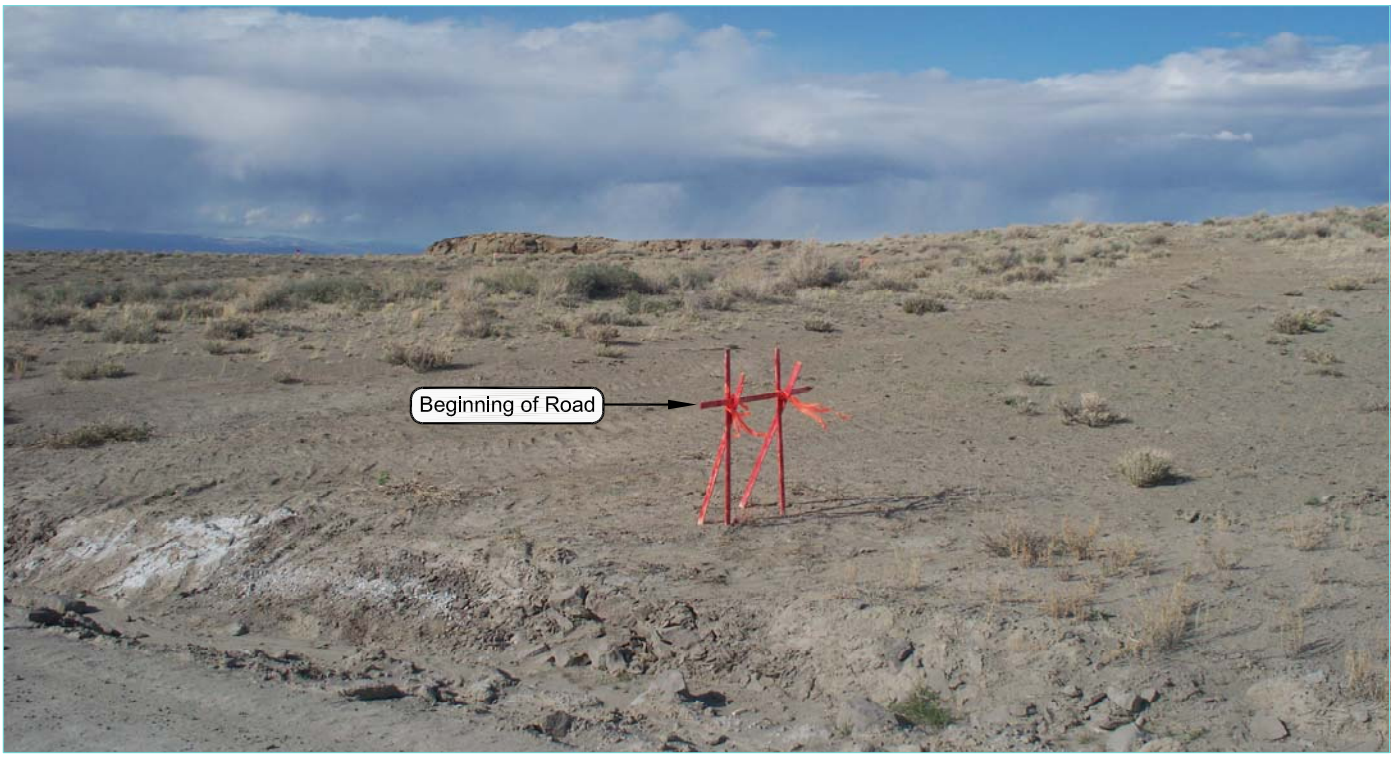


PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD CAMERA ANGLE: NORTHERLY

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

Well Pad - NBU 921-8N

NBU 921-8N
LOCATION PHOTOS
705' FSL, 2033' FWL
SE ¼ SW ¼ OF SECTION 8, T9S, R21E,
S.L.B.&M., UINTAH COUNTY, UTAH.

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

TIMBERLINE (435) 789-1365
ENGINEERING & LAND SURVEYING, INC.
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE PHOTOS TAKEN: 04-09-09	PHOTOS TAKEN BY: D.J.S.	SHEET NO: 4
DATE DRAWN: 04-10-09	DRAWN BY: M.W.W.	4 OF 9
Date Last Revised:		

Kerr-McGee Oil & Gas Onshore, LP
WELL PAD – NBU 921-8N
WELL - NBU 921-8N
Section 8, T9S, R21E, 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 3.0 MILES TO A SERVICE ROAD TO THE EAST. EXIT LEFT AND PROCEED IN AN EASTERLY DIRECTION ALONG THE SERVICE ROAD APPROXIMATELY 1.1 MILES TO A SECOND SERVICE ROAD TO THE NORTHEAST. EXIT LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION ALONG THE SECOND SERVICE ROAD APPROXIMATELY 2.4 MILES TO A THIRD SERVICE ROAD TO THE EAST. EXIT RIGHT AND PROCEED IN AN EAST BY SOUTHEAST DIRECTION ALONG THE THIRD SERVICE ROAD APPROXIMATELY 1.8 MILES TO A FOURTH SERVICE ROAD TO THE SOUTHEAST. EXIT RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION ALONG THE FOURTH SERVICE ROAD APPROXIMATELY 1.9 MILES TO THE PROPOSED ACCESS ROAD. FOLLOW ROAD FLAGS IN A NORTHERLY DIRECTION APPROXIMATELY 430 FEET TO THE PROPOSED WELL LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 41.0 MILES IN A SOUTHERLY DIRECTION.

NBU 921-8N
Surface: 705' FSL 2,033' FWL (SE/4SW/4)
Sec. 8 T9S R21E

Uintah, Utah
Mineral Lease: UTU 0575B

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 SE/4 SW/4 of Section 8 T9S R21E.

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 August 27, 2009.

A. 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.

B. Planned Access Roads:

See MDP for additional details on road construction.
Approximately ±430' (±0.08 miles) 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.

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

Please refer to Topo Map C.

D. **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 ±3,765' (±0.71 miles) of new pipeline is proposed for this well. Please refer to the attached Topo Map D for 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

E. **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.

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

G. **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

H. **Ancillary Facilities:**
See MDP for additional details on Ancillary Facilities.

None are anticipated.

I. **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.

J. 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.

K. 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

L. Other Information:

See MDP for additional details on Other Information.

M. Lessee's or Operators' Representative & Certification:

Danielle Piernot
Regulatory Analyst I
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6156

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

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

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

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

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

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for operations conducted under this application. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Danielle Piernot
Danielle Piernot

September 10, 2009
Date

’APIWellNo:43047507340000’

CLASS I REVIEW OF KERR-MCGEE OIL & GAS ONSHORE LP’S 51 PROPOSED WELL LOCATIONS (T9S, R21E, SECTIONS 7, 8, 10, 11, 12, 17, 18, 19, 20, 23, 25, AND 30) IN UINTAH COUNTY, UTAH

By:

Jacki A. Montgomery

Prepared For:

Ute Tribal Land
Uintah and Ouray Agency

Bureau of Land Management
Vernal Field Office

Prepared Under Contract With:

Kerr-McGee Oil & 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. 09-39

May 11, 2009

United States Department of Interior (FLPMA)
Permit No. 09-UT-60122

Public Lands Policy Coordination Office
Archaeological Survey Permit No. 117

Ute Tribal Permit No. A09-363

IPC #09-75

Paleontological Reconnaissance Survey Report

Survey of Kerr McGee's Proposed Well Pads, Access Roads & Pipelines for "NBU #921-8N, 17G & H, 20B, C & G" (Sec. 8, 16, 17 & 20, T 9 S, R 21 E)

Ouray SE
Topographic Quadrangle
Uintah County, Utah

June 10, 2009

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

’APIWellNo:43047507340000’

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

Report #: GCI #70

Operator: Kerr-McGee Oil & Gas Onshore LP

Wells: NBU 921-8C, NBU 921-8D, NBU 921-8F, NBU 921-8K, NBU 921-8N

Pipelines: Associated pipelines to proposed well pads

Access Roads: Associated access roads to proposed well pads

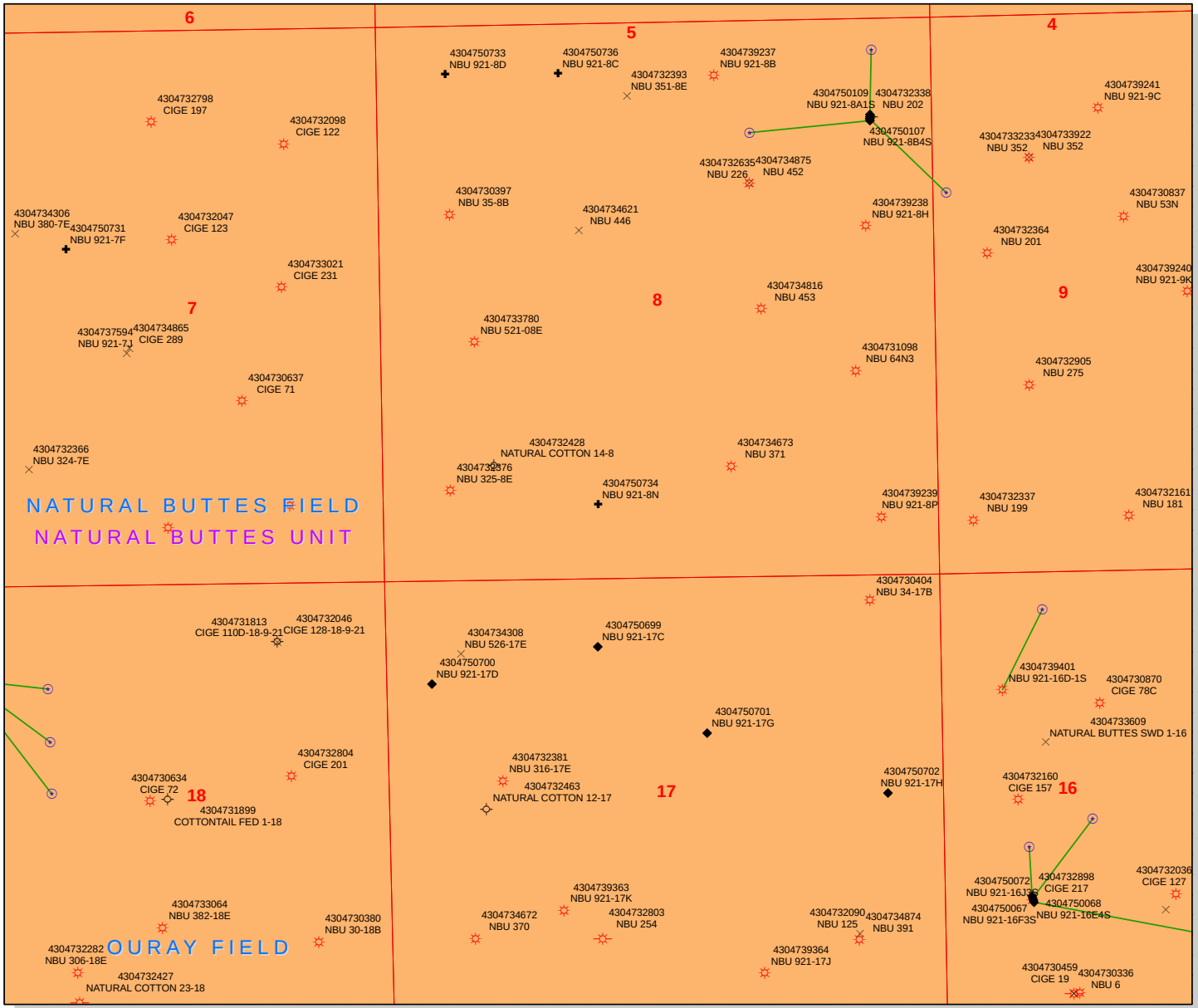
Location: Section 08, Township 9 South, Range 21 East; Uintah County, Utah

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

Date: 07/02/2009

Observers: Grasslands Consulting, Inc. Biologists: Chris Gayer, Dan Hamilton, Nick Hall, and Jonathan Sexauer. Technicians: Chad Johnson, Dane Bartlett, and Daniel Ortiz.

Weather: Partly cloudy, 85-90ºF, 0-5 mph winds with no precipitation.



