

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

FORM 3

AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL		1. WELL NAME and NUMBER NBU 1022-204CS
2. TYPE OF WORK DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/>		3. FIELD OR WILDCAT NATURAL BUTTES
4. TYPE OF WELL Gas Well Coalbed Methane Well: NO		5. UNIT or COMMUNITIZATION AGREEMENT NAME NATURAL BUTTES
6. NAME OF OPERATOR KERR-MCGEE OIL & GAS ONSHORE, L.P.		7. OPERATOR PHONE 720 929-6515
8. ADDRESS OF OPERATOR P.O. Box 173779, Denver, CO, 80217		9. OPERATOR E-MAIL julie.jacobson@anadarko.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) ST UT ML 22651	11. MINERAL OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>	
12. SURFACE OWNERSHIP FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>		13. NAME OF SURFACE OWNER (if box 12 = 'fee')
14. SURFACE OWNER PHONE (if box 12 = 'fee')		15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee')
16. SURFACE OWNER E-MAIL (if box 12 = 'fee')		17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')
18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/>		19. SLANT VERTICAL <input type="checkbox"/> DIRECTIONAL <input checked="" type="checkbox"/> HORIZONTAL <input type="checkbox"/>

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	220 FSL 1402 FEL	SWSE	2	10.0 S	22.0 E	S
Top of Uppermost Producing Zone	95 FSL 1804 FEL	SWSE	2	10.0 S	22.0 E	S
At Total Depth	95 FSL 1804 FEL	SWSE	2	10.0 S	22.0 E	S

21. COUNTY UINTAH	22. DISTANCE TO NEAREST LEASE LINE (Feet) 95	23. NUMBER OF ACRES IN DRILLING UNIT 620
24. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 798	25. PROPOSED DEPTH MD: 8581 TVD: 8543	
26. ELEVATION - GROUND LEVEL 5098	27. BOND NUMBER 22013542	28. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE 43-8496

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
Surf	11	8.625	0 - 2160	28.0	J-55 LT&C	0.2	Type V	180	1.15	15.8
							Class G	270	1.15	15.8
Prod	7.875	4.5	0 - 8581	11.6	I-80 LT&C	12.5	Premium Lite High Strength	270	3.38	11.0
							50/50 Poz	1170	1.31	14.3

ATTACHMENTS

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

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input type="checkbox"/> AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	<input type="checkbox"/> FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
<input checked="" type="checkbox"/> DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	<input checked="" type="checkbox"/> TOPOGRAPHICAL MAP

NAME Gina Becker	TITLE Regulatory Analyst II	PHONE 720 929-6086
SIGNATURE	DATE 08/10/2011	EMAIL gina.becker@anadarko.com
API NUMBER ASSIGNED 43047518460000	APPROVAL  Permit Manager	

Kerr-McGee Oil & Gas Onshore. L.P.**NBU 1022-2O4CS**

Surface: 220 FSL / 1402 FEL SWSE
 BHL: 95 FSL / 1804 FEL SWSE

Section 2 T10S R22E

Uintah County, Utah
 Mineral Lease: ST UT ML 22651

ONSHORE ORDER NO. 1**DRILLING PROGRAM**

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

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
Green River	1032	
Birds Nest	1338	Water
Mahogany	1709	Water
Wasatch	4133	Gas
Mesaverde	6339	Gas
MVU2	7326	Gas
MVL1	7913	Gas
TVD	8543	
TD	8581	

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 bottom hole pressure calculated at 8543' TVD, approximately equals
 5,468 psi 0.64 psi/ft = actual bottomhole gradient

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

Maximum anticipated surface pressure equals approximately 3,576 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 11 inch 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.

Conclusion

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

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP
DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS			
						BURST	COLLAPSE	LTC	BTC
CONDUCTOR	14"	0-40'							
SURFACE	8-5/8"	0 to 2,160	28.00	IJ-55	LTC	3,390	1,880	348,000	N/A
PRODUCTION	4-1/2"	0 to 8,581	11.60	I-80	LTC/BTC	2.50	1.86	6.57	N/A
						7,780	6,350	279,000	367,000
						1.11	1.14	3.46	4.56

Surface Casing:

(Burst Assumptions: TD = 12.5 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 @ 7000 psi) 0.64 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 + 0.25 pps flocele	180	60%	15.80	1.15
Option 1	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt + 2% CaCl + 0.25 pps flocele	270	0%	15.80	1.15
NOTE: If well will circulate water to surface, option 2 will be utilized							
SURFACE	LEAD	1,660'	65/35 Poz + 6% Gel + 10 pps gilsonite + 0.25 pps Flocele + 3% salt BWOW	150	35%	11.00	3.82
Option 2	TAIL	500'	Premium cmt + 2% CaCl + 0.25 pps flocele	150	35%	15.80	1.15
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80	1.15
PRODUCTION	LEAD	3,631'	Premium Lite II +0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	270	20%	11.00	3.38
	TAIL	4,950'	50/50 Poz/G + 10% salt + 2% gel + 0.1% R-3	1,170	35%	14.30	1.31

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

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

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

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

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

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

DRILLING ENGINEER:

Nick Spence / Danny Showers

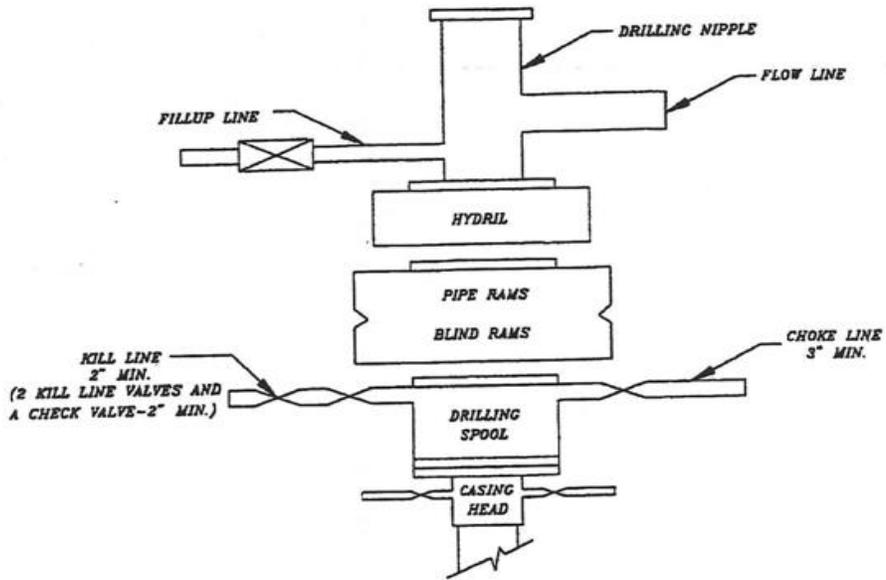
DATE: _____

DRILLING SUPERINTENDENT:

Kenny Gathings / Lovel Young

DATE: _____

EXHIBIT A
NBU 1022-204CS



SCHMATIC DIAGRAM OF 5,000 PSI BOP STACK

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

Found 1977
Brass Cap in
Pile of Stones,
Fence Post.

S89°57'E - 80.56 (G.L.O.)

Found 1977
Brass Cap,
Steel Post.

S89°59'39"E - 2658.67' (Meas.)

S89°58'01"E - 2658.78' (Meas.)

NORTH - 40.28 (G.L.O.)
N00°02'06"W - 2658.04' (Meas.)
20.275 (G.L.O.)
20.005 (G.L.O.)

20.50 (G.L.O.)
N00°18'14"W - 2679.29' (Meas.)
N0°16'W - 40.60 (G.L.O.)
20.10 (G.L.O.)

Found 1991
Aluminum Cap
with Pile of
Stones.
N0°10'W - 40.06 (G.L.O.)
N00°11'35"W - 2643.82' (Meas.)

Found 1991
Aluminum Cap,
Pile of Stones.

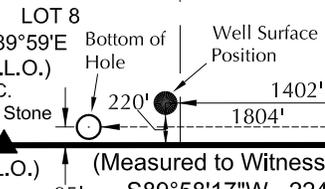
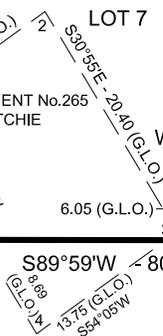
WELL LOCATION: NBU 1022-2O4CS

ELEV. UNGRADED GROUND = 5098.0'

N00°00'47"W (Basis of Bearings)
2623.27' (Measured)
N0°01'E - 39.75 (G.L.O.)

Found 1991
Aluminum Cap,
Steel Post &
Pile of Stones.

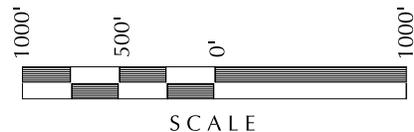
25.23 (G.L.O.)
(Measured to Witness Corner)
N89°55'57"W - 3073.93'



Found 1991 Aluminum
Cap with Pile of
Stones. Fence Post
on SE side of Cap.

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. The Bottom of hole bears S72°37'58"W 420.95' from the Surface Position.
- 4. Bearings are based on Global Positioning Satellite observations.
- 5. 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'.



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.

John R. Laugel
PROFESSIONAL LAND SURVEYOR
REGISTRATION No. 6028691
STATE OF UTAH
2-25-11

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

WELL PAD: NBU 1022-2P

**NBU 1022-2O4CS
WELL PLAT**

**95' FSL, 1804' FEL (Bottom Hole)
LOT 8 OF SECTION 2, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH.**



CONSULTING, LLC
2155 North Main Street
Sheridan WY 82801
Phone 307-674-0609
Fax 307-674-0182

TIMBERLINE

(435) 789-1365

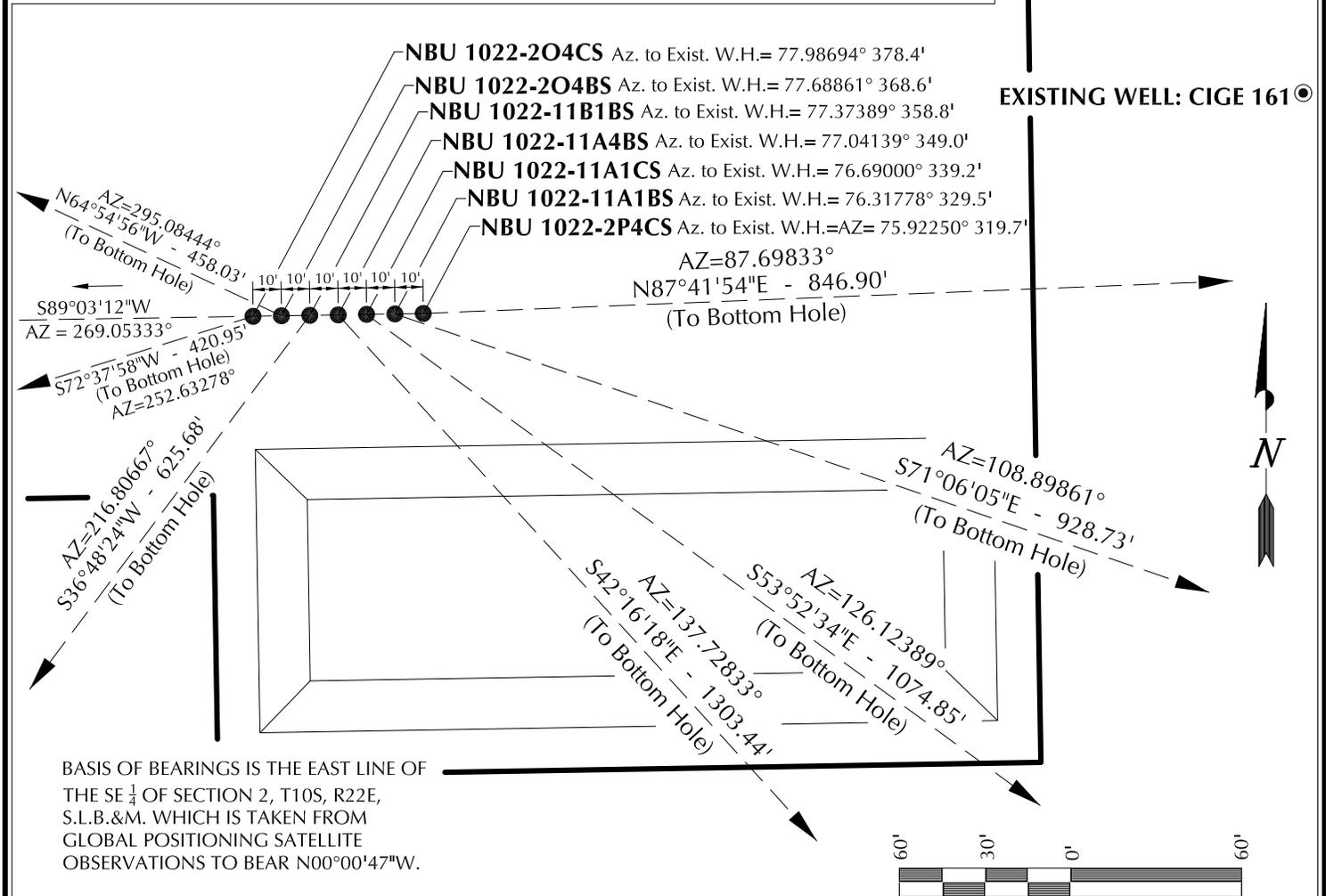
ENGINEERING & LAND SURVEYING, INC.
209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE SURVEYED: 01-06-11	SURVEYED BY: R.Y.	SHEET NO: 7
DATE DRAWN: 01-24-11	DRAWN BY: M.W.W.	7 OF 19
SCALE: 1" = 1000'	Date Last Revised:	