API Number: 4304750734

Well Name: NBU 921-8N

Township 09.0 S Range 21.0 E Section 8

Meridian: SLBM

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

Map Prepared:
Map Produced by Diana Mason

Units
STATUS
ACTIVE
EXPLORATORY
GAS STORAGE
NF PP OIL
NF SECONDARY
PI OIL
PP GAS
PP GEOTHERML
PP OIL
SECONDARY
TERMINATED

Fields
STATUS
ACTIVE
COMBINED
Sections

Wells Query Events
<all other values>
GIS_STAT_TYPE
<Null>
APD
DRL
GI
GS
LA
NEW
OPS
PA
PGW
POW
RET
SGW
SOW
TA
TW
WD
WI
WS

1,200 600 0 1,200 Feet

1:11,790

'APIWellNo:43047507340000'

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

September 18, 2009

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2009 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2009 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
43-047-50731	NBU 921-7F	Sec 07 T09S R21E 2079 FNL 2869 FWL
43-047-50732	NBU 921-7L	Sec 07 T09S R21E 1948 FSL 1196 FWL
43-047-50733	NBU 921-8D	Sec 08 T09S R21E 0469 FNL 0652 FWL
43-047-50734	NBU 921-8N	Sec 08 T09S R21E 0705 FSL 2033 FWL
43-047-50735	NBU 921-7D	Sec 07 T09S R21E 0463 FNL 0180 FWL
43-047-50736	NBU 921-8C	Sec 08 T09S R21E 0483 FNL 1729 FWL
43-047-50737	NBU 1022-9B4CS	Sec 09 T10S R22E 0228 FNL 2643 FWL
	BHL	Sec 09 T10S R22E 1100 FNL 1956 FEL
43-047-50738	NBU 1022-9C2DS	Sec 09 T10S R22E 0224 FNL 2563 FWL
	BHL	Sec 09 T10S R22E 0591 FNL 1782 FWL
43-047-50739	NBU 1022-9C3CS	Sec 09 T10S R22E 0225 FNL 2583 FWL
	BHL	Sec 09 T10S R22E 1131 FNL 1548 FWL
43-047-50740	NBU 1022-9C4DS	Sec 09 T10S R22E 0227 FNL 2623 FWL
	BHL	Sec 09 T10S R22E 1141 FNL 2505 FWL
43-047-50751	NBU 920-21G	Sec 21 T09S R20E 1998 FNL 2319 FEL

API #	WELL NAME	LOCATION

(Proposed PZ WASATCH-MESA VERDE)

43-047-50752	NBU 1022-8L3CS	Sec 08 T10S R22E 1761 FSL 0309 FWL
	BHL	Sec 08 T10S R22E 1330 FSL 0005 FWL
43-047-50753	NBU 1022-8M3DS	Sec 08 T10S R22E 1765 FSL 0329 FWL
	BHL	Sec 08 T10S R22E 0245 FSL 0350 FWL
43-047-50754	NBU 1022-8N1DS	Sec 08 T10S R22E 1772 FSL 0368 FWL
	BHL	Sec 08 T10S R22E 0940 FSL 2635 FWL
43-047-50755	NBU 1022-8N2DS	Sec 08 T10S R22E 1769 FSL 0348 FWL
	BHL	Sec 08 T10S R22E 0735 FSL 1700 FWL
43-047-50756	NBU 1022-35I1CS	Sec 35 T10S R22E 2335 FSL 0650 FEL
	BHL	Sec 35 T10S R22E 2170 FSL 0460 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:9-18-09

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 9/11/2009 **API NO. ASSIGNED:** 43047507340000

WELL NAME: NBU 921-8N

OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P. (N2995) **PHONE NUMBER:** 720 929-6156

CONTACT: Danielle Piernot

PROPOSED LOCATION: SESW 8 090S 210E **Permit Tech Review:** ☑

SURFACE: 0705 FSL 2033 FWL **Engineering Review:** ☑

BOTTOM: 0705 FSL 2033 FWL **Geology Review:** ☑

COUNTY: UINTAH

LATITUDE: 40.04524 **LONGITUDE:** -109.57712

UTM SURF EASTINGS: 621382.00 **NORTHINGS:** 4433538.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU 0575B **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

GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Permit To Drill

****

Well Name: NBU 921-8N
API Well Number: 43047507340000
Lease Number: UTU 0575B
Surface Owner: INDIAN
Approval Date: 9/29/2009

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 Board Cause No. 173-14, commingling of 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.

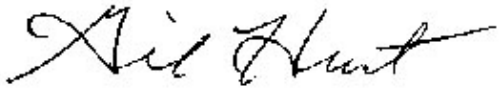
Notification Requirements:
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:
- Within 24 hours following the spudding of the well – contact Carol Daniels at 801-538-5284

(please leave a voicemail message if not available)
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at https://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

API Well No: 43047507340000

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU 0575B

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 921-8N

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

9. API NUMBER: 43047507340000

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: 0705 FSL 2033 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 08 Township: 09.0S Range: 21.0E 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		
✓ NOTICE OF INTENT Approximate date work will start: 9/30/2010	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SPUD REPORT Date of Spud:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ DRILLING REPORT Report Date:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

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

Approved by the Utah Division of Oil, Gas and Mining

Date: October 06, 2010

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Danielle Piernot	720 929-6156	Regulatory Analyst
SIGNATURE		**DATE**
N/A		9/29/2010

RECEIVED September 29, 2010

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources
Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047507340000

API: 43047507340000
Well Name: NBU 921-8N
Location: 0705 FSL 2033 FWL QTR SESW SEC 08 TWNP 090S RNG 210E MER S
Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.
Date Original Permit Issued: 9/29/2009

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

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

Approved by the Utah Division of Oil, Gas and Mining

Signature: Danielle Piernot **Date:** 9/29/2010
Title: Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date: October 06, 2010
By:

RECEIVED September 29, 2010

Form 3160-3
(August 2007)

RECEIVED
SEP 18 2009

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: ☒ DRILL ☐ REENTER	5. Lease Serial No. UTU0575B
	6. If Indian, Allottee or Tribe Name
	7. If Unit or CA Agreement, Name and No. 891008900A
1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone	8. Lease Name and Well No. NBU 921-8N
2. Name of Operator KERRMCGEE OIL&GAS ONSHORE LP Contact: DANIELLE E PIERNOT E-Mail: Danielle.Piernot@anadarko.com	9. API Well No. 43 047 50734
3a. Address PO BOX 173779 DENVER, CO 80202-3779 / 3b. Phone No. (include area code) Ph: 720-929-6156 Fx: 720-929-7156	10. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well *(Report location clearly and in accordance with any State requirements.*)* At surface SESW 705FSL 2033FWL 40.04532 N Lat, 109.57781 W Lon At proposed prod. zone SESW 705FSL 2033FWL 40.04532 N Lat, 109.57781 W Lon	11. Sec., T., R., M., or Blk. and Survey or Area Sec 8 T9S R21E Mer SLB
14. Distance in miles and direction from nearest town or post office* APPROXIMATELY 10 MILES SOUTHEAST OF OURAY, UTAH	12. County or Parish UINTAH / 13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 705 FEET	16. No. of Acres in Lease 811.02 / 17. Spacing Unit dedicated to this well
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. APPROXIMATELY 1100 FEET	19. Proposed Depth 10600 MD 10600 TVD / 20. BLM/BIA Bond No. on file WYB000291
21. Elevations (Show whether DF, KB, RT, GL, etc.) 4783 GL	22. Approximate date work will start 09/28/2009 / 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.
2. A Drilling Plan.
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).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
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 09/11/2009
Title REGULATORY ANALYST I		
Approved by (Signature) Jerome Match	Name (Printed/Typed) Jerome Match	Date JUL 20 201
Title acting Assistant Field Manager Lands & Mineral Resources	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.

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.

Additional Operator Remarks (see next page)

Electronic Submission #74166 verified by the BLM Well Information System
For KERRMCGEE OIL&GAS ONSHORE LP, sent to the Vernal
Committed to AFMSS for processing by ROBIN R. HANSEN on 09/14/2009 ()

UDOGM

NOTICE OF APPROVAL

RECEIVED
JUL 26 2011
DIV. OF OIL, GAS & MINING

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

CONDITIONS OF APPROVAL ATTACHED

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 LP**	**Location:**	**SESW, Sec. 8, T9S R21E**
Well No:	**NBU 921-8N**	**Lease No:**	**UTU-0575B**
API No:	**43-047-50734**	**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

Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	-	The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	-	Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig.
Spud Notice (Notify BLM Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify BLM 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 BLM Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify BLM 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.

Site Specific Conditions of Approval

- Pain facilities "Shadow Gray."

- Construct well pad using pit run gravel for support

- Monitor construction operations by a permitted archaeologist.

- Monitor construction operations by a permitted paleontologist.

- Comply with all requirement of Nationwide Permit #12, as detailed in the authorization to construct.

- 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 should be conducted prior to construction of the proposed location, pipeline, or access road if construction would take place during raptor nesting season (January 1 through September 30). If active raptor nests are identified during a new survey, KMG should conduct its operations according to the seasonal restrictions detailed in the Uinta Basin-specific RMP guidelines and spatial offsets specified y the USFWS Utah Raptor Guidelines (See Appendix D)

- Conduct a new biological survey in accordance with the guidelines specified in the USFWS Rare Plant Conservation Measures for Uinta Basin hookless cactus and the 2008 BLM RMP ROD, to include a 300-foot buffer from proposed construction operations (See Appendix D), and conduct operations according to agency specifications and the requirements of the BO issued as a result of Section 7 USFWS consultation.

DOWNHOLE PROGRAM

CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Gamma Ray Log shall be run from Total Depth 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.
- Variance granted for two truck/trailer mounted air compressors located within 40 feet from the well bore and 60' from the blooie line.
- Mud Material Requirements. 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 their being no productive formations while drilling with air.
- FIT test. Variance granted due to well know geology and problems that can occur with FIT test.

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.

- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.

- 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.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU 0575B

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 921-8N

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

9. API NUMBER: 43047507340000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6515 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0705 FSL 2033 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 08 Township: 09.0S Range: 21.0E 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		
✓ NOTICE OF INTENT Approximate date work will start: 8/22/2011	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

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

Approved by the Utah Division of Oil, Gas and Mining

Date: 08/22/2011

By: 

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 8/22/2011

RECEIVED Aug. 22, 2011

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047507340000

API: 43047507340000
Well Name: NBU 921-8N
Location: 0705 FSL 2033 FWL QTR SESW SEC 08 TWNP 090S RNG 210E MER S
Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.
Date Original Permit Issued: 9/29/2009

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

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

Signature: Andy Lytle **Date:** 8/22/2011
Title: Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

RECEIVED Aug. 22, 2011

Federal Approval of this Action is Necessary

FORM 9

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

5.LEASE DESIGNATION AND SERIAL NUMBER:
UTU 0575B

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
UTE

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 921-8N

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

9. API NUMBER:
43047507340000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6515 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0705 FSL 2033 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SESW Section: 08 Township: 09.0S Range: 21.0E 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		
✓ NOTICE OF INTENT Approximate date work will start: 10/4/2011	☐ ACIDIZE	✓ ALTER CASING	☐ CASING REPAIR
	✓ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	✓ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

The operator requests authorization to deepen this well to the Blackhawk formation which resides in the Mesaverde formation. This request also includes a change in surface casing size, production casing program to Ultra DQX/LTC casing, and drilling options for the use of a Closed Loop system, as indicated in the attachment. Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: 10/13/2011

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jaime Scharnowske	720 929-6304	Regulartory Analyst
SIGNATURE		**DATE**
N/A		10/4/2011

RECEIVED Oct. 04, 2011

Kerr-McGee Oil & Gas Onshore. L.P.

NBU 921-8N

Surface: 705 FSL / 2033 FWL SESW
BHL: 705 FSL / 2033 FWL SESW

Section 8 T9S R21E

Unitah County, Utah
Mineral Lease: UTU-0575B

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

Formation	Depth	Resource
Uinta	0 - Surface	
Green River	1793	Water
Birds Nest	2080	Water
Mahogany	2654	Water
Wasatch	5248	Gas
Mesaverde	8291	Gas
Sego	10592	Gas
Castlegate	10682	Gas
MN5	11069	Gas
TVD	11669	
TD	11669	

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

RECEIVED Oct. 04, 2011

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 bottom hole pressure calculated at 11669' TVD, approximately equals 7,702 psi (0.66 psi/ft = actual bottomhole gradient)

Maximum Anticipated Bottom Hole Pressure (MABHP) = Pore Pressure at TD

Maximum anticipated surface pressure equals approximately 5,188 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

Per Onshore Order No. 2 - Max Anticipated Surf. Press.(MASP) = (Pore Pressure at next csg point-
(0.22 psi/ft-partial evac gradient x TVD of next csg point))

8. Anticipated Starting Dates:

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

9. Variances:

Please refer to the attached Drilling Program.
Onshore Order #2 – Air Drilling Variance

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

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

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

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

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

Background

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

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

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 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 8-5/8 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
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)). 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

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP			DATE	October 4, 2011
WELL NAME	**NBU 921-8N**			TD	11,669' TVD 11,669' MD
FIELD	Natural Buttes	COUNTY	Uintah	STATE	Utah FINISHED ELEVATION 4,780'
SURFACE LOCATION	SESW 705 FSL 2033 FWL	Sec 8	T 9S	R 21E	
	Latitude: 40.045324	Longitude:	-109.577808		NAD 83
BTM HOLE LOCATION	SESW 705 FSL 2033 FWL	Sec 8	T 9S	R 21E	
	Latitude: 40.045324	Longitude:	-109.577808		NAD 83
OBJECTIVE ZONE(S)	Blackhawk				
ADDITIONAL INFO	Regulatory Agencies: BlM (Minerals), Tribal (Surface), UDOGM Tri-County Health Dept.				