WELL NAME	SURFACE POSITION					BOTTOM HOLE				
	NAD83		NAD27		FOOTAGES	NAD83		NAD27		FOOTAGES
	LATITUDE	LONGITUDE	LATITUDE	LONGITUDE		LATITUDE	LONGITUDE	LATITUDE	LONGITUDE	
NBU 1022-2P4CS	39°58'16.698"	109°24'08.866"	39°58'16.822"	109°24'06.413"	221' FSL 1342' FEL	39°58'17.028"	109°23'57.999"	39°58'17.152"	109°23'55.547"	255' FSL 496' FEL
NBU 1022-11A1BS	39°58'16.697"	109°24'08.994"	39°58'16.820"	109°24'06.542"	221' FSL 1352' FEL	39°58'13.718"	109°23'57.714"	39°58'13.842"	109°23'55.262"	80' FNL 473' FEL
NBU 1022-11A1CS	39°58'16.695"	109°24'09.122"	39°58'16.819"	109°24'06.670"	221' FSL 1362' FEL	39°58'10.428"	109°23'57.980"	39°58'10.552"	109°23'55.528"	413' FNL 491' FEL
NBU 1022-11A4BS	39°58'16.693"	109°24'09.251"	39°58'16.817"	109°24'06.798"	221' FSL 1372' FEL	39°58'07.158"	109°23'58.001"	39°58'07.282"	109°23'55.550"	744' FNL 490' FEL
NBU 1022-11B1BS	39°58'16.692"	109°24'09.379"	39°58'16.815"	109°24'06.927"	221' FSL 1382' FEL	39°58'11.745"	109°24'14.197"	39°58'11.868"	109°24'11.744"	280' FNL 1755' FEL
NBU 1022-2O4BS	39°58'16.690"	109°24'09.508"	39°58'16.814"	109°24'07.055"	221' FSL 1392' FEL	39°58'18.612"	109°24'14.833"	39°58'18.735"	109°24'12.380"	415' FSL 1807' FEL
NBU 1022-2O4CS	39°58'16.689"	109°24'09.636"	39°58'16.812"	109°24'07.184"	220' FSL 1402' FEL	39°58'15.450"	109°24'14.796"	39°58'15.574"	109°24'12.343"	95' FSL 1804' FEL
CIGE 161	39°58'17.464"	109°24'04.883"	39°58'17.588"	109°24'02.431"	299' FSL 1032' FEL	39°58'17.464"	109°24'04.883"	39°58'17.588"	109°24'02.431"	

RELATIVE COORDINATES - From Surface Position to Bottom Hole

WELL NAME	NORTH	EAST	WELL NAME	NORTH	EAST	WELL NAME	NORTH	EAST	WELL NAME	NORTH	EAST
NBU 1022-2P4CS	34.0'	846.2'	NBU 1022-11A1BS	-300.8'	878.7'	NBU 1022-11A1CS	-633.7'	868.2'	NBU 1022-11A4BS	-964.5'	876.8'
NBU 1022-11B1BS	-501.0'	-374.9'	NBU 1022-2O4BS	194.2'	-414.8'	NBU 1022-2O4CS	-125.7'	-401.8'			



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

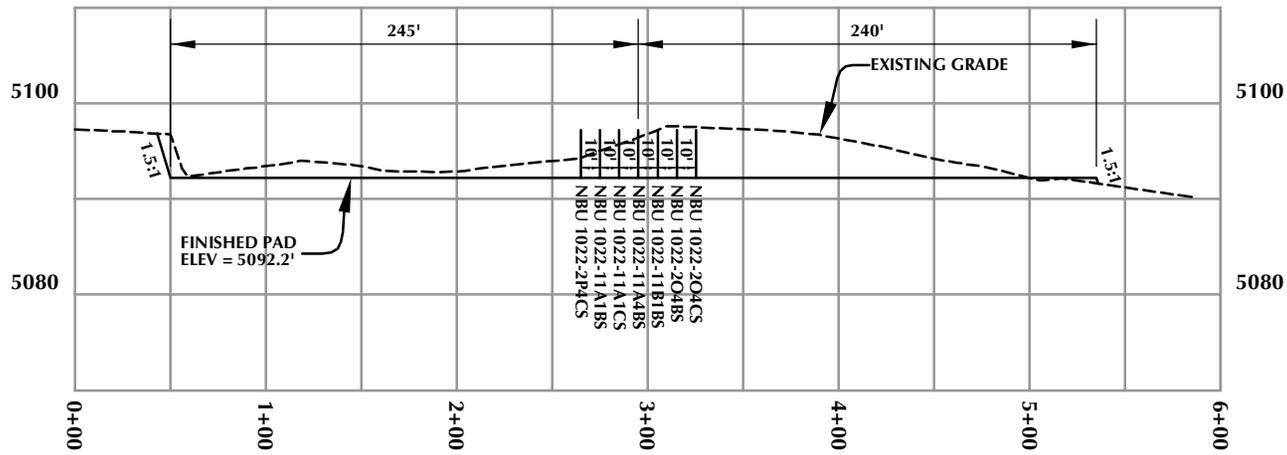
WELL PAD - NBU 1022-2P
WELL PAD INTERFERENCE PLAT WELLS - NBU 1022-2P4CS, NBU 1022-11A1BS, NBU 1022-11A1CS, NBU 1022-11A4BS, NBU 1022-11B1BS, NBU 1022-2O4BS & NBU 1022-2O4CS LOCATED IN SECTION 2, T10S, R22E, S.L.B.&M., Uintah County, Utah.

609

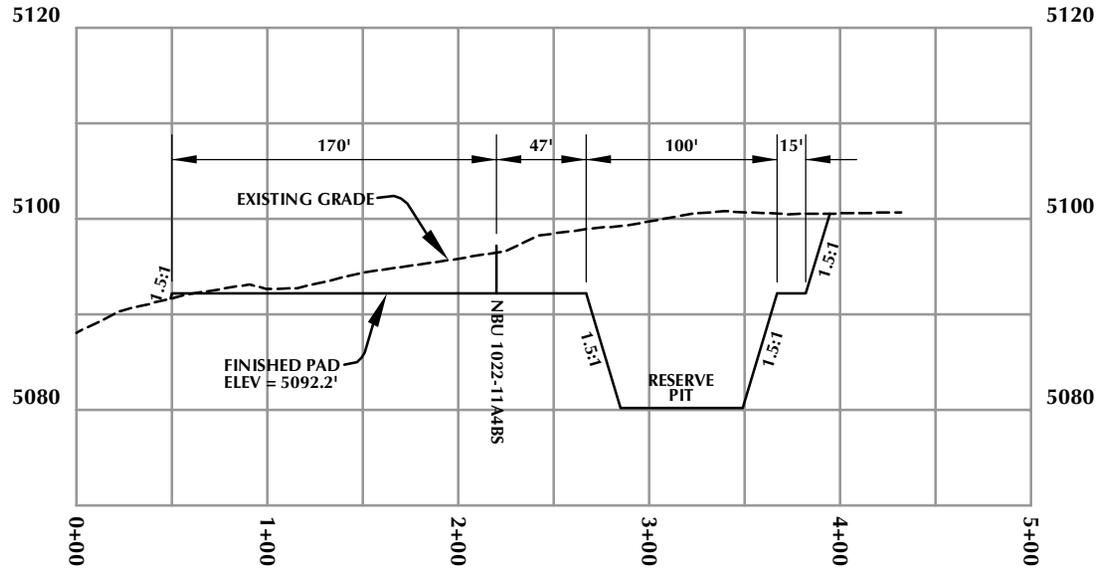
CONSULTING, LLC
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DATE SURVEYED: 01-06-11	SURVEYED BY: R.Y.	SHEET NO: 8 8 OF 19
DATE DRAWN: 01-24-11	DRAWN BY: M.W.W.	
SCALE: 1" = 60'		
Date Last Revised:		



CROSS SECTION A-A'



CROSS SECTION B-B'

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

WELL PAD - NBU 1022-2P

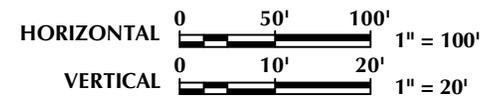
WELL PAD - CROSS SECTIONS
NBU 1022-2P4CS,
NBU 1022-11A1BS, NBU 1022-11A1CS,
NBU 1022-11A4BS, NBU 1022-11B1BS,
NBU 1022-2O4BS & NBU 1022-2O4CS
LOCATED IN SECTION 2, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH



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2155 North Main Street
Sheridan, WY 82801
Phone 307-674-0609
Fax 307-674-0182

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ENGINEERING & LAND SURVEYING, INC.
209 NORTH 300 WEST - VERNAL, UTAH 84078

(435) 789-1365



Scale: 1"=100'

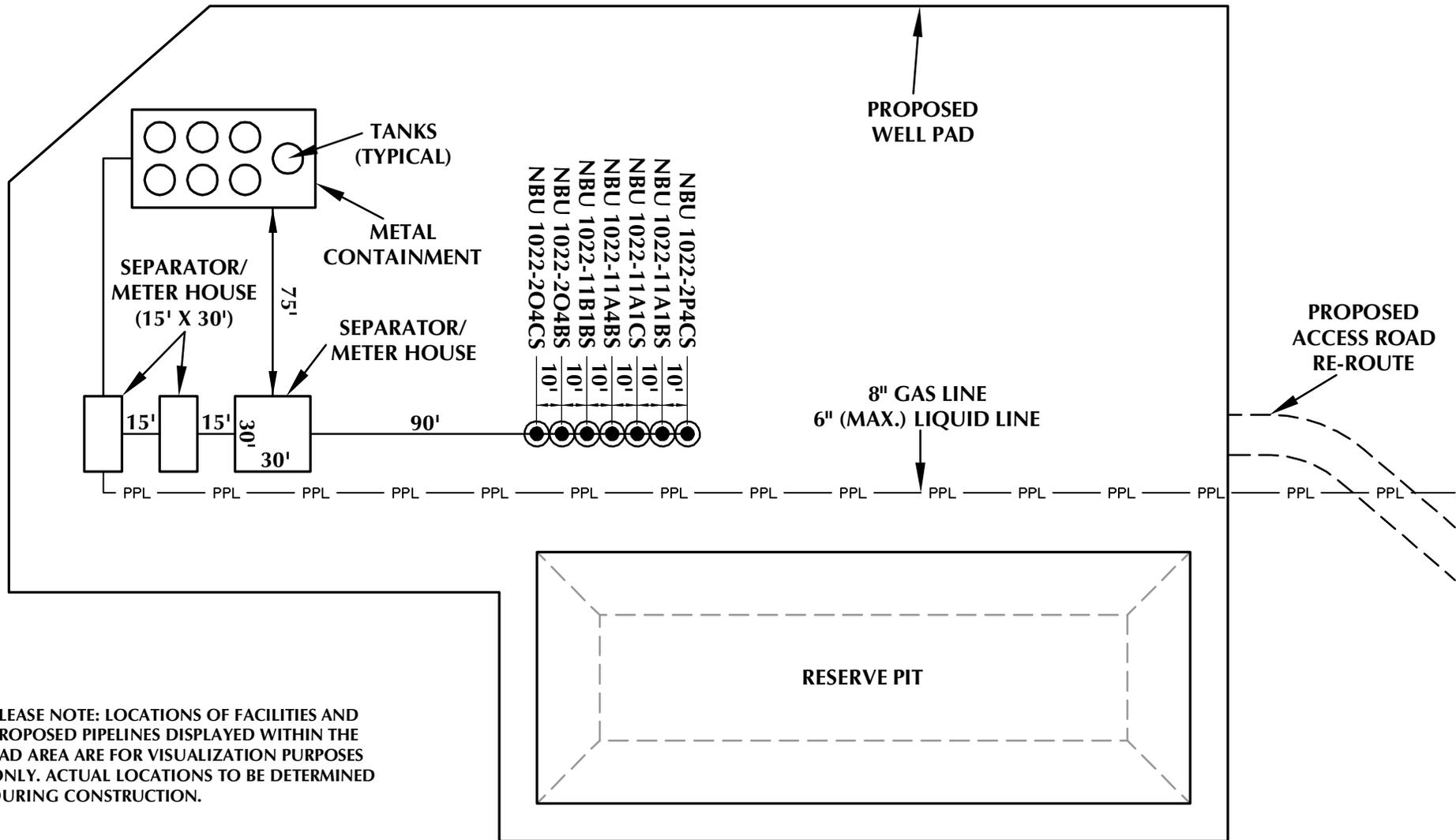
Date: 3/30/11

SHEET NO:

REVISED:

10 10 OF 19

RECEIVED: August 10, 2011



PLEASE NOTE: LOCATIONS OF FACILITIES AND PROPOSED PIPELINES DISPLAYED WITHIN THE PAD AREA ARE FOR VISUALIZATION PURPOSES ONLY. ACTUAL LOCATIONS TO BE DETERMINED DURING CONSTRUCTION.

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

WELL PAD - NBU 1022-2P

WELL PAD - FACILITIES DIAGRAM

NBU 1022-2P4CS,
NBU 1022-11A1BS, NBU 1022-11A1CS,
NBU 1022-11A4BS, NBU 1022-11B1BS,
NBU 1022-2O4BS & NBU 1022-2O4CS
LOCATED IN SECTION 2, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH



CONSULTING, LLC
2155 North Main Street
Sheridan, WY 82801
Phone 307-674-0609
Fax 307-674-0182

WELL PAD LEGEND

- EXISTING WELL LOCATION
- PROPOSED WELL LOCATION
- PPL — PROPOSED PIPELINE
- EPL — EXISTING PIPELINE



HORIZONTAL 1" = 60'

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

Scale: 1"=60' Date: 3/30/11
REVISED:

SHEET NO:
11 11 OF 19

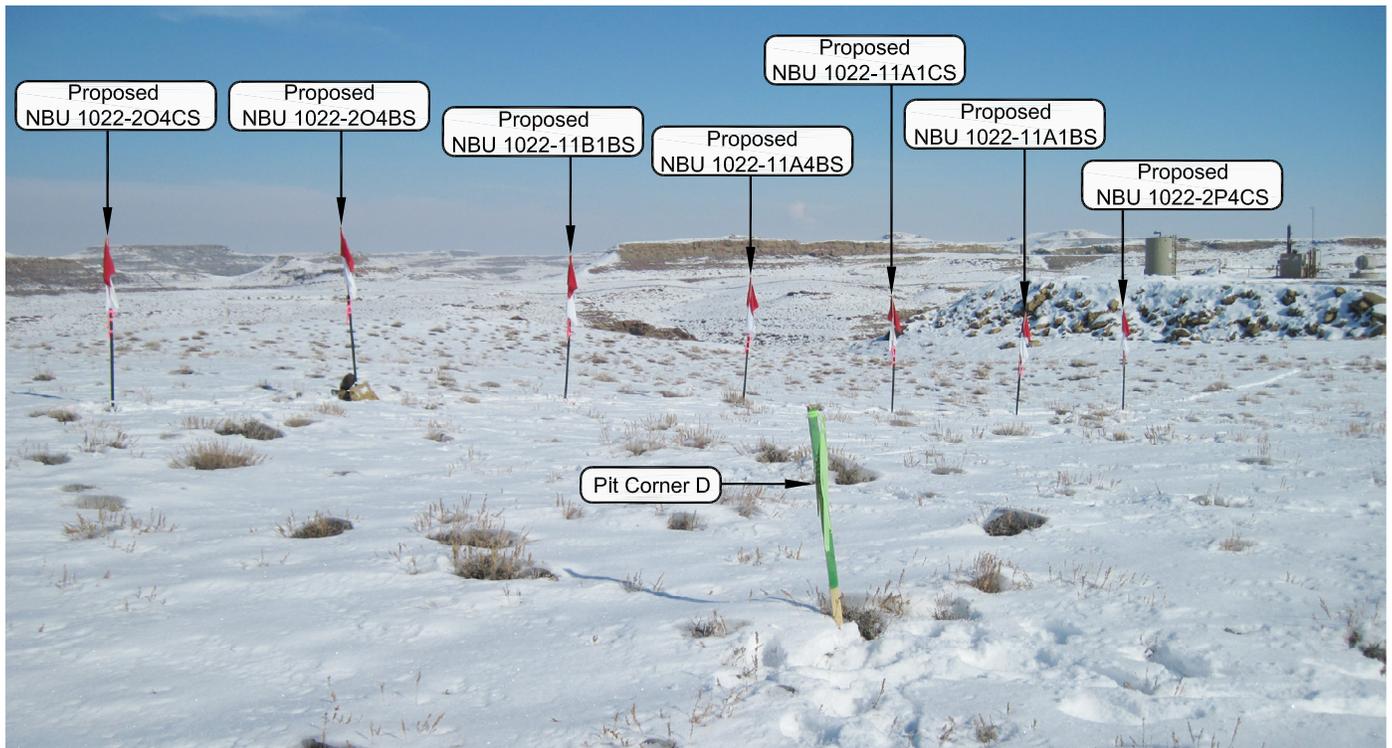


PHOTO VIEW: FROM CORNER D TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

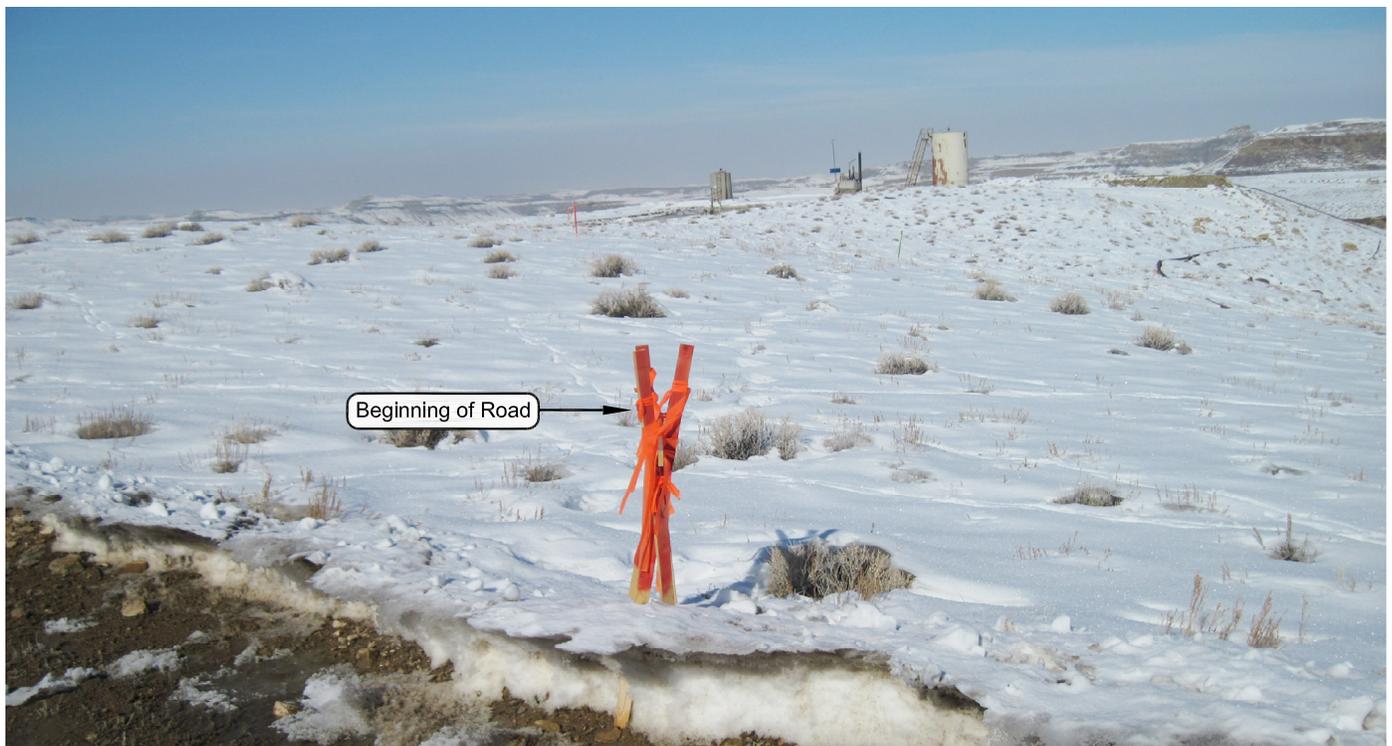


PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD

CAMERA ANGLE: NORTHWESTERLY

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

WELL PAD - NBU 1022-2P

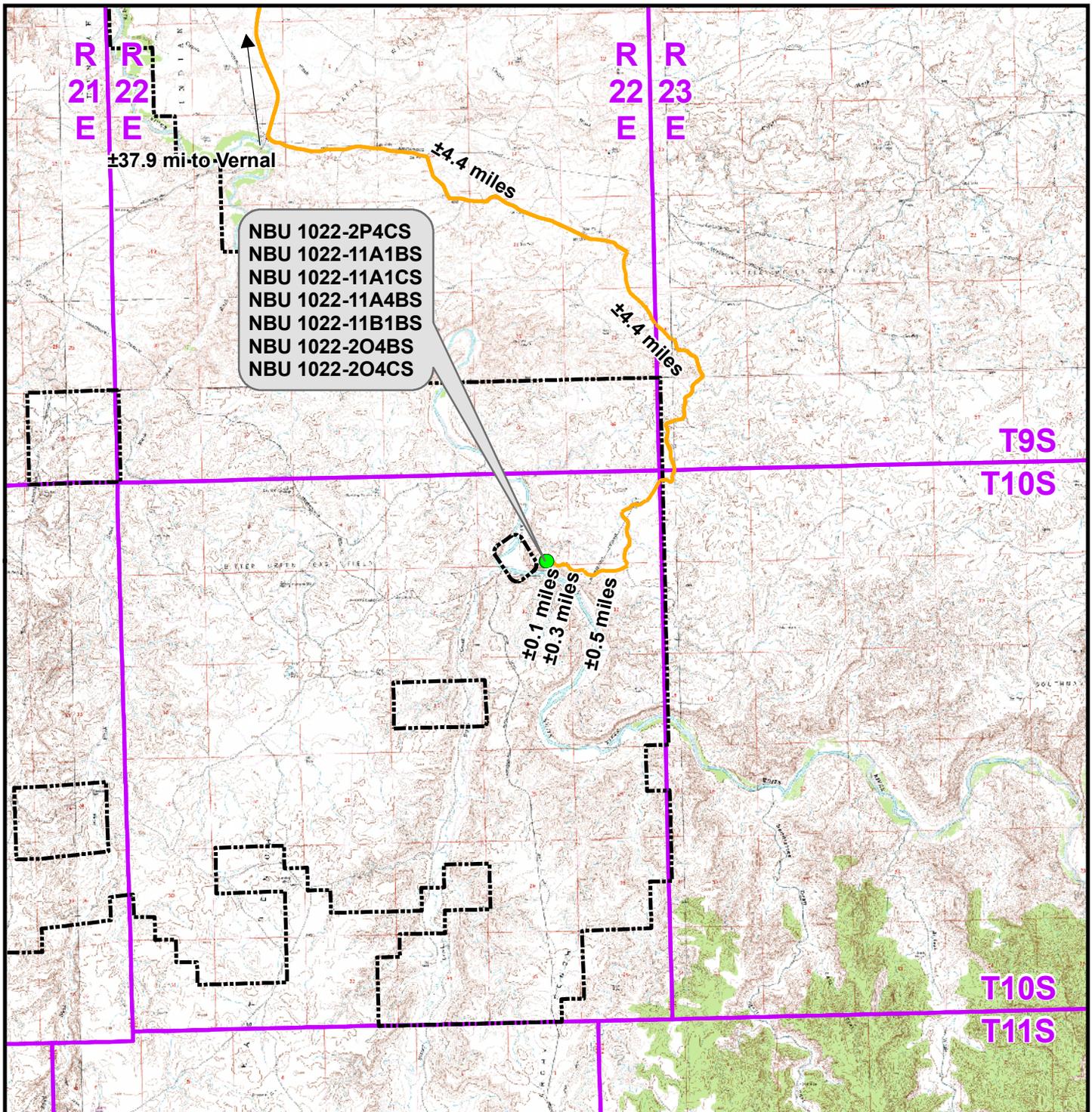
LOCATION PHOTOS
 NBU 1022-2P4CS,
 NBU 1022-11A1BS, NBU 1022-11A1CS,
 NBU 1022-11A4BS, NBU 1022-11B1BS,
 NBU 1022-2O4BS & NBU 1022-2O4CS
 LOCATED IN SECTION 2, T10S, R22E,
 S.L.B.&M., UINTAH COUNTY, UTAH.