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12 1/4"	8-5/8", 28#, IJ-55, LTC	Air mist
		200'			
All water flows encountered while drilling will be reported to the appropriate agencies.					
			11'	8-5/8", 28#, IJ-55, LTC	Air mist
	Green River @	1,793'			
	Top of Birds Nest @	2,080'			
	Mahogany @	2,654'			
	Preset f/ GL @ 3,100' TVD				
	Note: 11" surface hole will usually be drilled ±400' below the lost circulation zone (aka bird's nest). Drilled depth may be ±200' of the estimated set depth depending on the acutal depth of the loss zone.				
	Wasatch @	5,248'			
Mud logging program TBD Cased hole logging program from TD - surf csg			7-7/8"	4-1/2" 11.6# HCP-110 Ultra DQX/LTC csg	Water / Fresh Water Mud 8.3-13.0 ppg
	Mverde @	8,291' TVD			
	MVU1 @	0,000' TVD			
	Sego @	10,592' TVD			
	Castlegate @	10,682' TVD			
	MN5 @	11,069' TVD			
Max anticipated Mud required 13.0 ppg	TD @	11,669' TVD 11,669' MD			

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	LTC TENSION	DQX TENSION
CONDUCTOR	14"	0-40'									
								3,390	1,880	348,000	N/A
SURFACE	8-5/8"	0	to	3,100	28.00	IJ-55	LTC	1.74	1.30	4.58	N/A
								10,690	8,650	279,000	367,000
PRODUCTION	4-1/2"	0	to	5,000	11.60	HCP-110	DQX	1.19	1.10		3.38
	4-1/2"	5,000	to	11,669'	11.60	HCP-110	LTC	1.19	1.10	4.50	

Surface Casing:

(Burst Assumptions: TD = 13.0 ppg) 0.73 psi/ft = frac gradient @ surface shoe

Fracture at surface shoe with 0.1 psi/ft gas gradient above

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

Production casing:

(Burst Assumptions: Pressure test with 8.4ppg @ 9000 psi) 0.66 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500'	Premium cmt + 2% CaCl	180	60%	15.80	1.15
Option 1			+ 0.25 pps flocele				
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80	1.15
			+ 2% CaCl + 0.25 pps flocele				
SURFACE		NOTE: If well will circulate water to surface, option 2 will be utilized					
Option 2	LEAD	2,600'	65/35 Poz + 6% Gel + 10 pps gilsonite	240	35%	11.00	3.82
			+ 0.25 pps Flocele + 3% salt BWOW				
	TAIL	500'	Premium cmt + 2% CaCl	150	35%	15.80	1.15
			+ 0.25 pps flocele				
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80	1.15
PRODUCTION	LEAD	4,739'	Premium Lite II +0.25 pps	370	35%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	6,930'	50/50 Poz/G + 10% salt + 2% gel	1,640	35%	14.30	1.31
			+ 0.1% R-3				

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

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

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe
PRODUCTION	Float shoe, 1 jt, float collar. No centralizers will be used.

ADDITIONAL INFORMATION

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

BOPE: 11" 5M with one annular and 2 rams. The BOPE will be installed before the production hole is drilled and tested to 5,000 psi (annular to 2,500 psi) prior to drilling out the surface casing shoe. Record on chart recorder and tour sheet. Function test rams on each trip. Maintain safety valve and inside BOP on rig floor at all times. Most rigs have top drives; however, if used, the Kelly is to be equipped with upper and lower kelly valves.

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

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

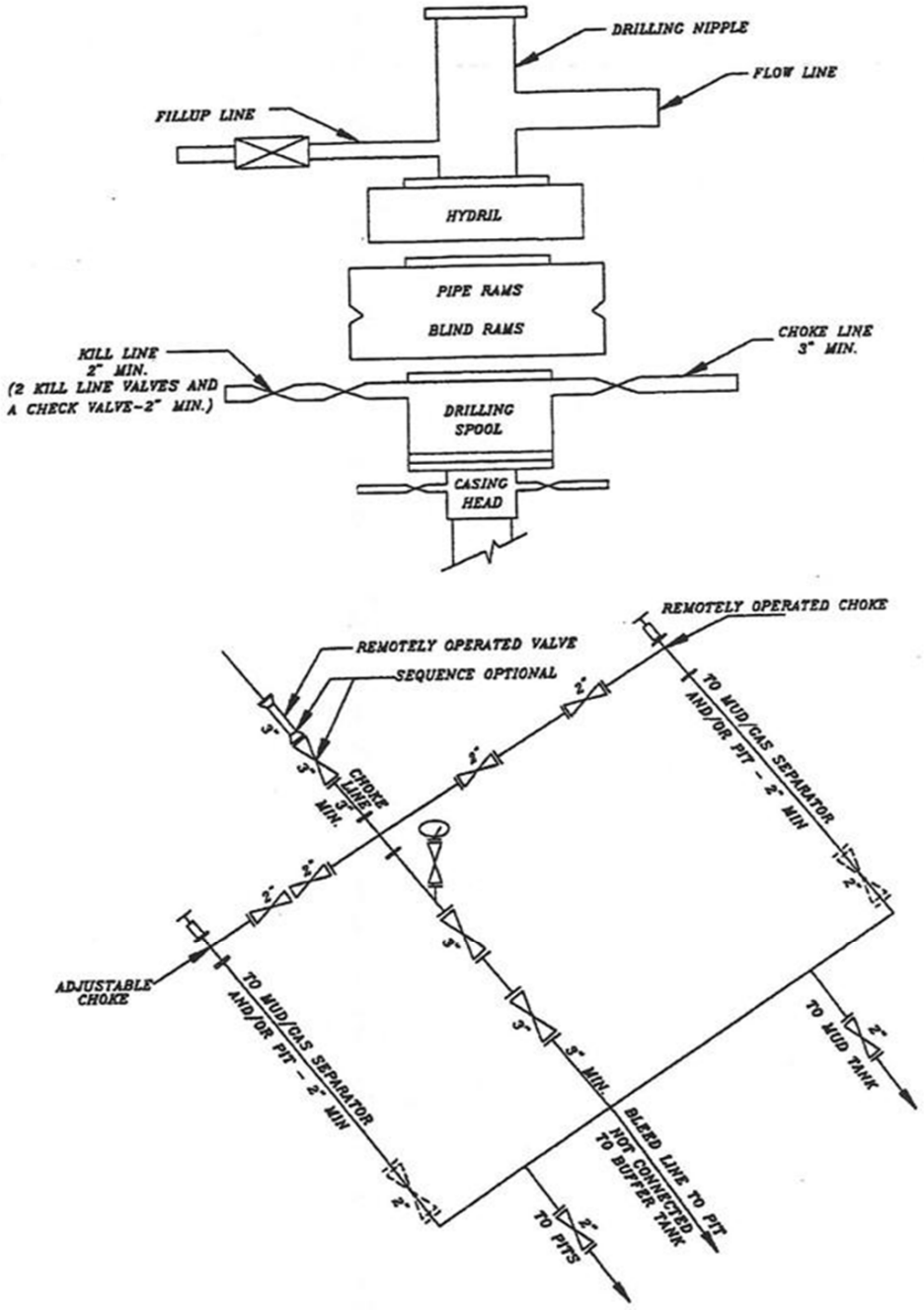
DRILLING ENGINEER: ______________________ **DATE:** ______________

Nick Spence / Emile Goodwin / Chad Loesel

DRILLING SUPERINTENDENT: ______________________ **DATE:** ______________

Kenny Gathings / Lovel Young

EXHIBIT A
NBU 921-8N



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

RECEIVED Oct. 04, 2011

Requested Drilling Options:

Kerr-McGee will use either a closed loop drilling system that will require one pit and one cuttings storage area to be constructed on the drilling pad or a traditional drilling operation with one pit used for drilling and completion operations. The cuttings storage area will be used to contain only the de-watered drill cuttings and will be lined and bermed to prevent any liquid runoff. The drill cuttings will be buried in the completion pit once completion operations are completed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit will be lined with a synthetic material 20 mil or thicker and will be used for the completing of the wells on the pad or used as part of our Aandarko Completions Transportation System (ACTS). Using the closed loop drilling system will allow Kerr-McGee to decrease the amount of disturbance/footprint on location compared to a single large drilling/completions pit.

If Kerr-McGee does not use a closed loop drilling system, it will construct a traditional drilling/completions pit to contain drill cuttings and for use in completion operations. The pit will be lined with a synthetic material 20 mil or thicker. The drill cuttings will be buried in the pit using traditional pit closure standards.

RECEIVED Oct. 04, 2011

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU 0575B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 921-8N

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

9. API NUMBER: 43047507340000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6515 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0705 FSL 2033 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 08 Township: 09.0S Range: 21.0E 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		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
✓ SPUD REPORT Date of Spud: 11/1/2011	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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" 36.7# SCHEDULE 10 PIPE. CMT W/28 SX READY MIX. SPUD WELL ON 11/01/2011 AT 1030 HRS.

Accepted by the Utah Division of Oil, Gas and Mining

FOR RECORD ONLY

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sheila Wopsock	435 781-7024	Regulatory Analyst
SIGNATURE N/A		**DATE** 11/2/2011

RECEIVED Nov. 02, 2011

SUBMIT AS EMAIL | Print Form

BLM - Vernal Field Office - Notification Form

Operator KERR-McGEE OIL & GAS Rig Name/# CAPSTAR #310
Submitted By SHEILA WOPSOCK Phone Number 435.781.7024
Well Name/Number NBU 921-8N
Qtr/Qtr SE/SW Section 8 Township 9S Range 21E
Lease Serial Number UTU-0575B
API Number 4304750734

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time 10/31/2011 1300 HRS AM ☑ PM ☐

Casing – Please report time casing run starts, not cementing times.

- ☑ Surface Casing
- ☐ Intermediate Casing
- ☐ Production Casing
- ☐ Liner
- ☐ Other

RECEIVED
OCT 2 8 2011
DIV. OF OIL, GAS & MINING

Date/Time 11/15/2011 0800 HRS AM ☑ PM ☐

BOPE

- ☐ Initial BOPE test at surface casing point
- ☐ BOPE test at intermediate casing point
- ☐ 30 day BOPE test
- ☐ Other

Date/Time _____ _____ AM ☐ PM ☐

Remarks ESTIMATED DATE AND TIME. PLEASE CONTACT ~~LOVEL YOUNG AT 435.781.7051 FOR MORE~~

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
UTU 0575B

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
UTE

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 921-8N

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

9. API NUMBER:
43047507340000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6526

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0705 FSL 2033 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SESW Section: 08 Township: 09.0S Range: 21.0E 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		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
✓ DRILLING REPORT Report Date: 11/23/2011	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

MIRU AIR RIG ON NOV. 20, 2011. DRILLED SURFACE HOLE TO 2869'. RAN SURFACE CASING AND CEMENTED. WELL IS WAITING ON ROTARY RIG. DETAILS OF CEMENT JOB WILL BE INCLUDED WITH WELL COMPLETION REPORT.

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jaime Scharnowske	720 929-6304	Regulartory Analyst
SIGNATURE		**DATE**
N/A		11/28/2011

RECEIVED Nov. 28, 2011

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5.LEASE DESIGNATION AND SERIAL NUMBER: UTU 0575B

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 921-8N

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

9. API NUMBER: 43047507340000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6526

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0705 FSL 2033 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESW Section: 08 Township: 09.0S Range: 21.0E 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		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 11/23/2011	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

MIRU AIR RIG ON NOV. 20, 2011. DRILLED SURFACE HOLE TO 2869'. RAN SURFACE CASING AND CEMENTED. WELL IS WAITING ON ROTARY RIG. DETAILS OF CEMENT JOB WILL BE INCLUDED WITH WELL COMPLETION REPORT.

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jaime Scharnowske	720 929-6304	Regulartory Analyst
SIGNATURE N/A		**DATE** 11/28/2011

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

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP
Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078
Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304751627	NBU 922-36G4BS		SWNE	36	9S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	10/1/2011			11/9/11	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL ON 11/01/2011 AT 1200 HRS. BHL = SWNE

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750778	NBU 921-8K		NESW	8	9S	21E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	10/31/2011			11/9/11	

Comments: MIRU PETE MARTIN BUCKET RIG. BLKHK = MVRD = WSMVD
SPUD WELL ON 10/31/2011 AT 1430 HRS.