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 Sheridan WY 82801
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TIMBERLINE (435) 789-1365
 ENGINEERING & LAND SURVEYING, INC.
 209 NORTH 300 WEST - VERNAL, UTAH 84078

DATE PHOTOS TAKEN: 01-06-11	PHOTOS TAKEN BY: R.Y.	SHEET NO: 12
DATE DRAWN: 01-24-11	DRAWN BY: M.W.W.	
Date Last Revised:		12 OF 19



Legend

- Proposed Well Location
- Natural Buttes Unit Boundary
- Access Route - Proposed

Distance From Well Pad - NBU 1022-2P To Unit Boundary: ±1,230ft

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

WELL PAD - NBU 1022-2P

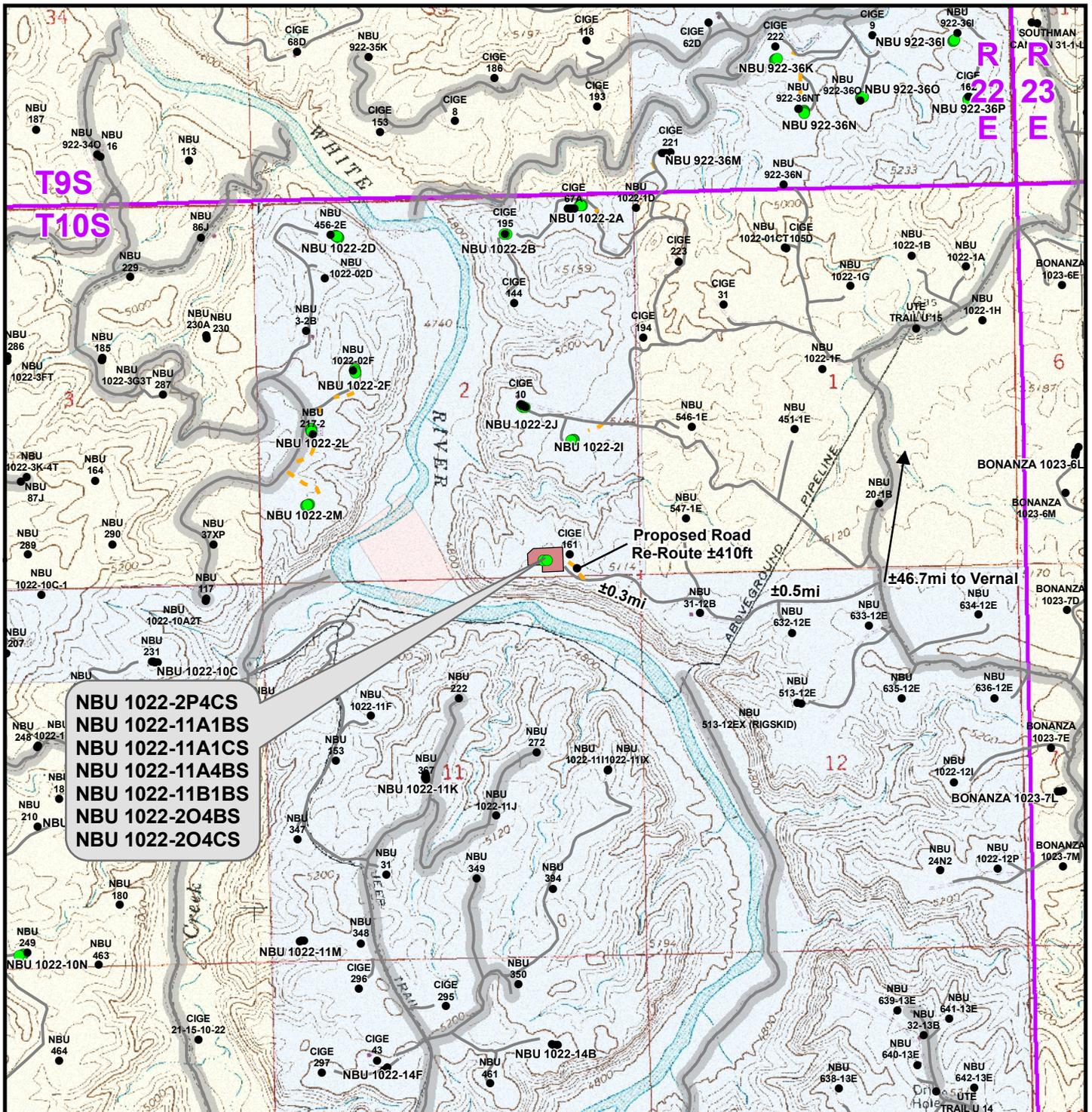
TOPO A
 NBU 1022-2P4CS,
 NBU 1022-11A1BS, NBU 1022-11A1CS,
 NBU 1022-11A4BS, NBU 1022-11B1BS,
 NBU 1022-2O4BS & NBU 1022-2O4CS
 LOCATED IN SECTION 2, T10S, R22E,
 S.L.B.&M., UTAH COUNTY, UTAH



CONSULTING, LLC
 2155 North Main Street
 Sheridan, WY 82801
 Phone (307) 674-0609
 Fax (307) 674-0182



Scale: 1:100,000	NAD83 USP Central	Sheet No:
Drawn: KGS	Date: 30 Mar 2011	13
Revised:	Date:	



NBU 1022-2P4CS
NBU 1022-11A1BS
NBU 1022-11A1CS
NBU 1022-11A4BS
NBU 1022-11B1BS
NBU 1022-2O4BS
NBU 1022-2O4CS

Legend

- Well - Proposed
- Well - Existing
- Well Pad
- Road - Proposed
- Road - Existing
- County Road
- Bureau of Land Management
- Indian Reservation
- State
- Private

Total Proposed Road Re-Route Length: ±410ft

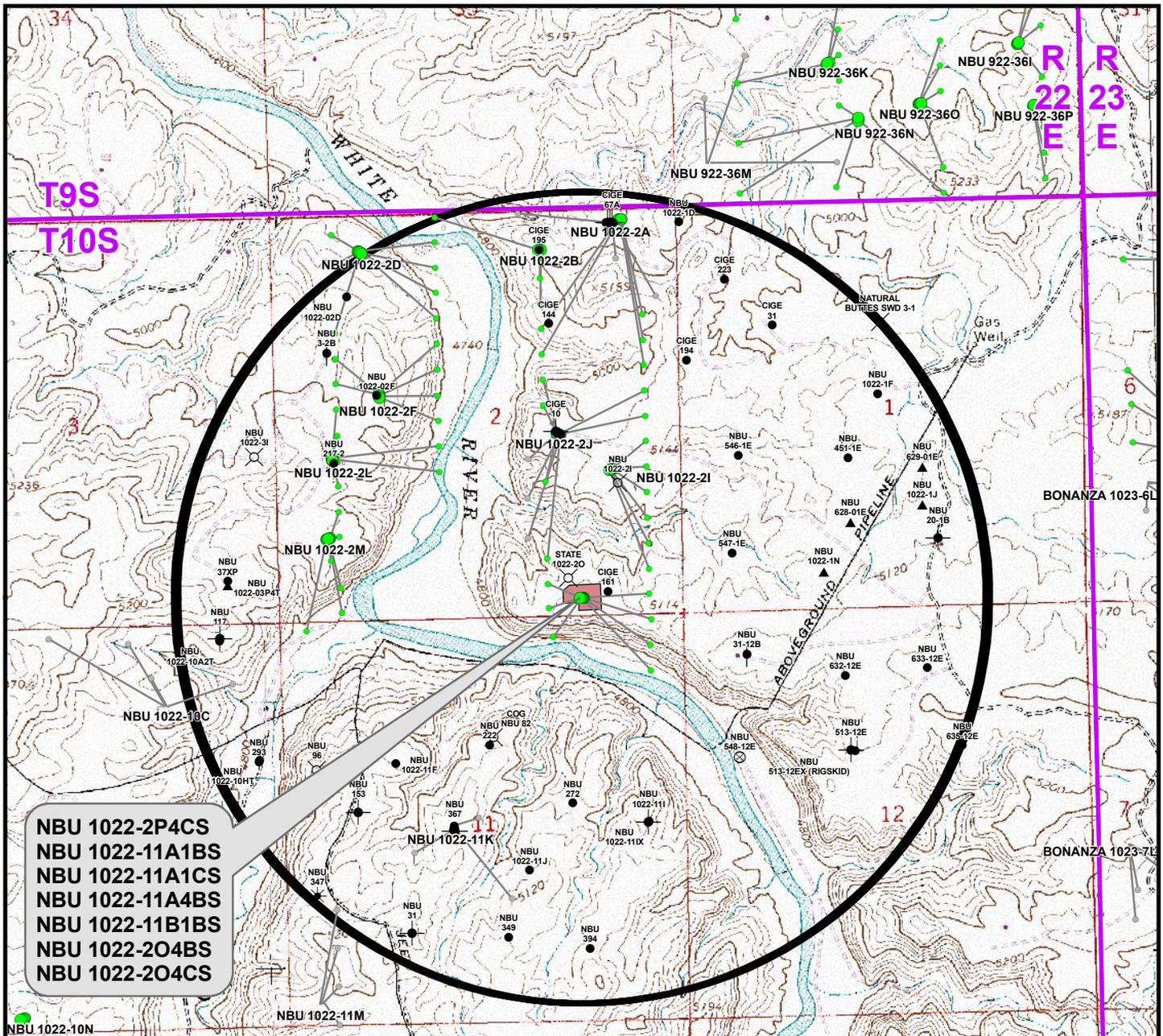
Kerr-McGee Oil & Gas Onshore, LP
 1099 18th Street, Denver, Colorado 80202

WELL PAD - NBU 1022-2P

TOPO B
NBU 1022-2P4CS,
NBU 1022-11A1BS, NBU 1022-11A1CS,
NBU 1022-11A4BS, NBU 1022-11B1BS,
NBU 1022-2O4BS & NBU 1022-2O4CS
 LOCATED IN SECTION 2, T10S, R22E,
 S.L.B.&M., UTAH COUNTY, UTAH

CONSULTING, LLC
 2155 North Main Street
 Sheridan, WY 82801
 Phone (307) 674-0609
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Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No: 14
Drawn: KGS	Date: 30 Mar 2011	14 of 19
Revised:	Date:	



NBU 1022-2P4CS
 NBU 1022-11A1BS
 NBU 1022-11A1CS
 NBU 1022-11A4BS
 NBU 1022-11B1BS
 NBU 1022-2O4BS
 NBU 1022-2O4CS

Proposed Well	Nearest Well Bore	Footage	Proposed Well	Nearest Well Bore	Footage
NBU 1022-2P4CS	CIGE 161	538ft	NBU 1022-11B1BS	CIGE 161	928ft
NBU 1022-11A1BS	CIGE 161	675ft	NBU 1022-2O4BS	NBU 1022-2O2S BH	644ft
NBU 1022-11A1CS	CIGE 161	892ft	NBU 1022-2O4CS	CIGE 161	798ft
NBU 1022-11A4BS	CIGE 161	1,172ft			

Legend

Well locations derived from State of Utah, Dept. of Natural Resources, Division of Oil, Gas and Mining

- Well - Proposed
- Bottom Hole - Proposed
- Well Pad
- Producing
- Temporarily-Abandoned
- Well Path
- Bottom Hole - Existing
- Well - 1 Mile Radius
- ☉ Active
- Shut-In
- ☉ Spudded (Drilling commenced; Not yet completed)
- Plugged and Abandoned
- ▲ Approved permit (APD); not yet spudded
- Location Abandoned
- New Permit (Not yet approved or drilled)
- ⊕ Inactive
- Dry hole marker, buried
- ⊗ Drilling Operations Suspended
- Returned APD (Unapproved)

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 1099 18th Street, Denver, Colorado 80202

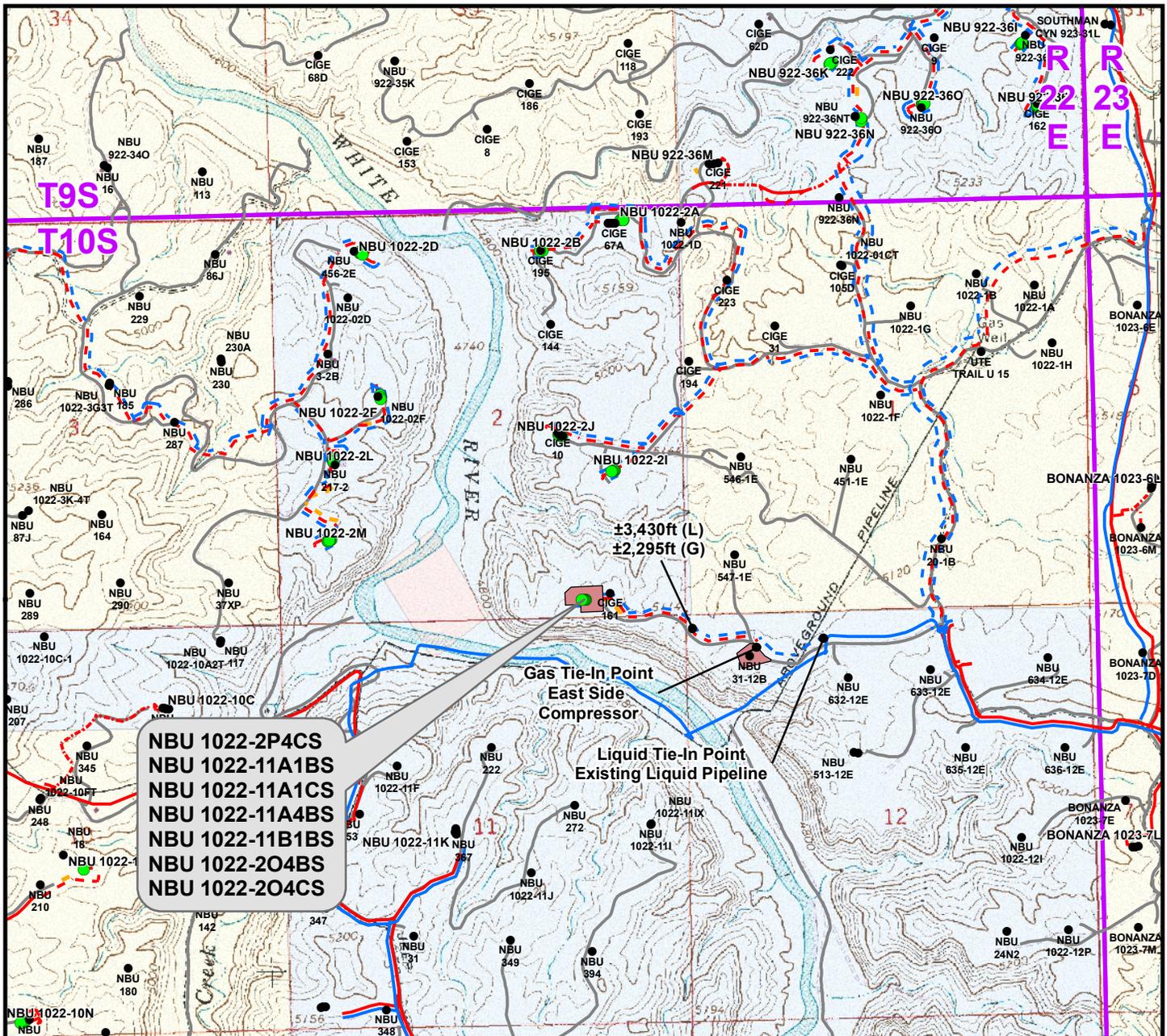
WELL PAD - NBU 1022-2P

TOPO C
 NBU 1022-2P4CS,
 NBU 1022-11A1BS, NBU 1022-11A1CS,
 NBU 1022-11A4BS, NBU 1022-11B1BS,
 NBU 1022-2O4BS & NBU 1022-2O4CS
 LOCATED IN SECTION 2, T10S, R22E,
 S.L.B.&M., Uintah County, Utah

609
 CONSULTING, LLC
 2155 North Main Street
 Sheridan, WY 82801
 Phone (307) 674-0609
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Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No:
Drawn: KGS	Date: 30 Mar 2011	15
Revised:	Date:	



NBU 1022-2P4CS
NBU 1022-11A1BS
NBU 1022-11A1CS
NBU 1022-11A4BS
NBU 1022-11B1BS
NBU 1022-2O4BS
NBU 1022-2O4CS

Proposed Liquid Pipeline	Length
Proposed 6" (Max.) (Meter House to Edge of Pad)	±475ft
Proposed 6" (Max.) (Edge of Pad to Existing Liquid Pipeline)	±3,430ft
TOTAL PROPOSED LIQUID PIPELINE =	±3,905ft

Proposed Gas Pipeline	Length
Proposed 8" (Meter House to Edge of Pad)	±475ft
Proposed 8" (Edge of Pad to East Side Compressor)	±2,295ft
TOTAL PROPOSED GAS PIPELINE =	±2,770ft

Legend

- Well - Proposed ■ Well Pad - - - Gas Pipeline - Proposed - - - Liquid Pipeline - Proposed - - - Road - Proposed □ Bureau of Land Management
- Well - Existing - - - Gas Pipeline - To Be Upgraded - - - Liquid Pipeline - Existing - - - Road - Existing □ Indian Reservation
- - - Gas Pipeline - Existing □ State □ Private

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

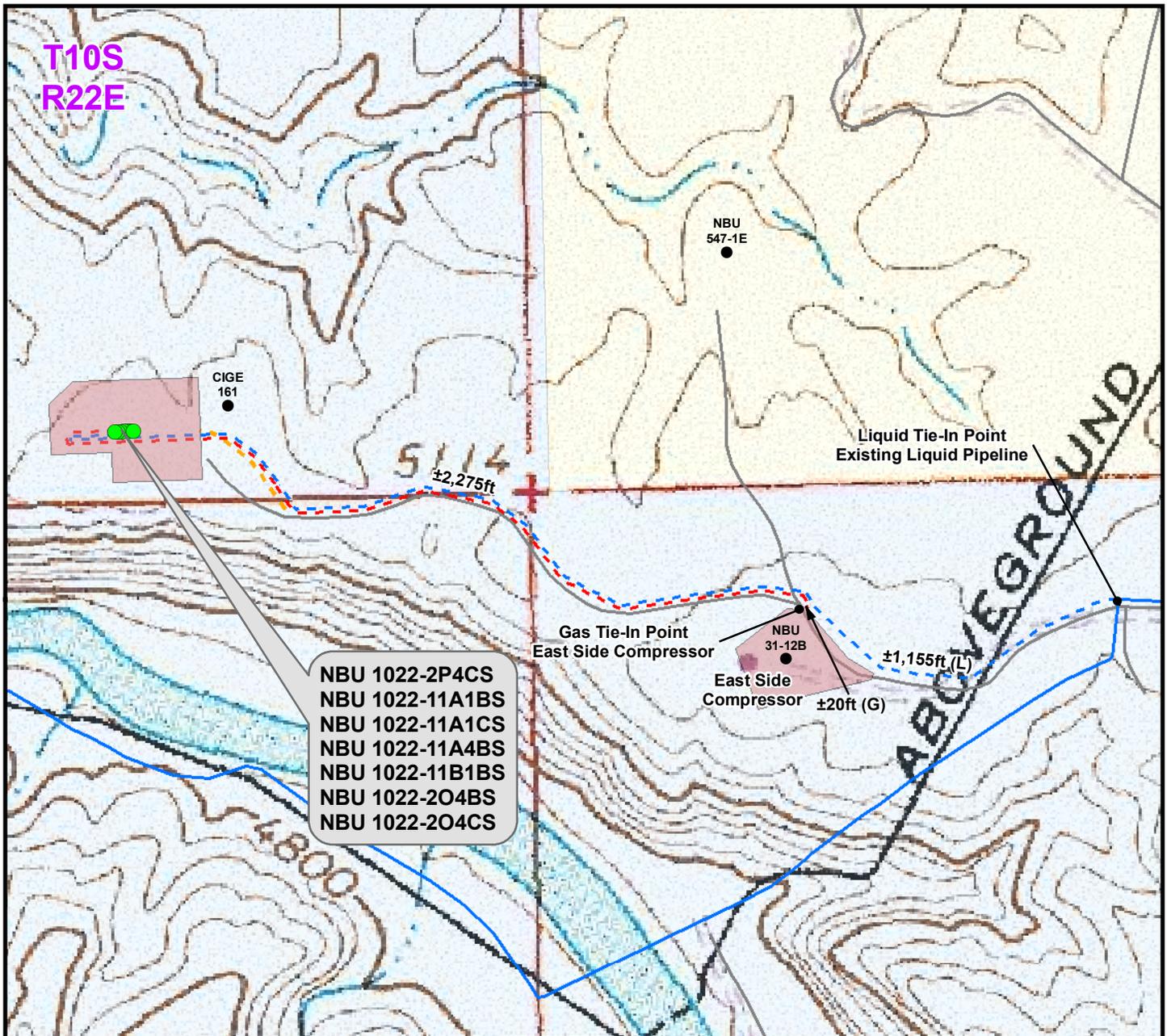
WELL PAD - NBU 1022-2P

TOPO D
 NBU 1022-2P4CS,
 NBU 1022-11A1BS, NBU 1022-11A1CS,
 NBU 1022-11A4BS, NBU 1022-11B1BS,
 NBU 1022-2O4BS & NBU 1022-2O4CS
 LOCATED IN SECTION 2, T10S, R22E,
 S.L.B.&M., UINTAH COUNTY, UTAH

CONSULTING, LLC
 2155 North Main Street
 Sheridan, WY 82801
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Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No: 16
Drawn: KGS	Date: 30 Mar 2011	16 of 19
Revised:	Date:	



Proposed Liquid Pipeline	Length
Proposed 6" (Max.) (Meter House to Edge of Pad)	±475ft
Proposed 6" (Max.) (Edge of Pad to Existing Liquid Pipeline)	±3,430ft
TOTAL PROPOSED LIQUID PIPELINE =	±3,905ft

Proposed Gas Pipeline	Length
Proposed 8" (Meter House to Edge of Pad)	±475ft
Proposed 8" (Edge of Pad to East Side Compressor)	±2,295ft
TOTAL PROPOSED GAS PIPELINE =	±2,770ft

Legend

- Well - Proposed
- Well - Existing
- Well Pad
- - - Gas Pipeline - Proposed
- - - Gas Pipeline - To Be Upgraded
- Gas Pipeline - Existing
- - - Liquid Pipeline - Proposed
- Liquid Pipeline - Existing
- Road - Proposed
- Road - Existing
- Bureau of Land Management
- Indian Reservation
- State
- Private