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304750734	NBU 921-8N		SESW	8	9S	21E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	11/1/2011			11/9/11	

Comments: MIRU PETE MARTIN BUCKET RIG. BLKHK = MVRD = WSMVD
SPUD WELL ON 11/01/2011 AT 1030 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)

SHEILA WOPSOCK
Name (Please Print)
Signature
REGULATORY ANALYST
Title
11/1/2011
Date

(5/2000)

RECEIVED
NOV 02 2011
DIV. OF OIL, GAS & MINING

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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1. TYPE OF WELL Gas Well	**5.LEASE DESIGNATION AND SERIAL NUMBER:** UTU 0575B
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME: UTE
	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
	8. WELL NAME and NUMBER: NBU 921-8N
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	**9. API NUMBER:** 43047507340000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6514	**9. FIELD and POOL or WILDCAT:** NATURAL BUTTES
4. LOCATION OF WELL **FOOTAGES AT SURFACE:** 0705 FSL 2033 FWL **QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:** Qtr/Qtr: SESW Section: 08 Township: 09.0S Range: 21.0E 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		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 1/12/2012	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	✓ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 01/12/2012 AT 1430 HRS. 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
January 13, 2012

NAME (PLEASE PRINT) Sheila Wopsock **PHONE NUMBER** 435 781-7024	**TITLE** Regulatory Analyst
SIGNATURE N/A	**DATE** 1/13/2012

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
UTU 0575B

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

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 921-8N

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

9. API NUMBER:
43047507340000

3. ADDRESS OF OPERATOR:
P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER:
720 929-6515 Ext

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0705 FSL 2033 FWL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SESW Section: 08 Township: 09.0S Range: 21.0E 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		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
✓ DRILLING REPORT Report Date: 12/31/2011	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

MIRU ROTARY RIG. FINISHED DRILLING FROM 2869' TO 11,669' ON DEC. 27, 2011. RAN 4-1/2" 11.6# P-110 PRODUCTION CASING. CEMENTED PRODUCTION CASING. RELEASED SST RIG 54 ON DEC. 31, 2011 @ 18:00 HRS. DETAILS OF CEMENT JOB WILL BE INCLUDED WITH THE WELL COMPLETION REPORT. WELL IS WAITING ON FINAL COMPLETION ACTIVITIES.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
01/03/2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jaime Scharnowske	720 929-6304	Regulartory Analyst
SIGNATURE		**DATE**
N/A		1/3/2012

RECEIVED Jan. 03, 2012

Form 3160-4
(August 2007)

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. UTU0575B

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 LP — Contact: JAIME L. SCHARNOWSKE — E-Mail: JAIME.SCHARNOWSKE@ANADARKO.COM

8. Lease Name and Well No. NBU 921-8N

3. Address PO BOX 173779 DENVER, CO 80217

3a. Phone No. (include area code) Ph: 720-929-6304

9. API Well No. 43-047-50734

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SESW 705FSL 2033FWL 40.045324 N Lat, 109.577808 W Lon

At top prod interval reported below SESW 705FSL 2033FWL 40.045324 N Lat, 109.577808 W Lon

At total depth SESW 705FSL 2033FWL 40.045324 N Lat, 109.577808 W Lon

10. Field and Pool, or Exploratory NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area Sec 8 T9S R21E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 11/01/2011

15. Date T.D. Reached 12/27/2011

16. Date Completed ☐ D & A ☒ Ready to Prod. 01/12/2012

17. Elevations (DF, KB, RT, GL)* 4782 GL

18. Total Depth: MD 11669 TVD 11665

19. Plug Back T.D.: MD 11590 TVD 11586

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
HDIL/ZDL/CNGR-GR/RCBL

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 Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20.000	14.000 STL	36.7	0	40		28			
11.000	8.625 J-55	28.0	0	2842		655		0	
7.875	4.500 P-110	11.6	0	11634		1828		3080	

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	11153							

25. Producing Intervals / 26. Perforation Record

	Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)	MESAVERDE	9330	11504	9330 TO 11504	0.360	195	OPEN
B)							
C)							
D)							

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

Depth Interval	Amount and Type of Material
9330 TO 11504	PUMP 18,973 BBLS SLICK H2O & 420,988 LBS 30/50 OTTAWA SAND

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
01/12/2012	01/20/2012	24	→	0.0	3468.0	620.0			FLOWS FROM WELL
Choke Size	**Tbg. Press. Flwg. SI**	**Csg. Press.**	**24 Hr. Rate**	**Oil BBL**	**Gas MCF**	**Water BBL**	**Gas:Oil Ratio**	**Well Status**	
18/64	3803	4853.0	→	0	3468	620		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. SI**	**Csg. Press.**	**24 Hr. Rate**	**Oil BBL**	**Gas MCF**	**Water BBL**	**Gas:Oil Ratio**	**Well Status**	
			→						

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #131278 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

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	1788
				BIRD'S NEST	2072
				MAHOGANY	2779
				WASATCH	5262
				MESAVERDE	8369

32. Additional remarks (include plugging procedure):
The first 210?of the surface hole was drilled with a 12 ?? bit. The remainder of surface hole was drilled with an 11? bit. Attached is the chronological well history, perforation report & 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 #131278 Verified by the BLM Well Information System.
For KERR MCGEE OIL & GAS ONSHORE,L, sent to the Vernal

Name *(please print)* JAIME L. SCHARNOWSKE Title REGULATORY ANALYST

Signature (Electronic Submission) Date 02/21/2012

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 fradulent 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 921-8N			Spud Date: 11/21/2011
Project: UTAH-UINTAH	Site: NBU 921-8N		Rig Name No: PROPETRO 11/11, SST 54/54
Event: DRILLING	Start Date: 10/27/2011		End Date: 12/31/2011
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
11/20/2011	19:00 - 0:00	5.00	MIRU	01	B	P		MOVE ON TO NBU 921 8N, RU TO SPUD
11/21/2011	0:00 - 5:30	5.50	PRPSPD	01	B	P		FINISH R/U AND SPUD
	5:30 - 7:30	2.00	DRLSUR	02	D	P		DRILL 12.25" SURFACE T/210'. TOOH, LDDS. P/U 11.00" BIT
	7:30 - 0:00	16.50	DRLSUR	02	D	P		DRILL 11.00" HOLE 210' T/ 1780". (1570", 95'/HR) RPM=45, WOB 20K. PSI ON/OFF 1500/1350. UP/DOWN/ ROT 68/65/68
11/22/2011	0:00 - 15:30	15.50	DRLSUR	02	D	P		DRILL F/1780' T/2869', TD 1089@(/70'/hr)
	15:30 - 17:30	2.00	DRLSUR	05	C	P		CIRC PRIOR TO POOH
	17:30 - 19:30	2.00	DRLSUR	06	A	P		POOH LDDS, 11.00' BHA & DIR. TOOLS
	19:30 - 0:00	4.50	DRLSUR	12	A	P		MOVE PIPE RACKS AND CATWALK. PULL DIVERTER HEAD. RIG UP TO RUN CSG. AND MOVE CSG INTO POSITION TO P/U. BREAK DOWN BHA FOR CSI INSPECTION AT 250HRS
11/23/2011	0:00 - 5:30	5.50	DRLSUR	12	C	P		RUN 68 JTS 8 5/8, 28# CSNG. LAND CSNG @ 05:30, SHOE SET @ 2825', BAFFLE SET @ 2777'
	5:30 - 9:00	3.50	DRLSUR	13	A	P		PRESSURE TEST LINES TO 2500 PSI. PUMP 50 BBLS OF WATER AHEAD. PUMP 20 BBLS OF 8.3# GEL WATER AHEAD. PUMP (230 SX) 156.4 BBLS OF11.00#3.82 YD 23 GAL/SK PREMIUM CEMENT W/16% GEL. 3% SALT, 3# PER SX GR3, .25# PER SX FLOCELE, 10# PER SX GILSONITE . PUMP 200 SX TAIL, 2% CACL, .25# PER SX FLOCELE. DROP PLUG ON FLY. DISPLACE W/ 172 BBLS OF H20. FULL CIRC THROUGH OUT. FINAL LIFT OF 550 PSI AT 4 BBL/MIN. BUMP PLUG W/1100 PSI HELD FOR 5 MIN. FLOAT HELD. PUMP (125 SX) 25.6 BBLS OF SAME TAIL CEMENT W/ 2% CALC. DOWN 1". SHUT DOWN AND CLEAN TRUCK. CEMENT TO SURFACE, 22 BBLS . TOP OUT WITH 100 SX.
	9:00 - 10:00	1.00	DRLSUR	01	A	P		RIG DOWN, RELEASE RIG AT 10:00. R/D MOVE TO NEXT LOCATION
12/16/2011	18:00 - 0:00	6.00	RDMO	01	E	P		RIG DOWN PREPARE FOR TRUCKS
12/17/2011	0:00 - 6:00	6.00	RDMO	01	E	P		RIG DOWN PREPARE FOR TRUCKS
	6:00 - 18:00	12.00						SAFETY MEETING WITH L&S TRUCKING & RIG CREWS. MOVE CAMP, LAY DERRICK OVER,RIG DOWN, MOVE AND SPOT SUB,MUD TANKS, ON NEW LOCATION, RIG MOVE,(80% RIGED UP (30%. W/O/ DAYLIGHT
	18:00 - 0:00	6.00	RDMO	01	E	P		
12/18/2011	0:00 - 6:00	6.00	MIRU	01	A	P		W/O/DAYLIGHT
	6:00 - 18:00	12.00	MIRU	01	A	P		SAFETY MEETING WITH L&S TRUCKING & SST CREW. MOVE AND RIG UP SPOT AND PIN DERRICK TO RIG FLOOR RAISE DERRICK@ 12:30 PM, PICK UP TOP DRIVE@ 15:00 CONT. RIG UP,TRUCKS OFF LOCATION @ 17:00 GOOD MOVE.
	18:00 - 0:00	6.00	MIRU	01	B	P		RIG UP & WINTERIZING,
12/19/2011	0:00 - 6:00	6.00	MIRU	01	B	P		RIG UP WINTERIZING, .
	6:00 - 8:00	2.00	MIRU	14	A	P		NIPPLE DOWN WELL HEAD ADAPTOR, TO ADD SPOOL.

US ROCKIES REGION

Operation Summary Report

Well: NBU 921-8N		Spud Date: 11/21/2011	
Project: UTAH-UINTAH	Site: NBU 921-8N		Rig Name No: PROPETRO 11/11, SST 54/54
Event: DRILLING	Start Date: 10/27/2011		End Date: 12/31/2011
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	8:00 - 14:00	6.00	MIRU	14	A	P		NIPPLE UP BOP ADD SPOOL TO BOP FOR CHOCK LINE TO CLEAR SUB & NIPPLE UP STRATA ,RIG UP FLAIR LINES.
	14:00 - 15:00	1.00	MIRU	15	A	P		RIG UP B&C QUICK TEST, ATTEMPT TO TEST PIPE RAMS NO TEST LEEKING BY RAMS.
	15:00 - 20:00	5.00	MIRU	08	C	Z		OPEN BOP TO CHANGE RAM SEALS ONLY HAD ONE SEAL. CALLED FOR RAMS OR SEALS.
	20:00 - 20:30	0.50	MIRU	15	A	Z		ATTEMPT TO TEST BLIND RAMS NO TEST LEEKING BY RAMS.
	20:30 - 0:00	3.50	MIRU	08	C	Z		OPEN BOP CHANGE BLIND RAMS SEALS & W/O/ PIPE RAM SEALS.
12/20/2011	0:00 - 1:00	1.00	ALL	08	C	Z		W/O/PIPE RAM SEALS, INSTALL NEW SEALS AND INSTALL RAMS.
	1:00 - 1:30	0.50	ALL	15	A	Z		ATTEMPT TO TEST PIPE RAMS LEEKING FROM WELL HEAD ADAPTOR.
	1:30 - 4:00	2.50	ALL	14	A	Z		NIPPLE DOWN BOP FLOW LINE VALVE,CHOCK LINE, WELL HEAD ADAPTOR,CHANGE O-RING,REPAIR LEEK, NIPPLE UP SAME.
	4:00 - 10:00	6.00	MIRU	15	A	P		TEST WELL HEAD ADAPTOR TESTED, TEST BOP 250 LOW & 5000 HIGH, PIPE RAMS & INSIDE VALVES, LEEK ON DRILLING SPOOL,HAMMER UP TIGHT, TESTED,RAMS OUTSIDE VALVES,CHOKE LINE,CHECK VALVE,INSIDE MANIFOLD VALVES,BLIND RAMS,CHOKE LINE & MANIFOLD VALVES, LEEK BETWEEN CHOKE & VALVE, HAMMER UP TIGHT TESTED,OK LEEK ON SPOOL FLANGE BETWEEN BOP & SPOOL HAMMER UP TIGHT, TESTED,ALL FLOOR VALVES. TEST 250 LOW 3000 HIGH, HYDRILL,STAND PIPE,KELLY HOSE, MUD LINE, TEST CASING 2000 PSI. 1/2 HR. GOOD TEST RIG DOWN B&C QUICK TEST.
	10:00 - 11:00	1.00	DRLPRO	06	A	P		SAFETY MEETING KIMZEY CASING SER.& RIG CREW, RIG UP L/D MACHINE
	11:00 - 16:00	5.00	DRLPRO	06	A	P		PICK UP MOTOR BIT MWD DIRECTIONAL BHA, & DRILL PIPE TAG@ 2,726'
	16:00 - 16:30	0.50	DRLPRO	06	A	P		RIG DOWN L/D MACHINE
	16:30 - 17:00	0.50	DRLPRO	02	F	P		SAFETY INSPECTION & PRE SPUD MEETING
	17:00 - 17:30	0.50	DRLPRO	07	A	P		RIG SERVICE
	17:30 - 19:30	2.00	DRLPRO	02	F	P		DRILL CEMENT & FLOAT EQUIPMENT F/ 2,726' TO 2,883' FLOAT COLLAR@ 2,777', SHOE@ 2,825'
	19:30 - 0:00	4.50	DRLPRO	02	B	P		DRLG ROTATE/SLIDE/SURVEY. 2,883' TO 3,279, 396, AROP 88, WOB 18/20K. TDRPM 55 MM RPM 120. GPM.500 PSI ON/OFF 1950/1525,TORQUE ON/OFF 5885/2550. NO FLARE.
12/21/2011	0:00 - 12:00	12.00	DRLPRO	02	B	P		DRLG ROTATE/SLIDE/SURVEY. 3279' TO 4707'. 1428' @ 119 FPH. WOB 18 TO 22K. TD RPM 60. MM RPM 123. PUMPING 515 GPM. PSI ON/OFF 2050/1720. TORQUE ON/OFF 6730/2690. NO FLARE. VIS 27 WT 8.4
	12:00 - 12:30	0.50	DRLPRO	07	A	P		RIG SERVICE. FUNCTION BOP.

US ROCKIES REGION

Operation Summary Report

Well: NBU 921-8N		Spud Date: 11/21/2011
Project: UTAH-UINTAH	Site: NBU 921-8N	Rig Name No: PROPETRO 11/11, SST 54/54
Event: DRILLING	Start Date: 10/27/2011	End Date: 12/31/2011
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	12:30 - 0:00	11.50	DRLPRO	02	B	P		DRLG ROTATE/SLIDE/SURVEY. 4707' TO 5989'. 1282' @ 111.5 FPH. WOB 20 TO 24K. TD RPM 50. MM RPM 118. PUMPING 490 GPM. PSI ON/OFF 2040/1600. TORQUE ON/OFF 6620/3240. NO FLARE VIS 27 WT 8.4
12/22/2011	0:00 - 11:30	11.50	DRLPRO	02	B	P		DRLG. ROTATE/SLIDE/SURVEY. 5989' TO 7090'. 1101' @ 95.7 FPH. WOB 22K. TD RPM 60. MM RPM 124. PUMPING 520 GPM. PSI ON/OFF 2240/1840. TORQUE ON/OFF 6470/4260. NO FLARE. PUMP 40 VIS SWEEPS.
	11:30 - 12:00	0.50	DRLPRO	07	A	P		RIG SERVICE. FUNCTION BOP.
	12:00 - 13:30	1.50	DRLPRO	02	B	P		DRLG. ROTATE/SURVEY. 7090' TO 7280'. 190' @ 126.6 FPH. WOB 22K. TD RPM 58. MM RPM 122. PUMPING 510 GPM. PSI ON/OFF 2270/1820. TORQUE ON/OFF 9440/4260. NO FLARE. PUMPING 40 VIS SWEEPS.
	13:30 - 15:00	1.50	DRLPRO	08	C	X		WORK ON GAS BUSTER. PLUGGED WITH CUTTING.
	15:00 - 22:30	7.50	DRLPRO	02	B	P		DRLG. ROTATE/SLIDE/SURVEY. 7280' TO 7750'. 470' @ 62.7 FPH. WOB 22K. TD RPM 50. MM RPM 120. PUMPING 500GPM. PAI ON/OFF 2230/1900. TORQUE ON/OFF 7740/4310. 2' FLARE 28 VIS. 9.0 WT.
	22:30 - 23:30	1.00	DRLPRO	06	H	P		TRIP OUT 10 STD DP TO REPACK SWIVEL.
	23:30 - 0:00	0.50	DRLPRO	08	B	P		REPACK SWIVEL.
12/23/2011	0:00 - 1:30	1.50	DRLPRO	08	B	P		REPACK SWIVEL
	1:30 - 2:00	0.50	DRLPRO	06	H	P		TRIP IN HOLE. 12' FLARE BOTTOMS UP.
	2:00 - 15:00	13.00	DRLPRO	02	B	P		DRLG. ROTATE/SLIDE/SURVEY. 7750' TO 8612'. 862' @ 66.3 FPH. WOB 20K. TD RPM 60. MM RPM 123. PUMPING 515 GPM. PSI ON/OFF 2450/2060. TORQUE ON/OFF 9950/5110. NO FLARE. VIS 30. WT 8.8
	15:00 - 15:30	0.50	DRLPRO	07	A	P		RIG SERVICE. FUNCTION BOP.
	15:30 - 21:00	5.50	DRLPRO	02	B	P		DRLG. ROTATE/SLIDE/SURVEY. 8612' TO 8995'. 383' @ 69.6 FPH. WOB 20K. TD RPM 50. MM RPM 115. PUMPING 480 GPM. PSI ON/OFF 2300/1925. TORQUE ON/OFF 8540/5110. NO FLARE. VIS 36 WT 9.2
	21:00 - 21:30	0.50	DRLPRO	08	C	P		CHANGE OUT STRATA ROTATING RUBBER.
	21:30 - 0:00	2.50	DRLPRO	02	B	P		DRLG. ROTATE/SURVEY. 8995' TO 9175'. 180' @ 72 FPH. WOB 20K. TD RPM 50. MM RPM 115. PUMPING 480 GPM. PSI ON/OFF 2480/2050. TORQUE ON/OFF 10240/5110. 3 TO 8' FLARE. VIS 33. WT 9.2.
12/24/2011	0:00 - 17:00	17.00	DRLPRO	02	B	P		DRLG. ROTATE/SURVEY. 9175' TO 10,326'. 1151' @ 67.7 FPH. WOB 18K. TD RPM 50. MM RPM 112. PUMPING 465 GPM. PSI ON/OFF 2645/2185. TORQUE ON/OFF 11,300/8100. INTERMITTENT FLARE 2 TO 8'. VIS 35 WT 9.8. STRATA WIDE OPEN - 80 PSI BACK PRESSURE.
	17:00 - 17:30	0.50	DRLPRO	07	A	P		RIG SERVICE. FUNCTION BOP.

US ROCKIES REGION

Operation Summary Report

Well: NBU 921-8N		Spud Date: 11/21/2011
Project: UTAH-UINTAH	Site: NBU 921-8N	Rig Name No: PROPETRO 11/11, SST 54/54
Event: DRILLING	Start Date: 10/27/2011	End Date: 12/31/2011
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	17:30 - 19:00	1.50	DRLPRO	02	B	P		DRLG. ROTATE/SUVEY. 10,326' TO 10,421'. 95' @ 63.3 FPH. WOB 18K. TD RPM 50. MM RPM 112. PUMPING 465 GPM. PSI ON/OFF 2610/2140. TORQUE ON/OFF 11,500/8130. INTERMITTENT FLARE 4'. VIS 34 WT 9.9. STRATA WIDE OPEN - 80 PSI BACK PRESSURE.
	19:00 - 19:30	0.50	DRLPRO	08	A	P		CHANGE FILTERS ON TOP DRIVE.
	19:30 - 0:00	4.50	DRLPRO	02	B	P		DRLG. ROTATE/SURVEY. 10,421' TO 10,624'. 203' @ 45.1 FPH. WOB 18 TO 20K. TD RPM 45. MM RPM 108. PUMPING 451 GPM. PSI ON/OFF 2560/2380. TORQUE ON/OFF 8660/7890. NO FLARE. VIS 39. WT 10.0. STRATA WIDE OPEN - 80 PSI BACK PRESSURE.
12/25/2011	0:00 - 20:30	20.50	DRLPRO	02	B	P		DRLG. ROTATE/SURVEY. 10,624' TO 11,182'. 558, @ 27.2 FPH. WOB 18 TO 20K. TD RPM 50. MM RPM 105. PUMPING 441 GPM. PSI ON/OFF 2570/2325. TORQUE ON/OFF 10,100/7110. VIS 44. WT 9.7. SSTRATA WIDE OPEN. 80 PSI BACK PRESSURE.
	20:30 - 21:00	0.50	DRLPRO	07	A	P		RIG SERVICE. FUNCTION BOP.
	21:00 - 0:00	3.00	DRLPRO	02	B	P		DRLG. ROTATE/SURVEY. 11,182' TO 11,270'. 88' @ 29.3 FPH. WOB 18 TO 20K. TD RPM 45. MM RPM 109. PUMPING 455 GPM. PSI ON/OFF 2675/2330. TORQUE ON/OFF 9100/7110. OCCASIONAL 8' FLARE. VIS 46. WT 9.9. STRATA WIDE OPEN 75 PSI BACK PRESSURE.
12/26/2011	0:00 - 16:30	16.50	DRLPRO	02	B	P		DRLG. ROTATE/SURVEY. 11,270' TO 11,544' 274' @ 16.6 FPH. WOB 18K. TD RPM 50. MM RPM 100. PUMPING 416 GPM. PSI ON/OFF 2725/2395. TORQUE ON/OFF 7540/5120. GOOD 8 TO 10' FLARE AT 11310' TO 11320' WT 11.1 IN, 10.6 OUT. HOLE SEEPING GOOD, LOST 300 BBL MUD. ADDD 10% LCM BY 11,500'
	16:30 - 17:30	1.00	DRLPRO	07	A	P		RIG SERVICE. FUNCTION BOP. CLEAN VALVES IN MUD PUMP.
	17:30 - 0:00	6.50	DRLPRO	02	B	P		DRLG. ROTATE/SURVEY. 11,544' TO 11,652'. 108' @ 16.6 FPH. WOB 20 TO 22K. TD RPM 45. MM RPM 105. PUMPING 441 GPM. PSI ON/OFF 2630/2490. TORQUE ON/OFF 6550/5120. OCCASIONAL 4 TO 8' FLARE. VIS 46. WT 11.5 IN 11.2 OUT. HOLE SEEPING. LOST 30 BBL. LCM 12%
12/27/2011	0:00 - 1:30	1.50	DRLPRO	02	B	P		DRLG. ROTATE/SURVEY. 11,652' TO 11,669'. 17' @ 11.3 FPH. WOB 20K. TD RPM 45. MM RPM 100. PSI ON/OFF 2700/2470. TORQUE ON/OFF 6500/5120. OCCASIONAL 6 TO 8' FLARE. HOLE SEEPING. LOST 30 BBL. LCM 12%.
	1:30 - 3:00	1.50	DRLPRO	05	A	P		CIRCULATE AND CONDITION MUD. HOLE SEEPING. LOST 30 BBL.
	3:00 - 3:30	0.50	DRLPRO	08	B	P		STRATA ROTATING RUBBER SPLIT. REPLACE RUBBER.
	3:30 - 5:30	2.00	DRLPRO	05	A	P		CIRCULATE AND CONDITION MUD. SPOT 100 BBL OF 12.5# MUD ON BOTTOM.
	5:30 - 12:30	7.00	DRLPRO	06	E	P		WIPER TRIP OUT
	12:30 - 15:00	2.50	DRLPRO	06	J	P		LAY DOWN DIRECTIONAL TOOLS. PICK UP BIT SUB & TRICONE RERUN BIT. FUNCTION BLIND RAMS.