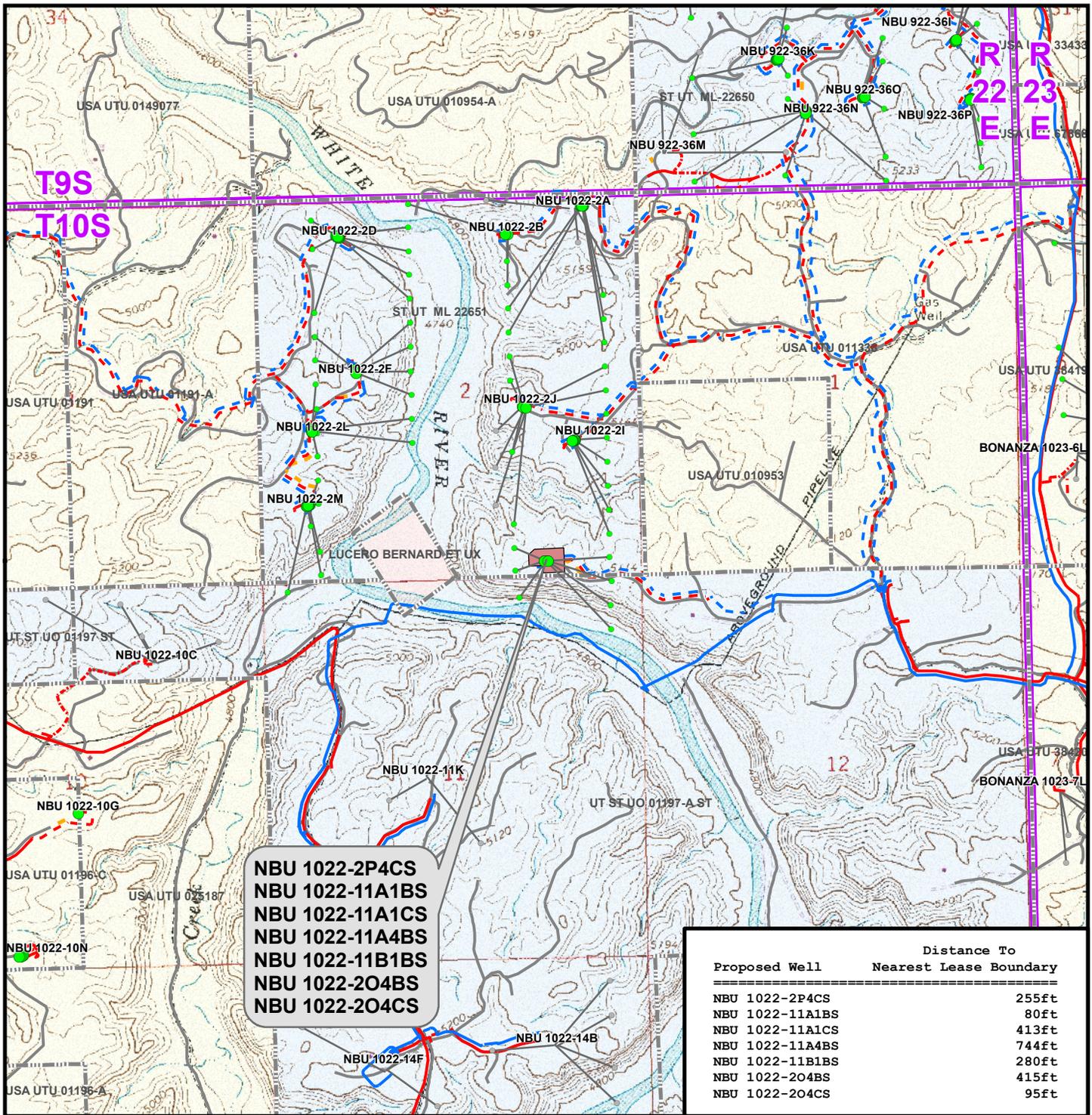
Kerr-McGee Oil & Gas Onshore, LP
 1099 18th Street, Denver, Colorado 80202

WELL PAD - NBU 1022-2P
 TOPO D2 (PAD & PIPELINE DETAIL)
 NBU 1022-2P4CS,
 NBU 1022-11A1BS, NBU 1022-11A1CS,
 NBU 1022-11A4BS, NBU 1022-11B1BS,
 NBU 1022-2O4BS & NBU 1022-2O4CS
 LOCATED IN SECTION 2, T10S, R22E,
 S.L.B.&M., UINTAH COUNTY, UTAH

CONSULTING, LLC
 2155 North Main Street
 Sheridan, WY 82801
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Scale: 1" = 500ft	NAD83 USP Central	Sheet No:
Drawn: KGS	Date: 30 Mar 2011	17 of 19
Revised:	Date:	



Legend

- Well - Proposed
- Bottom Hole - Proposed
- Bottom Hole - Existing
- Well Path
- Well Pad
- ▭ Lease Boundary
- Gas Pipeline - Proposed
- Gas Pipeline - To Be Upgraded
- Gas Pipeline - Existing
- Liquid Pipeline - Proposed
- Liquid Pipeline - Existing
- Road - Proposed
- Road - Existing
- Bureau of Land Management
- Indian Reservation
- State
- Private

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

WELL PAD - NBU 1022-2P

TOPO E
 NBU 1022-2P4CS,
 NBU 1022-11A1BS, NBU 1022-11A1CS,
 NBU 1022-11A4BS, NBU 1022-11B1BS,
 NBU 1022-2O4BS & NBU 1022-2O4CS
 LOCATED IN SECTION 2, T10S, R22E,
 S.L.B.&M., UINTAH COUNTY, UTAH

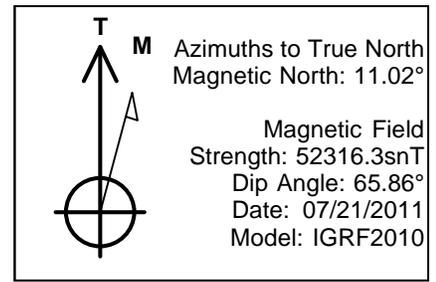
CONSULTING, LLC
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Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No:
Drawn: KGS	Date: 30 Mar 2011	18
Revised:	Date:	

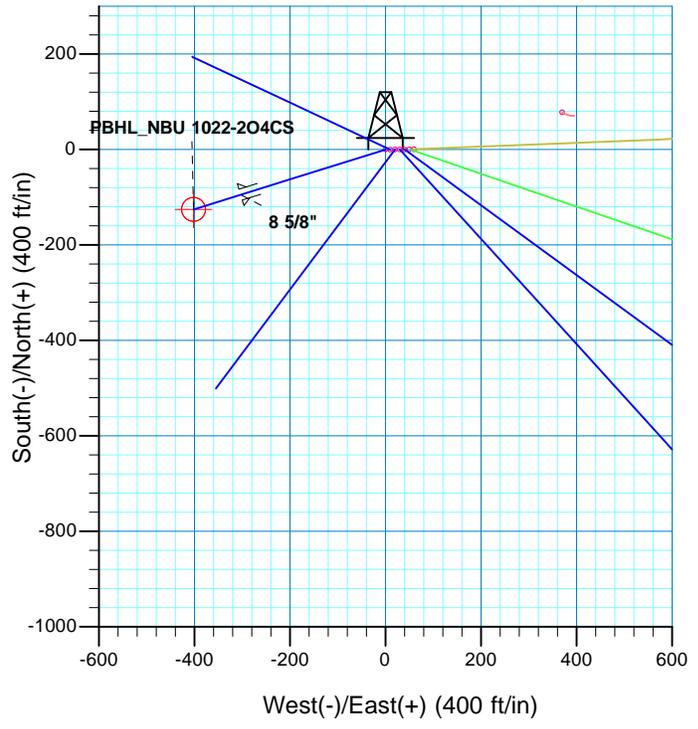
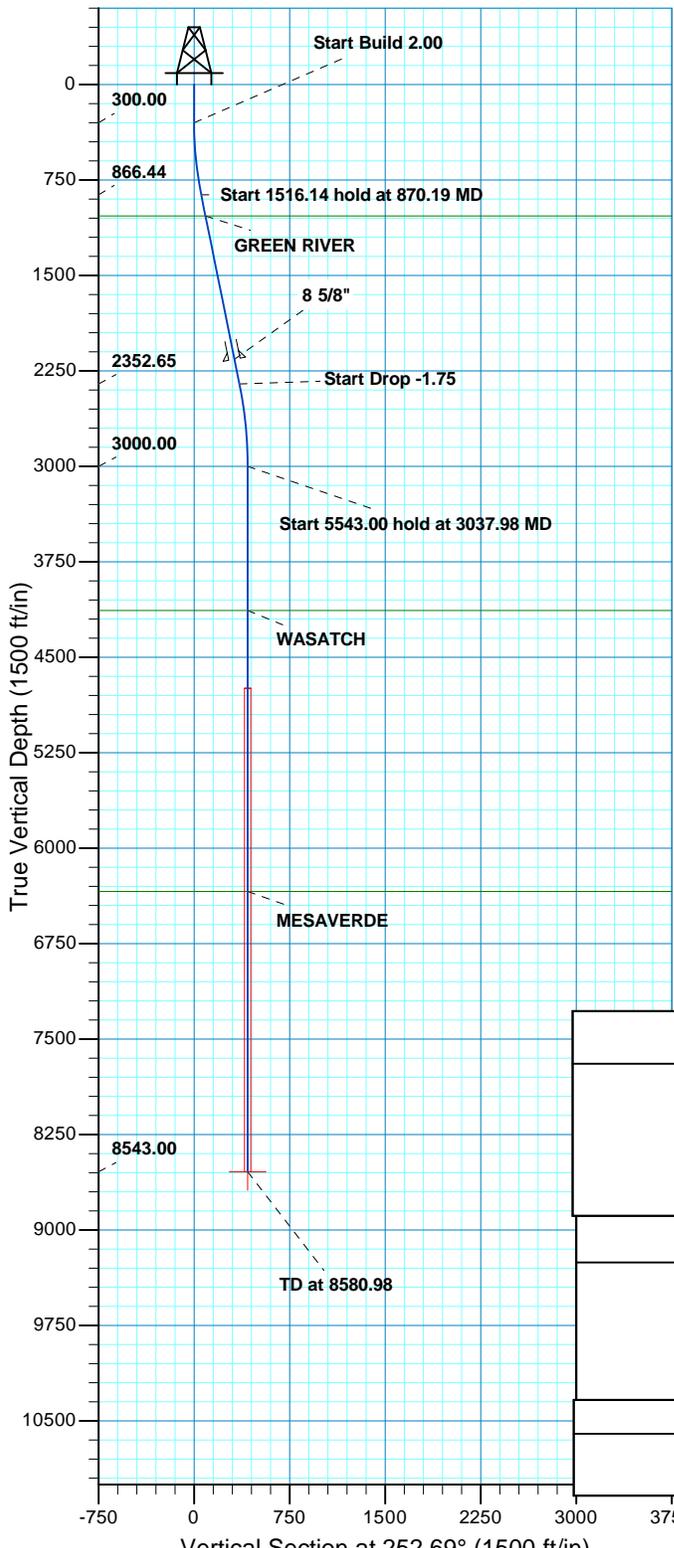
**Kerr-McGee Oil & Gas Onshore, LP
WELL PAD – NBU 1022-2P
WELLS – NBU 1022-2P4CS,
NBU 1022-11A1BS, NBU 1022-11A1CS,
NBU 1022-11A4BS, NBU 1022-11B1BS,
NBU 1022-2O4BS & NBU 1022-2O4CS
Section 2, T10S, R22E, S.L.B.&M.**

From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah, proceed in an easterly, then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45. Exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 14.4 miles to the intersection of the Fidlar Road (County B Road 3410) which road intersection is approximately 400 feet northeast of the Mountain Fuel Bridge at the White River. Exit left and proceed in a southeasterly direction along the Fidlar Road approximately 4.4 miles to the intersection of the Seven Sisters Road (County B Road 3420). Exit right and proceed in a southeasterly, then southwesterly direction along the Seven Sisters Road approximately 4.4 miles to a service road to the west. Exit right and proceed in a westerly direction along the service road approximately 0.5 miles to a second service road to the northwest. Exit left and proceed in a northwesterly direction along the second service road approximately 0.3 miles to the proposed access road. Follow the road flags in a northwesterly direction approximately 410 feet to the proposed well location.