US ROCKIES REGION

Operation Summary Report

Well: NBU 921-8N		Spud Date: 11/21/2011
Project: UTAH-UINTAH	Site: NBU 921-8N	Rig Name No: PROPETRO 11/11, SST 54/54
Event: DRILLING	Start Date: 10/27/2011	End Date: 12/31/2011
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	15:00 - 17:00	2.00	DRLPRO	06	E	P		TRIP IN HOLE TO 2625',
	17:00 - 19:00	2.00	DRLPRO	09	A	P		SLIP & CUT 107' DLRG LINE. RIG SERVICE.
	19:00 - 0:00	5.00	DRLPRO	06	E	P		TRIP IN HOLE. BREAK CIRCULATION @ 4050'. WASH THROUGH BRIDGES 5440' TO 5490', 5550' TO 5590', 5600' TO 5625', 5645' TO 5660'.
12/28/2011	0:00 - 17:30	17.50	DRLPRO	06	E	P		TRIP IN HOLE WASH TROUGH BRIDGES 5674' TO 5690'. 5729' TO 6020'. TRIP IN 6020' TO 6355'. WASH 6355' TO 7600'. LOST 100 BBL MUD @ 6400'. LOST 100 BBL MUD @ 7300'.TRIP IN 7600' TO 8140'. WASH 8140' TO 8520'. TIN 8520' TO 11,496'. WASH 173' TO BOTTOM. 170' OF FILL. 8' FLARE BOTTOMS UP.
	17:30 - 20:30	3.00	DRLPRO	05	A	P		CIRCULATE AND CONDITION HOLE. PUMP DRY JOB.
	20:30 - 0:00	3.50	DRLPRO	06	B	P		TRIP OUT FOR LOGS
12/29/2011	0:00 - 3:30	3.50	DRLPRO	06	B	P		TRIP OUT OF HOLE FOR LOGS
	3:30 - 4:00	0.50	DRLPRO	11	D	P		RIG UP BAKER ATLAS WIRELINE. HOLD PJSM.
	4:00 - 7:00	3.00	DRLPRO	11	D	P		RUN TRIPLE COMBO LOG BY BAKER ATLAS. TOOLS STOOD UP @ 5540'. POOH & RIG DOWN TOOLS.
	7:00 - 14:00	7.00	DRLPRO	06	B	P		TRIP IN HOLE. WASH TROUGH BRIDGE @ 5540'. WAS 247' TO BOTTOM. NO FILL
	14:00 - 17:00	3.00	DRLPRO	05	A	P		CIRCULATE AND CONDITION HOLE.
	17:00 - 0:00	7.00	DRLPRO	06	D	P		RIG UP LAY DOWN MACHINE. HOLD PJSM WITH FRANKS WESTATES AND LAY DOWN DP.
12/30/2011	0:00 - 3:30	3.50	DRLPRO	06	D	P		LAY DOWN DP. RIG DOWN LAY DOWN MACHINE.
	3:30 - 10:00	6.50	DRLPRO	11	D	P		RIG UP BAKER ATLAS WIRELINE. PJSM. RUN TRIPLE COMBO OPEN HOLE LOGS. LOGGERS DEPTH 11,659'. DRILLER DEPTH 11,669'. RIG DOWN WIRELINE.
	10:00 - 11:00	1.00	DRLPRO	14	B	P		PULL WEAR BUSHING
	11:00 - 12:30	1.50	DRLPRO	12	A	P		RIG UP FRANKS WESTATE & LAY DOWN MACHINE
	12:30 - 19:00	6.50	DRLPRO	12	C	P		RUN 151 JTS OF 4.5",11.6#, P 110, LT&C CASING & 129 JTS OF 4.5", 11.6#, P 110, DQX CASING WITH WEATHERFORD GUIDE SHOE & FLOAT COLLAR LOCATED 1 JT ABOVE SHOE. 20 CENTRALIZERS SPACED 10' ABOVE SHOE, 2ND & 3RD COLLARS, & EVERY THIRD COLLAR TO 9412'. MARKER JTS @ 11,000' & 8228'. CROSS OVER JT @ 5287'.
	19:00 - 22:00	3.00	DRLPRO	21	D	P		CIRCULATE CASING & WAIT ON REPLACEMENT CROSS/OVER JT.
	22:00 - 0:00	2.00	DRLPRO	12	C	P		RUN 4.5" CASING.
12/31/2011	0:00 - 4:00	4.00	DRLPRO	12	C	P		RUN 4.5" PRODUCTION CASING. WASH 5 JOINTS TO BOTTOM. LAND CASING @ 11,634' KB.
	4:00 - 6:30	2.50	DRLPRO	05	A	P		CIRCULATE CASING WITH RIG PUMP. 30' FLARE BOTTOMS UP.

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Project: UTAH-UINTAH	Site: NBU 921-8N		Rig Name No: PROPETRO 11/11, SST 54/54
Event: DRILLING	Start Date: 10/27/2011		End Date: 12/31/2011
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	6:30 - 10:00	3.50	DRLPRO	12	E	P		RIG UP BJ. HOLD PJSM. CEMENT WELL WITH 504 SX LEAD CEMENT WITH PL11 + 6% GEL, 0.3% RS, .25 PPS CELLO FLAKE, 0.4% SM, 0.005% SF, & 0.6% FL-52A. TAILED IN WITH 1324 SX 50/50 POZ MIX WITH 2% GEL, 0.2% R-3, 10% SALT, & 0.005% SF. PUMPED 25 BBL FRESH WATER AHEAD OF CEMENT. MIXED LEAD CEMENT @ 12.0 PPG WITH YIELD OF 1.31 CF/SX. MIXED TAIL CEMENT @ 14.3 PPG WITH YIELD OF 1.31 CF/SX. HOLE CIRCULATED GOOD THROUGH OUT JOB. DISPLACED CEMENT WITH 181 BBL FRESH WATER WITH CLAYSTAY. CIRCULATED 20 BBL CEMENT TO SURFACE. FINALE LIFT PRESSURE 3100 PSI. BUMP PLUG TO 3600 PSI. CHECK FLOATS. FLOATS HELD. HOLE STOOD FULL.
	10:00 - 16:00	6.00	DRLPRO	14	A	P		NIPPLE DOWN BOP. SET SLIPS AND CUT OFF CASING
	16:00 - 18:00	2.00	DRLPRO	24		P		CLEAN MUD TANKS. RELEASE RIG @ 18:00, 12/31/2011.

1 General

1.1 Customer Information

Company	US ROCKIES REGION
Representative	
Address	

1.2 Well/Wellbore Information

Well	NBU 921-8N	**Wellbore No.**	OH
Well Name	NBU 921-8N	**Wellbore Name**	NBU 921-8N
Report No.	1	**Report Date**	11/21/2011
Project	UTAH-UINTAH	**Site**	NBU 921-8N
Rig Name/No.		**Event**	COMPLETION
Start Date	1/6/2012	**End Date**	
Spud Date	11/21/2011	**Active Datum**	RKB @4,800.00usft (above Mean Sea Level)
UWI	SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0		

1.3 General

Contractor	SUPERIOR	**Job Method**		**Supervisor**	BJ BRAITHWAITE
Perforated Assembly		**Conveyed Method**			

1.4 Initial Conditions

Fluid Type		**Fluid Density**	
Surface Press		**Estimate Res Press**	
TVD Fluid Top		**Fluid Head**	
Hydrostatic Press		**Press Difference**	
Balance Cond	NEUTRAL		

1.5 Summary

Gross Interval	9,330.0 (usft)-11,504.0 (us	**Start Date/Time**	1/9/2011 12:00AM
No. of Intervals	37	**End Date/Time**	1/9/2011 12:00AM
Total Shots	195	**Net Perforation Interval**	63.00 (usft)
Avg Shot Density	3.10 (shot/ft)	**Final Surface Pressure**	
		Final Press Date	

2 Intervals

2.1 Perforated Interval

Date	Formation/ Reservoir	CCL@ (usft)	CCL-TS (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diameter (in)	Carr Type /Carr Manuf	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
1/9/2011 12:00AM	MESA VERDE/			9,330.0	9,332.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTION	

2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-TS (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diameter (in)	Carr Type /Carr Manuf	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
1/9/2011 12:00AM	MESA VERDE/			9,372.0	9,374.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,416.0	9,418.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,490.0	9,492.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,528.0	9,530.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,559.0	9,561.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,574.0	9,576.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,640.0	9,642.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,670.0	9,672.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,694.0	9,696.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,718.0	9,720.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,771.0	9,772.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,790.0	9,791.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,818.0	9,819.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,829.0	9,830.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,880.0	9,882.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,920.0	9,921.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			9,963.0	9,964.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			10,026.0	10,028.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			10,115.0	10,117.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			10,308.0	10,310.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			10,320.0	10,322.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	

2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-TS (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diameter (in)	Carr Type /Carr Manuf	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
1/9/2011 12:00AM	MESA VERDE/			11,108.0	11,110.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,130.0	11,134.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,146.0	11,148.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,183.0	11,184.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,192.0	11,194.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,211.0	11,212.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,235.0	11,236.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,273.0	11,274.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,286.0	11,288.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,310.0	11,311.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,390.0	11,392.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,415.0	11,416.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,424.0	11,426.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,451.0	11,452.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
1/9/2011 12:00AM	MESA VERDE/			11,502.0	11,504.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	

3 Plots

US ROCKIES REGION

Operation Summary Report

Well: NBU 921-8N		Spud Date: 11/21/2011	
Project: UTAH-UINTAH	Site: NBU 921-8N		Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 1/6/2012		End Date:
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
1/6/2012	7:00 - 7:15	0.25	COMP	48		P		HSM, SLIPS, TRIPS & FALLS, RIGGING UP, PRESS TESTING.
	7:15 - 16:00	8.75	COMP	30	A	P		MIRU, ND WH, NU FRAC VALVE'S, SURFACE CSG VALVE OPEN & LOCKED. FILL SURFACE CSG & 4 1/2" CSG W/ BRINE, MIRU B&C QUICK TEST. PRESS TEST CSG & FRAC VALVE'S TO 1,000 PSI. HELD FOR 15 MIN LOST 10 PSI. PRESS TEST CSG & FRAC VALVE'S TO 3,500 PSI. HELD FOR 15 MIN LOST 43 PSI. PRESS TEST CSG & FRAC VALVE'S TO 7,000 PSI. HELD FOR 30 MIN LOST 106 PSI. NO COMMUNICATION WITH SURFACE CSG. PREP TO PERF & FRAC ON MONDAY, SWI, SDFWE.
1/9/2012	6:30 - 6:45	0.25	COMP	48		P		HSM, SLIPS, TRIPS & FALLS, WIRELINE & FRACING
	6:45 - 17:00	10.25	COMP	36	E	P		PERF STG 1) PU 3 1/8 EXP GUN, 23 GRM, .36 HOLE SIZE, 120 DEG PHASING, RIH PERF AS PER DESIGN, POOH, X-OVER FOR FRAC CREW. PRIME UP PUMPS & PRESS TEST LINES TO 9,500 PSI, LOST 750 PSI, NO VISIBLE LEAKS. FRAC STG 1) WHP 285 PSI, BRK 5,011 PSI @ 6.4 BPM, ISIP 3,902 PSI, FG .78. CALC PERFS OPEN INJ RATE 51.2 BPM @ 7,902 PSI = 20/24 HOLES OPEN 83%. ISIP 4,254 PSI, FG .81, NPI 352 PSI. MP 8,659 PSI, MR 52.2 BPM, AP 7,501 PSI, AR 48.6 BPM, PUMPED 30/50 LTC SAND. SWI, X-OVER FOR WL. PERF STG 2) PU 4 1/2" 10K HAL CBP & 3 1/8 EXP GUN, 23 GRM, .36 HOLE SIZE. 120 DEG PHASING, RIH SET CBP @ 11,340' P/U PERF AS PER DESIGN. POOH. X-OVER FOR FRAC CREW. FRAC STG 2) WHP 3,330 PSI, BRK 4,527 PSI @ 4.8 BPM, ISIP 3,878 PSI, FG .78. CALC PERFS OPEN INJ RATE 54.4 BPM @ 7,219 PSI = 27/27 HOLES OPEN 100%. ISIP 4,166 PSI, FG .81, NPI 288 PSI. MP 8,652 PSI, MR 56.6 BPM, AP 7,427 PSI, AR 54.9 BPM, PUMPED 30/50 LTC SAND. SWI, X-OVER FOR WL. PERF STG 3) PU 4 1/2" 10K HAL CBP & 3 1/8 EXP GUN, 23 GRM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 11,173' P/U PERF AS PER DESIGN, POOH, SWI, SDFN.
1/10/2012	6:30 - 6:45	0.25	COMP	48		P		HSM, SLIPS, TRIPS & FALLS, PERF & FRAC, PRESS ON LINES