Total distance from Vernal, Utah to the proposed well location is approximately 47.6 miles in a southerly direction.



WELL DETAILS: NBU 1022-2O4CS									
GL 5092' & KB 4' @ 5096.00ft (assumed)									
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude				
0.00	0.00	603500.57	2587932.77	39° 58' 16.813 N	109° 24' 7.182 W				
DESIGN TARGET DETAILS									
Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape	
PBHL	8543.00	-125.28	-401.90	603365.90	2587533.93	39° 58' 15.575 N	109° 24' 12.344 W	Circle (Radius: 25.00)	
- plan hits target center									



SECTION DETAILS									
MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	
870.19	11.40	252.69	866.44	-16.83	-53.99	2.00	252.69	56.56	
2386.33	11.40	252.69	2352.65	-106.05	-340.19	0.00	0.00	356.33	
3037.98	0.00	0.00	3000.00	-125.28	-401.90	1.75	180.00	420.97	
8580.98	0.00	0.00	8543.00	-125.28	-401.90	0.00	0.00	420.97	PBHL_NBU 1022-2O4CS

PROJECT DETAILS: Uintah County, UT NAD27		FORMATION TOP DETAILS		
Geodetic System: US State Plane 1927 (Exact solution)		TVDPath	MDPath	Formation
Datum: NAD 1927 (NADCON CONUS)		1032.00	1039.09	GREEN RIVER
Ellipsoid: Clarke 1866		4133.00	4170.98	WASATCH
Zone: Utah Central 4302		6339.00	6376.98	MESAVERDE
Location: SECTION 2 T10S R22E				
System Datum: Mean Sea Level				

CASING DETAILS			
TVD	MD	Name	Size
2159.00	2188.79	8 5/8"	8.625

RECEIVED



Kerr McGee Oil and Gas Onshore LP

**Uintah County, UT NAD27
NBU 1022-2P PAD
NBU 1022-204CS**

OH

Plan: PLAN #1 PRELIMINARY

Standard Planning Report

21 July, 2011





SDI
Planning Report



Database:	EDM5000-RobertS-Local	Local Co-ordinate Reference:	Well NBU 1022-2O4CS
Company:	Kerr McGee Oil and Gas Onshore LP	TVD Reference:	GL 5092' & KB 4' @ 5096.00ft (assumed)
Project:	Uintah County, UT NAD27	MD Reference:	GL 5092' & KB 4' @ 5096.00ft (assumed)
Site:	NBU 1022-2P PAD	North Reference:	True
Well:	NBU 1022-2O4CS	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1 PRELIMINARY		

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

Site	NBU 1022-2P PAD, SECTION 2 T10S R22E				
Site Position:		Northing:	603,502.73 usft	Latitude:	39° 58' 16.820 N
From:	Lat/Long	Easting:	2,587,992.71 usft	Longitude:	109° 24' 6.412 W
Position Uncertainty:	0.00 ft	Slot Radius:	13.200 in	Grid Convergence:	1.34 °

Well	NBU 1022-2O4CS, 220 FSL 1402 FEL					
Well Position	+N/-S	-0.74 ft	Northing:	603,500.58 usft	Latitude:	39° 58' 16.813 N
	+E/-W	-59.98 ft	Easting:	2,587,932.77 usft	Longitude:	109° 24' 7.182 W
Position Uncertainty		0.00 ft	Wellhead Elevation:		Ground Level:	5,092.00 ft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	07/21/11	11.02	65.86	52,316

Design	PLAN #1 PRELIMINARY			
Audit Notes:				
Version:	Phase:	PLAN	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	252.69

Plan Sections										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
870.19	11.40	252.69	866.44	-16.83	-53.99	2.00	2.00	0.00	252.69	
2,386.33	11.40	252.69	2,352.65	-106.05	-340.19	0.00	0.00	0.00	0.00	
3,037.98	0.00	0.00	3,000.00	-125.28	-401.90	1.75	-1.75	0.00	180.00	
8,580.98	0.00	0.00	8,543.00	-125.28	-401.90	0.00	0.00	0.00	0.00	PBHL_NBU 1022-2O



Database:	EDM5000-RobertS-Local	Local Co-ordinate Reference:	Well NBU 1022-2O4CS
Company:	Kerr McGee Oil and Gas Onshore LP	TVD Reference:	GL 5092' & KB 4' @ 5096.00ft (assumed)
Project:	Uintah County, UT NAD27	MD Reference:	GL 5092' & KB 4' @ 5096.00ft (assumed)
Site:	NBU 1022-2P PAD	North Reference:	True
Well:	NBU 1022-2O4CS	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1 PRELIMINARY		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
Start Build 2.00										
400.00	2.00	252.69	399.98	-0.52	-1.67	1.75	2.00	2.00	0.00	
500.00	4.00	252.69	499.84	-2.08	-6.66	6.98	2.00	2.00	0.00	
600.00	6.00	252.69	599.45	-4.67	-14.98	15.69	2.00	2.00	0.00	
700.00	8.00	252.69	698.70	-8.30	-26.62	27.88	2.00	2.00	0.00	
800.00	10.00	252.69	797.47	-12.95	-41.55	43.52	2.00	2.00	0.00	
870.19	11.40	252.69	866.44	-16.83	-53.99	56.56	2.00	2.00	0.00	
Start 1516.14 hold at 870.19 MD										
900.00	11.40	252.69	895.65	-18.59	-59.62	62.45	0.00	0.00	0.00	
1,000.00	11.40	252.69	993.68	-24.47	-78.50	82.22	0.00	0.00	0.00	
1,039.09	11.40	252.69	1,032.00	-26.77	-85.88	89.95	0.00	0.00	0.00	
GREEN RIVER										
1,100.00	11.40	252.69	1,091.71	-30.35	-97.37	102.00	0.00	0.00	0.00	
1,200.00	11.40	252.69	1,189.73	-36.24	-116.25	121.77	0.00	0.00	0.00	
1,300.00	11.40	252.69	1,287.76	-42.12	-135.13	141.54	0.00	0.00	0.00	
1,400.00	11.40	252.69	1,385.78	-48.01	-154.00	161.31	0.00	0.00	0.00	
1,500.00	11.40	252.69	1,483.81	-53.89	-172.88	181.08	0.00	0.00	0.00	
1,600.00	11.40	252.69	1,581.83	-59.78	-191.76	200.86	0.00	0.00	0.00	
1,700.00	11.40	252.69	1,679.86	-65.66	-210.63	220.63	0.00	0.00	0.00	
1,800.00	11.40	252.69	1,777.89	-71.54	-229.51	240.40	0.00	0.00	0.00	
1,900.00	11.40	252.69	1,875.91	-77.43	-248.39	260.17	0.00	0.00	0.00	
2,000.00	11.40	252.69	1,973.94	-83.31	-267.26	279.95	0.00	0.00	0.00	
2,100.00	11.40	252.69	2,071.96	-89.20	-286.14	299.72	0.00	0.00	0.00	
2,188.79	11.40	252.69	2,159.00	-94.42	-302.90	317.27	0.00	0.00	0.00	
8 5/8"										
2,200.00	11.40	252.69	2,169.99	-95.08	-305.01	319.49	0.00	0.00	0.00	
2,300.00	11.40	252.69	2,268.02	-100.97	-323.89	339.26	0.00	0.00	0.00	
2,386.33	11.40	252.69	2,352.65	-106.05	-340.19	356.33	0.00	0.00	0.00	
Start Drop -1.75										
2,400.00	11.16	252.69	2,366.05	-106.84	-342.74	359.01	1.75	-1.75	0.00	
2,500.00	9.41	252.69	2,464.43	-112.16	-359.79	376.87	1.75	-1.75	0.00	
2,600.00	7.66	252.69	2,563.32	-116.58	-373.97	391.72	1.75	-1.75	0.00	
2,700.00	5.91	252.69	2,662.62	-120.10	-385.26	403.54	1.75	-1.75	0.00	
2,800.00	4.16	252.69	2,762.23	-122.71	-393.64	412.32	1.75	-1.75	0.00	
2,900.00	2.41	252.69	2,862.06	-124.42	-399.12	418.06	1.75	-1.75	0.00	
3,000.00	0.66	252.69	2,962.02	-125.22	-401.69	420.75	1.75	-1.75	0.00	
3,037.98	0.00	0.00	3,000.00	-125.28	-401.90	420.97	1.75	-1.75	0.00	
Start 5543.00 hold at 3037.98 MD										
3,100.00	0.00	0.00	3,062.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
3,200.00	0.00	0.00	3,162.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
3,300.00	0.00	0.00	3,262.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
3,400.00	0.00	0.00	3,362.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
3,500.00	0.00	0.00	3,462.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
3,600.00	0.00	0.00	3,562.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
3,700.00	0.00	0.00	3,662.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
3,800.00	0.00	0.00	3,762.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
3,900.00	0.00	0.00	3,862.02	-125.28	-401.90	420.97	0.00	0.00	0.00	



Database:	EDM5000-RobertS-Local	Local Co-ordinate Reference:	Well NBU 1022-2O4CS
Company:	Kerr McGee Oil and Gas Onshore LP	TVD Reference:	GL 5092' & KB 4' @ 5096.00ft (assumed)
Project:	Uintah County, UT NAD27	MD Reference:	GL 5092' & KB 4' @ 5096.00ft (assumed)
Site:	NBU 1022-2P PAD	North Reference:	True
Well:	NBU 1022-2O4CS	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1 PRELIMINARY		

Planned Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
4,000.00	0.00	0.00	3,962.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
4,100.00	0.00	0.00	4,062.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
4,170.98	0.00	0.00	4,133.00	-125.28	-401.90	420.97	0.00	0.00	0.00	
WASATCH										
4,200.00	0.00	0.00	4,162.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
4,300.00	0.00	0.00	4,262.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
4,400.00	0.00	0.00	4,362.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
4,500.00	0.00	0.00	4,462.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
4,600.00	0.00	0.00	4,562.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
4,700.00	0.00	0.00	4,662.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
4,800.00	0.00	0.00	4,762.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
4,900.00	0.00	0.00	4,862.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,000.00	0.00	0.00	4,962.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,100.00	0.00	0.00	5,062.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,200.00	0.00	0.00	5,162.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,300.00	0.00	0.00	5,262.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,400.00	0.00	0.00	5,362.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,500.00	0.00	0.00	5,462.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,600.00	0.00	0.00	5,562.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,700.00	0.00	0.00	5,662.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,800.00	0.00	0.00	5,762.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
5,900.00	0.00	0.00	5,862.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,000.00	0.00	0.00	5,962.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,100.00	0.00	0.00	6,062.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,200.00	0.00	0.00	6,162.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,300.00	0.00	0.00	6,262.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,376.98	0.00	0.00	6,339.00	-125.28	-401.90	420.97	0.00	0.00	0.00	
MESAVERDE										
6,400.00	0.00	0.00	6,362.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,500.00	0.00	0.00	6,462.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,600.00	0.00	0.00	6,562.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,700.00	0.00	0.00	6,662.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,800.00	0.00	0.00	6,762.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
6,900.00	0.00	0.00	6,862.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,000.00	0.00	0.00	6,962.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,100.00	0.00	0.00	7,062.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,200.00	0.00	0.00	7,162.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,300.00	0.00	0.00	7,262.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,400.00	0.00	0.00	7,362.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,500.00	0.00	0.00	7,462.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,600.00	0.00	0.00	7,562.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,700.00	0.00	0.00	7,662.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,800.00	0.00	0.00	7,762.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
7,900.00	0.00	0.00	7,862.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
8,000.00	0.00	0.00	7,962.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
8,100.00	0.00	0.00	8,062.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
8,200.00	0.00	0.00	8,162.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
8,300.00	0.00	0.00	8,262.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
8,400.00	0.00	0.00	8,362.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
8,500.00	0.00	0.00	8,462.02	-125.28	-401.90	420.97	0.00	0.00	0.00	
8,580.98	0.00	0.00	8,543.00	-125.28	-401.90	420.97	0.00	0.00	0.00	
PBHL_NBU 1022-2O4CS										