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Project: UTAH-UINTAH	Site: NBU 921-8N		Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 1/6/2012		End Date:
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	6:45 - 18:30	11.75	COMP	36	E	P		FRAC STG 3) WHP 3,550 PSI, BRK 4,436 PSI @ 4.5 BPM, ISIP 3,975 PSI, FG .80. CALC PERFS OPEN INJ RATE 47.2 BPM @ 7,748 PSI = 18/24 HOLES OPEN 76%. ISIP 4,000 PSI, FG .80, NPI 25 PSI. MP 8,650 PSI, MR 54.8 BPM, AP 7,154 PSI, AR 53.9 BPM, PUMPED 30/50 LTC SAND. SWI, X-OVER FOR WL. PERF STG 4) PU 4 1/2" 8K HAL CBP & 3 1/8 EXP GUN, 23 GRM, .36 HOLE SIZE. 120 DEG PHASING, RIH SET 8K CBP @ 10,352' P/U PERF AS PER DESIGN. POOH. X-OVER FOR FRAC CREW. FRAC STG 4) WHP 2,190 PSI, BRK 3,943 PSI @ 4.5 BPM, ISIP 2,949 PSI, FG .73. CALC PERFS OPEN INJ RATE 38.7 BPM @ 5,930 PSI = 16/24 HOLES OPEN 66%. ISIP 3,161 PSI, FG .75, NPI 212 PSI. MP 6,445 PSI, MR 52.9 BPM, AP 6,073 PSI, AR 49 BPM, PUMPED 30/50 OTTAWA SAND. SWI, X-OVER FOR WL. PERF STG 5) PU 4 1/2" 8K HAL CBP & 3 1/8 EXP GUN, 23 GRM, .36 HOLE SIZE. 120 DEG PHASING, RIH SET 8K CBP @ 9,994' P/U PERF AS PER DESIGN. POOH. X-OVER FOR FRAC CREW. FRAC STG 5) WHP 2,070 PSI, BRK 4,025 PSI @ 4.8 BPM, ISIP 2,678 PSI, FG .71. CALC PERFS OPEN INJ RATE 43.9 BPM @ 6,277 PSI = 16/24 HOLES OPEN 67%. ISIP 2,963 PSI, FG .74, NPI 285 PSI. MP 6,506 PSI, MR 51.9 BPM, AP 5,935 PSI, AR 48.5 BPM, PUMPED 30/50 OTTAWA SAND. SWI, X-OVER FOR WL. PERF STG 6) PU 4 1/2" 8K HAL CBP & 3 1/8 EXP GUN, 23 GRM, .36 HOLE SIZE. 120 DEG PHASING, RIH SET 8K CBP @ 9,750' P/U PERF AS PER DESIGN. POOH. X-OVER FOR FRAC CREW. FRAC STG 6) WHP 2,400 PSI, BRK 4,389 PSI @ 4.8 BPM, ISIP 2,707 PSI, FG .72. CALC PERFS OPEN INJ RATE 47.9 BPM @ 5,899 PSI = 20/24 HOLES OPEN 85%. ISIP 2,760 PSI, FG .72, NPI 53 PSI. MP 6,538 PSI, MR 50.7 BPM, AP 5,965 PSI, AR 48.2 BPM, PUMPED 30/50 OTTAWA SAND. SWI, X-OVER FOR WL. PERF STG 7) PU 4 1/2" 8K HAL CBP & 3 1/8 EXP GUN, 23 GRM, .36 HOLE SIZE. 120 DEG PHASING,

US ROCKIES REGION

Operation Summary Report

Well: NBU 921-8N		Spud Date: 11/21/2011	
Project: UTAH-UINTAH	Site: NBU 921-8N		Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 1/6/2012		End Date:
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
								RIH SET 8K CBP @ 9,596' P/U PERF AS PER DESIGN. POOH. X-OVER FOR FRAC CREW. FRAC STG 7) WHP 2,215 PSI, BRK 4,572 PSI @ 4.9 BPM, ISIP 2,626 PSI, FG .71. CALC PERFS OPEN INJ RATE 50.4 BPM @ 5,918 PSI = 21/24 HOLES OPEN 89%. ISIP 2,849 PSI, FG .74, NPI 223 PSI. MP 6,222 PSI, MR 50.8 BPM, AP 5,535 PSI, AR 50.4 BPM, PUMPED 30/50 OTTAWA SAND. SWI, X-OVER FOR WL. PERF STG 8) PU 4 1/2" 8K HAL CBP & 3 1/8 EXP GUN, 23 GRM, .36 HOLE SIZE. 120 DEG PHASING, RIH SET 8K CBP @ 9,448' P/U PERF AS PER DESIGN. POOH. X-OVER FOR FRAC CREW. FRAC STG 8) WHP 1,830 PSI, BRK 3,080 PSI @ 4.4 BPM, ISIP 1,981 PSI, FG .65. CALC PERFS OPEN INJ RATE 48.4 BPM @ 5,996 PSI = 17/24 HOLES OPEN 70%. ISIP 2,979 PSI, FG .76, NPI 998 PSI. MP 6,434 PSI, MR 50.7 BPM, AP 5,475 PSI, AR 50.5 BPM, PUMPED 30/50 OTTAWA SAND. SWI, X-OVER FOR WL. PU 4 1/2" 8K HAL CBP, RIH & SET TOP KILL @ 9,280', POOH, RDMO SUPERIOR & JW WIRELINE, SWI, SDFN. TOTAL SAND = 420,988 LBS TOTAL CLFL = 18,973 BBLS BIOCIDE = 388 GALLONS SCALE = 1,201 GALLONS
1/11/2012	7:00 - 7:15	0.25	COMP	48		P		HSM, SLIPS, TRIPS & FALLS, PU TBG

US ROCKIES REGION

Operation Summary Report

Well: NBU 921-8N		Spud Date: 11/21/2011	
Project: UTAH-UINTAH	Site: NBU 921-8N		Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 1/6/2012		End Date:
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:15 - 17:30	10.25	COMP	31	I	P		ND F/V, NU BOP, R/U FLOOR & TBG EQUIP, R/U HAL 9000 & FLOWLINE TO FB TANKS, SPOT TBG TRAILER, P/U TBG, REMOVE THREAD PROTECTORS, TALLY & DRIFT TBG TO KILL PLUG, R/U P/S, FILL TBG, BREAK CIRC, PRESS TEST BOP TO 3,000 PSI FOR 15 MIN, LOST 0 PSI, SURFACE CSG VALVE OPEN & LOCKED, START DRLG PLUGS. C/O 5' SAND, TAG 1ST PLUG @ 9,280' DRL PLUG IN 10 MIN. 1,500 PSI INCREASE RIH, CSG PRESS 250 PSI. C/O 20' SAND, TAG 2ND PLUG @ 9,448' DRL PLUG IN 9 MIN. 900 PSI INCREASE RIH, CSG PRESS 600 PSI. C/O 10' SAND, TAG 3RD PLUG @ 9,596' DRL PLUG IN 11 MIN.0 PSI INCREASE (NO KICK), CSG PRESS 600 PSI. LET WELL CLEAN UP FOR 30 MIN, D/O REMAINING PLUGS IN AM, DRAIN & WINTERIZE EQUIP, SWI, SDFN.
1/12/2012	7:00 - 7:15	0.25	COMP	48		P		HSM, MAKING CONNECTIONS / DRLG OUT

US ROCKIES REGION

Operation Summary Report

Well: NBU 921-8N		Spud Date: 11/21/2011
Project: UTAH-UINTAH	Site: NBU 921-8N	Rig Name No: GWS 1/1
Event: COMPLETION	Start Date: 1/6/2012	End Date:
Active Datum: RKB @4,800.00usft (above Mean Sea Level)	UWI: SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:15 - 7:15	0.00	COMP	44				CHECK PRESSURES, SITP=0#, SICP=2,300#, BLOW CSG DN, CONT TO RIH TAG SAND @=9,740' [10' SAND] P/U PWR SWVL, BRK CIRC W/ RIG PUMP, PLUG #4] C/O AND DRL THROUGH PLUG @=9,750' IN 8 MIN. W/ 300# KICK. PUG #5] CONT TO RIH, TAG @=9974' [20' SAND] C/O AND DRL THROUGH PLUG @=9,994' IN 8 MIN. W/ 500# KICK. PLUG #6] CONT TO RIH, TAG SAND @=10,342' [10' SAND] C/O AND DRL THROUGH PLUG @=10,352' IN 10 MIN. W/ 600# KICK. PLUG #7] CONT TO RIH, TAG SAND @=11,158' [15' SAND] C/O AND DRL THROUGH PLUG @=11,173' IN 10 MIN. W/ 900# KICK. PLUG #8] CONT TO RIH, TAG SAND @=11,330' [10' SAND] C/O AND DRL THROUGH PLUG @=11,340' IN 12 MIN. W/ 400# KICK, CONT TO RIH TAG @=11,482', C/O TO PBTD @=11,580' CIRC HOLE, R/D POWER SWVEL, L/D 23 JNTS TOTAL ON FLOAT, P/U HANGER LAND TBG W/ 351 JNTS 2-3/8 L-80 TBG, R/D TBG EQUIP, N/D BOPS, N/U WELL HEAD, PUMP OFF BIT W/ 23 BBLS @=4,000 #, W/ EOT @=11,153' MIRU B&C TESTERS, PRESSURE TEST FLOW LINE TO 2,000#, [GOOD TEST] R/D TESTERS, TURN OVER TO FLOW TESTERS. R/D MOVE RIG TO NBU 1021-29P1CS. SDFN. TBG DETAIL KB 18.00 HANGER .83 351 JNTS 2-3/8 L-80 11,131.97 TOP HALF POBS 2.20 EOT @= 11,153.00
1/20/2012	7:00 -		PROD	50				WELL IP'D ON 1/20/12 - 3468 MCFD, 0 BOPD, 620 BWPD, CP 4853 #, FTP 3803#, CK 18/64", LP 106#, 24 HRS

1 General

1.1 Customer Information

Company	US ROCKIES REGION
Representative	
Address	

1.2 Well Information

Well	NBU 921-8N	**Wellbore No.**	OH
Well Name	NBU 921-8N	**Common Name**	NBU 921-8N
Project	UTAH-UINTAH	**Site**	NBU 921-8N
Vertical Section Azimuth	0.00 (°)	**North Reference**	True
Origin N/S		**Origin E/W**	
Spud Date	11/21/2011	**UWI**	SE/SW/0/9/S/21/E/8/0/0/26/PM/S/705/W/0/2033/0/0
Active Datum	RKB @4,800.00usft (above Mean Sea Level)		

2 Survey Name

2.1 Survey Name: Survey #1

Survey Name	Survey #1	**Company**	WEATHERFORD
Started	11/21/2011	**Ended**	
Tool Name		**Engineer**	Anadarko Employee

2.1.1 Tie On Point

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

2.1.2 Survey Stations

Date	Type	MD (usft)	Inc (°)	Azi (°)	TVD (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Build (°/100usft)	Turn (°/100usft)	TFace (°)
11/21/2011	Tie On	14.00	0.00	0.00	14.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11/21/2011	NORMAL	188.00	0.98	35.24	187.99	1.22	0.86	1.22	0.56	0.56	0.00	35.24
	NORMAL	273.00	1.29	35.18	272.97	2.59	1.83	2.59	0.36	0.36	-0.07	-0.25
	NORMAL	354.00	1.29	34.23	353.95	4.09	2.87	4.09	0.03	0.00	-1.17	-90.47
	NORMAL	654.00	0.69	340.10	653.91	8.58	4.15	8.58	0.35	-0.20	-18.04	-147.73
	NORMAL	954.00	0.88	1.23	953.89	12.58	3.59	12.58	0.11	0.06	7.04	67.59
	NORMAL	1,254.00	0.69	19.35	1,253.86	16.59	4.23	16.59	0.10	-0.06	6.04	136.26
	NORMAL	1,554.00	0.19	258.10	1,553.85	18.19	4.35	18.19	0.27	-0.17	-40.42	-168.36
11/22/2011	NORMAL	1,854.00	0.19	285.48	1,853.85	18.22	3.38	18.22	0.03	0.00	9.13	103.69
	NORMAL	2,154.00	0.56	258.85	2,153.84	18.07	1.46	18.07	0.13	0.12	-8.88	-38.94
	NORMAL	2,454.00	0.81	229.23	2,453.82	16.40	-1.58	16.40	0.14	0.08	-9.87	-70.20
	NORMAL	2,824.00	0.93	199.53	2,823.78	11.87	-4.57	11.87	0.12	0.03	-8.03	-90.27

2.2 Survey Name: Survey #2

Survey Name	Survey #2	**Company**	LEAM
Started	12/20/2011	**Ended**	
Tool Name	EM	**Engineer**	Anadarko Employee

2.2.1 Tie On Point

MD (usft)	Inc (°)	Azi (°)	TVD (usft)	N/S (usft)	E/W (usft)
2,797.70	0.93	199.53	2,797.70	11.87	-4.57

2.2.2 Survey Stations

Date	Type	MD (usft)	Inc (°)	Azi (°)	TVD (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Build (°/100usft)	Turn (°/100usft)	TFace (°)
12/20/2011	Tie On	2,797.70	0.93	199.53	2,797.70	11.87	-4.57	11.87	0.00	0.00	0.00	0.00
12/20/2011	NORMAL	2,851.00	0.97	180.16	2,850.99	11.01	-4.72	11.01	0.60	0.08	-36.34	-92.65
	NORMAL	2,946.00	0.57	305.76	2,945.99	10.48	-5.10	10.48	1.45	-0.42	132.21	160.40
	NORMAL	3,041.00	1.58	316.74	3,040.97	11.71	-6.38	11.71	1.08	1.06	11.56	17.05
	NORMAL	3,136.00	2.24	343.02	3,135.92	14.44	-7.82	14.44	1.14	0.69	27.66	66.62
	NORMAL	3,232.00	1.98	340.83	3,231.85	17.80	-8.91	17.80	0.28	-0.27	-2.28	-163.86
	NORMAL	3,327.00	1.98	351.53	3,326.80	20.98	-9.70	20.98	0.39	0.00	11.26	95.35
	NORMAL	3,422.00	1.23	345.31	3,421.76	23.52	-10.47	23.52	0.00	0.00	0.00	0.00
	NORMAL	3,518.00	2.46	332.12	3,517.71	26.34	-11.70	26.34	1.35	1.28	-13.74	-25.72
	NORMAL	3,709.00	1.71	322.90	3,708.58	32.06	-15.55	32.06	0.38	-0.38	-0.91	-175.88
12/21/2011	NORMAL	3,327.00	1.98	341.53	3,326.80	20.98	-9.70	20.98	0.00	0.00	0.00	0.00
	NORMAL	3,422.00	1.23	345.31	3,421.76	23.52	-10.47	23.52	0.80	-0.79	3.98	173.85
	NORMAL	3,613.00	2.07	323.77	3,612.63	29.52	-13.67	29.52	0.54	-0.41	-8.79	-143.88
	NORMAL	3,803.00	1.36	301.36	3,802.55	33.76	-17.35	33.76	0.71	-0.37	-22.91	-131.71
	NORMAL	3,898.00	2.46	319.64	3,897.50	35.90	-19.64	35.90	1.31	1.16	19.24	38.32
	NORMAL	3,994.00	2.24	306.20	3,993.42	38.58	-22.48	38.58	0.62	-0.23	-14.00	-118.39
	NORMAL	4,089.00	1.58	296.09	4,088.36	40.25	-25.16	40.25	0.78	-0.69	-10.64	-157.95
	NORMAL	4,184.00	2.72	317.45	4,183.30	42.49	-27.86	42.49	1.45	1.20	22.48	46.09
	NORMAL	4,280.00	2.20	314.46	4,279.21	45.46	-30.72	45.46	0.56	-0.54	-3.11	-167.63
	NORMAL	4,375.00	1.67	316.83	4,374.15	47.75	-32.96	47.75	0.56	-0.56	2.49	172.60
	NORMAL	4,470.00	2.24	319.64	4,469.10	50.17	-35.11	50.17	0.61	0.60	2.96	10.95
	NORMAL	4,566.00	1.54	326.94	4,565.04	52.68	-37.03	52.68	0.77	-0.73	7.60	164.64
	NORMAL	4,661.00	2.07	339.60	4,660.00	55.36	-38.33	55.36	0.69	0.56	13.33	43.40
	NORMAL	4,756.00	1.19	358.93	4,754.96	57.95	-38.94	57.95	1.08	-0.93	20.35	157.42
	NORMAL	4,851.00	1.32	342.06	4,849.94	59.98	-39.30	59.98	0.41	0.14	-17.76	-79.18
	NORMAL	4,946.00	1.14	353.57	4,944.91	61.96	-39.74	61.96	0.32	-0.19	12.12	131.74
	NORMAL	5,041.00	0.44	43.49	5,039.90	63.17	-39.60	63.17	0.97	-0.74	52.55	158.55
	NORMAL	5,136.00	0.53	136.04	5,134.90	63.11	-39.04	63.11	0.74	0.09	97.42	131.20
	NORMAL	5,231.00	0.79	133.67	5,229.90	62.35	-38.26	62.35	0.28	0.27	-2.49	-7.18
	NORMAL	5,327.00	0.09	347.86	5,325.89	61.96	-37.80	61.96	0.90	-0.73	-151.89	-176.65
	NORMAL	5,422.00	0.18	243.35	5,420.89	61.97	-37.95	61.97	0.23	0.09	-110.01	-127.79
	NORMAL	5,518.00	0.79	281.06	5,516.89	62.03	-38.73	62.03	0.68	0.64	39.28	47.36
	NORMAL	5,613.00	1.23	338.98	5,611.88	63.11	-39.74	63.11	1.11	0.46	60.97	97.47
	NORMAL	5,708.00	0.70	329.31	5,706.86	64.56	-40.40	64.56	0.58	-0.56	-10.18	-167.71
	NORMAL	5,804.00	0.57	327.91	5,802.86	65.46	-40.96	65.46	0.14	-0.14	-1.46	-173.89
	NORMAL	5,898.00	0.66	281.06	5,896.85	65.96	-41.73	65.96	0.53	0.10	-49.84	-103.84
	NORMAL	5,993.00	0.53	284.40	5,991.85	66.18	-42.70	66.18	0.14	-0.14	3.52	166.73
12/22/2011	NORMAL	6,089.00	0.75	284.40	6,087.84	66.45	-43.74	66.45	0.23	0.23	0.00	0.00
	NORMAL	6,184.00	0.66	270.34	6,182.83	66.60	-44.89	66.60	0.20	-0.09	-14.80	-124.40
	NORMAL	6,280.00	0.79	242.04	6,278.83	66.30	-46.02	66.30	0.39	0.14	-29.48	-84.57
	NORMAL	6,376.00	0.70	238.87	6,374.82	65.68	-47.11	65.68	0.10	-0.09	-3.30	-156.97
	NORMAL	6,471.00	1.01	221.91	6,469.81	64.76	-48.17	64.76	0.42	0.33	-17.85	-47.91
	NORMAL	6,566.00	0.26	192.47	6,564.80	63.93	-48.77	63.93	0.84	-0.79	-30.99	-170.74
	NORMAL	6,661.00	0.92	36.11	6,659.80	64.33	-48.37	64.33	1.22	0.69	-164.59	-161.50
	NORMAL	6,757.00	0.75	69.16	6,755.79	65.18	-47.33	65.18	0.52	-0.18	34.43	125.46
	NORMAL	6,852.00	1.32	24.95	6,850.77	66.39	-46.28	66.39	0.99	0.60	-46.54	-77.96
	NORMAL	6,948.00	1.10	35.14	6,946.75	68.15	-45.29	68.15	0.32	-0.23	10.61	140.65
	NORMAL	7,043.00	0.53	78.38	7,041.74	68.98	-44.33	68.98	0.84	-0.60	45.52	153.04
	NORMAL	7,139.00	0.75	103.70	7,137.74	68.92	-43.29	68.92	0.37	0.23	26.38	65.24

2.2.2 Survey Stations (Continued)

Date	Type	MD (usft)	Inc (°)	Azi (°)	TVD (usft)	N/S (usft)	E/W (usft)	V. Sec (usft)	DLeg (°/100usft)	Build (°/100usft)	Turn (°/100usft)	TFace (°)
12/22/2011	NORMAL	7,233.00	0.83	148.35	7,231.73	68.20	-42.33	68.20	0.64	0.09	47.50	105.29
	NORMAL	7,329.00	1.45	165.48	7,327.71	66.43	-41.66	66.43	0.73	0.65	17.84	37.54
	NORMAL	7,424.00	0.13	192.11	7,422.70	65.16	-41.38	65.16	1.41	-1.39	28.03	177.50
	NORMAL	7,519.00	0.26	181.74	7,517.70	64.84	-41.41	64.84	0.14	0.14	-10.92	-20.41
	NORMAL	7,615.00	0.44	197.39	7,613.70	64.27	-41.53	64.27	0.21	0.19	16.30	35.95
12/23/2011	NORMAL	7,710.00	0.88	203.01	7,708.69	63.25	-41.92	63.25	0.47	0.46	5.92	11.19
	NORMAL	7,806.00	0.97	190.01	7,804.68	61.77	-42.35	61.77	0.24	0.09	-13.54	-73.38
	NORMAL	7,900.00	1.54	183.68	7,898.65	59.73	-42.57	59.73	0.62	0.61	-6.73	-16.85
	NORMAL	7,996.00	1.67	176.73	7,994.62	57.04	-42.58	57.04	0.24	0.14	-7.24	-59.77
	NORMAL	8,091.00	0.75	162.32	8,089.60	55.07	-42.31	55.07	1.01	-0.97	-15.17	-168.81
	NORMAL	8,186.00	1.23	160.30	8,184.58	53.52	-41.78	53.52	0.51	0.51	-2.13	-5.17
	NORMAL	8,282.00	0.09	352.60	8,280.57	52.62	-41.44	52.62	1.37	-1.19	-174.69	-179.17
	NORMAL	8,377.00	1.19	322.90	8,375.57	53.48	-42.04	53.48	1.17	1.16	-31.26	-32.00
	NORMAL	8,473.00	1.19	334.59	8,471.55	55.18	-43.07	55.18	0.25	0.00	12.18	95.84
	NORMAL	8,568.00	0.92	10.71	8,566.53	56.82	-43.35	56.82	0.74	-0.28	38.02	129.48
	NORMAL	8,662.00	0.48	29.69	8,660.52	57.90	-43.02	57.90	0.52	-0.47	20.19	161.48
	NORMAL	8,757.00	0.44	46.66	8,755.52	58.50	-42.56	58.50	0.15	-0.04	17.86	114.73
	NORMAL	8,853.00	0.48	82.16	8,851.52	58.81	-41.89	58.81	0.29	0.04	36.98	100.01
	NORMAL	8,948.00	0.79	120.84	8,946.51	58.52	-40.93	58.52	0.54	0.33	40.72	74.52
	NORMAL	9,042.00	0.97	134.37	9,040.50	57.64	-39.81	57.64	0.29	0.19	14.39	56.00
	NORMAL	9,138.00	1.19	153.18	9,136.48	56.18	-38.78	56.18	0.43	0.23	19.59	67.81
12/24/2011	NORMAL	9,233.00	1.14	147.29	9,231.46	54.50	-37.82	54.50	0.14	-0.05	-6.20	-115.59
	NORMAL	9,328.00	1.67	149.31	9,326.44	52.52	-36.60	52.52	0.56	0.56	2.13	6.35
	NORMAL	9,424.00	1.89	146.76	9,422.39	49.99	-35.02	49.99	0.24	0.23	-2.66	-21.08
	NORMAL	9,519.00	1.85	148.35	9,517.34	47.37	-33.36	47.37	0.07	-0.04	1.67	128.42
	NORMAL	9,614.00	1.71	142.54	9,612.29	44.94	-31.69	44.94	0.24	-0.15	-6.12	-130.68
	NORMAL	9,709.00	1.85	148.96	9,707.25	42.50	-30.04	42.50	0.26	0.15	6.76	58.17
	NORMAL	9,804.00	1.89	162.67	9,802.20	39.70	-28.78	39.70	0.47	0.04	14.43	91.77
	NORMAL	9,900.00	2.55	158.10	9,898.12	36.20	-27.51	36.20	0.71	0.69	-4.76	-17.31
	NORMAL	9,995.00	3.12	148.78	9,993.01	32.03	-25.39	32.03	0.77	0.60	-9.81	-43.68
	NORMAL	10,091.00	3.65	153.97	10,088.84	27.05	-22.69	27.05	0.64	0.55	5.41	32.64
	NORMAL	10,184.00	3.60	153.35	10,181.65	21.78	-20.08	21.78	0.07	-0.05	-0.67	-142.21
	NORMAL	10,280.00	3.51	152.48	10,277.47	16.48	-17.37	16.48	0.11	-0.09	-0.91	-149.50
	NORMAL	10,374.00	3.43	141.49	10,371.30	11.73	-14.29	11.73	0.71	-0.09	-11.69	-102.32
	NORMAL	10,469.00	3.60	137.27	10,466.12	7.31	-10.50	7.31	0.33	0.18	-4.44	-58.81
	NORMAL	10,564.00	2.72	137.27	10,560.97	3.47	-6.94	3.47	0.93	-0.93	0.00	180.00
12/25/2011	NORMAL	10,659.00	2.64	131.38	10,655.87	0.37	-3.77	0.37	0.30	-0.08	-6.20	-109.13
	NORMAL	10,755.00	2.42	124.70	10,751.78	-2.25	-0.45	-2.25	0.38	-0.23	-6.96	-130.03
	NORMAL	10,850.00	2.46	134.63	10,846.69	-4.82	2.65	-4.82	0.45	0.04	10.45	89.57
	NORMAL	10,944.00	2.59	133.49	10,940.60	-7.70	5.63	-7.70	0.15	0.14	-1.21	-21.69
	NORMAL	11,039.00	2.46	141.75	11,035.51	-10.78	8.45	-10.78	0.41	-0.14	8.69	113.75
	NORMAL	11,135.00	2.64	142.10	11,131.41	-14.14	11.08	-14.14	0.19	0.19	0.36	5.12
	NORMAL	11,230.00	2.77	143.60	11,226.31	-17.72	13.79	-17.72	0.16	0.14	1.58	29.32
12/26/2011	NORMAL	11,325.00	2.99	148.35	11,321.19	-21.67	16.45	-21.67	0.34	0.23	5.00	49.72
	NORMAL	11,421.00	2.94	149.58	11,417.06	-25.93	19.01	-25.93	0.08	-0.05	1.28	128.78
12/27/2011	NORMAL	11,516.00	2.94	150.28	11,511.93	-30.15	21.45	-30.15	0.04	0.00	0.74	90.35
	NORMAL	11,612.00	2.81	150.19	11,607.81	-34.33	23.84	-34.33	0.14	-0.14	-0.09	-178.06
	NORMAL	11,622.00	2.94	151.25	11,617.80	-34.76	24.09	-34.76	1.40	1.30	10.60	22.77
12/29/2011	NORMAL	11,669.00	2.94	151.25	11,664.74	-36.88	25.25	-36.88	0.00	0.00	0.00	90.00