Database:	EDM5000-RobertS-Local	Local Co-ordinate Reference:	Well NBU 1022-2O4CS
Company:	Kerr McGee Oil and Gas Onshore LP	TVD Reference:	GL 5092' & KB 4' @ 5096.00ft (assumed)
Project:	Uintah County, UT NAD27	MD Reference:	GL 5092' & KB 4' @ 5096.00ft (assumed)
Site:	NBU 1022-2P PAD	North Reference:	True
Well:	NBU 1022-2O4CS	Survey Calculation Method:	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1 PRELIMINARY		

Planned Survey									
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)

Design Targets									
Target Name	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PBHL_NBU 1022-2O4C - hit/miss target - Shape - plan hits target center - Circle (radius 25.00)	0.00	0.00	8,543.00	-125.28	-401.90	603,365.90	2,587,533.93	39° 58' 15.575 N	109° 24' 12.344 W

Casing Points					
Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)	
2,188.79	2,159.00	8 5/8"	8.625	11.000	

Formations					
Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,039.09	1,032.00	GREEN RIVER			
4,170.98	4,133.00	WASATCH			
6,376.98	6,339.00	MESAVERDE			

Plan Annotations				
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
300.00	300.00	0.00	0.00	Start Build 2.00
870.19	866.44	-16.83	-53.99	Start 1516.14 hold at 870.19 MD
2,386.33	2,352.65	-106.05	-340.19	Start Drop -1.75
3,037.98	3,000.00	-125.28	-401.90	Start 5543.00 hold at 3037.98 MD
8,580.98	8,543.00	-125.28	-401.90	TD at 8580.98

NBU 1022-11A1BS/ 1022-11A1CS/ 1022-11A4BS/ 1022-11B1BS
 1022-2O4BS/ 1022-2O4CS/ 1022-2P4CS

Surface Use Plan of Operations
 1 of 9

NBU 1022-11A1BS

Surface:	221 FSL / 1352 FEL	SWSE	Lot 8
BHL:	80 FNL / 473 FEL	NENE	Lot

NBU 1022-11A1CS

Surface:	221 FSL / 1362 FEL	SWSE	Lot 8
BHL:	413 FNL / 491 FEL	NENE	Lot

NBU 1022-11A4BS

Surface:	221 FSL / 1372 FEL	SWSE	Lot 8
BHL:	744 FNL / 490 FEL	NENE	Lot

NBU 1022-11B1BS

Surface:	221 FSL / 1382 FEL	SWSE	Lot 8
BHL:	280 FNL / 1755 FEL	NWNE	Lot

NBU 1022-2O4BS

Surface:	221 FSL / 1392 FEL	SWSE	Lot 8
BHL:	415 FSL / 1807 FEL	SWSE	Lot 8

NBU 1022-2O4CS

Surface:	220 FSL / 1402 FEL	SWSE	Lot 8
BHL:	95 FSL / 1804 FEL	SWSE	Lot 8

NBU 1022-2P4CS

Surface:	221 FSL / 1342 FEL	SWSE	Lot 8
BHL:	255 FSL / 496 FEL	SESE	Lot

Pad: NBU 1022-2P PAD
 Section 2 T10S R22E
 Mineral Lease: ST UT ML 22651

Uintah County, Utah
 Operator: Kerr-McGee Oil & Gas Onshore LP

This SUPO contains surface operating procedures for Kerr-McGee Oil & Gas Onshore LP (KMG), a wholly owned subsidiary of Anadarko Petroleum Corporation (APC) pertaining to actions that involve the State of Utah School and Institutional Trust Lands Administration (SITLA) in the development of minerals leased to APC/KMG (including but not limited to, APDs/SULAs/ROEs/ROWs and/or easements.)

NBU 1022-11A1BS/ 1022-11A1CS/ 1022-11A4BS/ 1022-11B1BS
1022-204BS/ 1022-204CS/ 1022-2P4CS

Surface Use Plan of Operations
2 of 9

See associated Utah Division of Oil, Gas, and Mining (UDOGM) Form 3(s), plats, maps, and other attachments for site-specific information on projects represented herein.

In accordance with Utah Oil & Gas Conservation Rule R649-3-11 pertaining to Directional Drilling, these wells will be directionally drilled. Refer to Topo Map A for directions to the location and Topo Maps A and B for location of access roads within a 2-mile radius.

A. Existing Roads:

Existing roads consist of county and improved/unimproved lease roads. KMG will maintain existing roads in a condition that is the same as or better than before operations began and in a safe and usable condition. Maintenance of existing roads will continue until final abandonment and reclamation of well pads and/or other facilities. The road maintenance may include, but is not limited to, blading, ditching, culvert installation/cleanout, surfacing, and dust control.

Typically, roads, gathering lines and electrical distribution lines will occupy common disturbance corridors and roadways will be used as working space. All disturbances located in the same corridor will overlap each other to the maximum extent possible; in no case will the maximum disturbance width of the access road and utility corridors exceed 50', unless otherwise approved.

B. Planned Access Roads:

One new access road is proposed (see Topo Map B). The $\pm 410'$ reroute will follow the proposed gas and liquid pipelines from the East edge of the pad to existing access road. Applicable Uintah County encroachment and/or pipeline crossing permits will be obtained prior to construction/development. No other pipelines will be crossed at this location.

If there are roads that are new or to be reconstructed, they will be located, designed, and maintained to meet the standards of SITLA and other commonly accepted Best Management Practices (BMPs). If a new road/corridor were to cross a water of the United States, KMG will adhere to the requirements of applicable Nationwide or Individual Permits of the Department of Army Corps of Engineers.

During the onsite, turnouts, major cut and fills, culverts, bridges, gates, cattle guards, low water crossings, or modifications needed to existing infrastructure/facilities were determined, as applicable, are typically shown on attached Exhibits and Topo maps.

C. Location of Existing and Proposed Facilities:

This pad will expand the existing pad for the CIGE 161. The CIGE 161 well location is a vertical producing well according to Utah Division of Oil, Gas and Mining (UDOGM) records as of June 2, 2011.

Production facilities (see Well Pad Design Summary and Facilities Diagram):

Production facilities will be installed on the disturbed portion of the well pad and may include bermed components (typically excluding dehy's and/or separators) that contain fluids (i.e. production tanks, produced liquids tanks).

The berms will be constructed of compacted subsoil or corrugated metal, impervious, designed to hold 110% of the capacity of the largest tank, and be independent of the back cut. All permanent (on-site six months or longer) above ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earth-tone color chosen at the onsite in coordination with SITLA.

Gathering Facilities:

The following pipeline transmission facilities will apply if the well is productive (see Topo D):

The total gas gathering (steel line pipe with fusion bond epoxy coating) pipeline distances from the meter to the tie in point is $\pm 2,770'$ and the individual segments are broken up as follows:

- $\pm 475'$ (0.09 miles) –New 8” buried gas pipeline from the meter to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.
- $\pm 2,295'$ (0.43 miles) –New 8” buried gas pipeline from the edge of pad to the tie-in at the East Side Compressor. Please refer to Topo D2 - Pad and Pipeline Detail.

The total liquid gathering pipeline distance from the separator to the tie in point is $\pm 3,905'$ and the individual segments are broken up as follows:

- $\pm 475'$ (0.09 miles) –New 6” buried liquid pipeline from the separator to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.
- $\pm 3,430'$ (0.65 miles) –New 6” buried liquid pipeline from the edge of pad to the tie-in at the existing liquid pipeline. Please refer to Topo D2 - Pad and Pipeline Detail.

The liquid gathering lines will be made of polyethylene or a composite polyethylene/steel or polyethylene/fiberglass that is not subject to internal or external pipe corrosion. The content of the produced fluids to be transferred by the liquid gathering system will be approximately 92% produced water and 8% condensate. Trunk line valve connections for the water gathering system will be below ground but accessible from the surface in order to prevent freezing during winter time.

The proposed pipelines will be buried and will include gas gathering and liquid gathering pipelines in the same trench. Where the pipeline is adjacent to the road or well pad, the road and/or well pad will be utilized for construction activities and staging. KMG requests a permanent 30' right-of-way adjacent to the road for life-of-project for maintenance, repairs, and/or upgrades, no additional right-of-way will be needed beyond the 30'. Where the pipeline is not adjacent to the road or well pad, KMG requests a temporary 45' construction right-of-way 30' permanent right-of-way.

The proposed trench width for the pipeline would range from 18-48 inches and will be excavated to a depth of 48 to 60 inches of normal soil cover or 24 inches of cover in consolidated rock. During construction blasting may occur along the proposed right-of-way where trenching equipment cannot cut into the bedrock. Large debris and rocks removed from the earth during trenching and blasting that could not be returned to the trench would be distributed evenly and naturally in the project area. The proposed pipelines will be pressure tested pneumatically (depending on size) or with fluids (either fresh or produced). If fluids are used, there will be no discharge to the surface.

Pipeline signs will be installed along the right-of-way to indicate the pipeline proximity and ownership, as well as to provide emergency contact phone numbers. Above ground valves, T's, and/or cathodic protection will be installed at various locations for connection, corrosion prevention and/or for safety purposes.

D. 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.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

E. Source of Construction Materials:

Construction operations will typically be completed with native materials found on location. If needed, construction materials that must be imported to the site (mineral material aggregate, soils or materials suitable for fill/surfacing) will be obtained from a nearby permitted source and described in subsequent Sundry requests. No construction materials will be removed from State lands without prior approval from SITLA.

F. Methods for Handling Waste Materials:

Should the well be productive, produced water will be contained in a water tank and will be transported by pipeline and/or truck to an approved disposal sites facilities and/or Salt Water Disposal (SWD) injection well. Currently, those facilities are:

RNI in Sec. 5 T9S R22E
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
Ouray #1 SWD in Sec. 1 T9S R21E
NBU 159 SWD in Sec. 35 T9S R21E
CIGE 112D SWD in Sec. 19 T9S R21E
CIGE 114 SWD in Sec. 34 T9S R21E
NBU 921-34K SWD in Sec. 34 T9S R21E
NBU 921-33F SWD in Sec. 33 T9S R21E
NBU 921-34L SWD in Sec. 34 T9S R21E

Drill cuttings and/or fluids will be contained in the reserve/frac pit. Cuttings will be buried in pit(s) upon closure. Unless otherwise approved, no oil or other oil-based drilling additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water (as specified above), biodegradable polymer soap, bentonite clay, and/or non-toxic additives will be used in the mud system.

Pits will be constructed to minimize the accumulation of surface runoff. Should fluid hydrocarbons be encountered during drilling, completions or well testing, product will either be contained in test tanks on the well site or evacuated by vacuum trucks and transported to an approved disposal/sales facility. Should petroleum hydrocarbons unexpectedly be released into a pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternate is approved by SITLA. Should timely removal prove infeasible, the pit will be netted with mesh no larger than 1 inch until such time as hydrocarbons can be removed. Hydrocarbon removal will also take place prior to the closure of the pit, unless authorization is provided for disposal via alternative pit closure methods (e.g. solidification.)

The reserve and/or fracture stimulation pit will be lined with a synthetic material 20 mil or thicker. The liner will be installed over smooth fill subgrade that is free of pockets, loose rocks, or other materials (i.e. sand, sifted dirt, bentonite, straw, etc.) that could damage the liner. Any additional pits necessary for subsequent operations, such as temporary flare or workover pits, will be contained within the originally approved well pad and disturbance boundaries. Such temporary pits will be backfilled and reclaimed within 180 days of completion of work at a well location.

For the protection of livestock and wildlife, all open pits and cellars will be fenced/covered to prevent wildlife or livestock entry. Total height of pit fencing will be at least 42 inches and corner posts will be cemented and/or braced in such a manner as 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.

Pits containing drilling cuttings, mud, and/or completions fluids will be allowed to dry. Any free fluids remaining after six (6) months from reaching total depth, date of completion, and/or determination of inactivity will be removed (as weather conditions allow) to an approved site and the pit reclaimed. Additional drying methods may include fly-ash solidification or sprinkler evaporation. Installation and operation of any sprinklers, pumps, and equipment will ensure that water spray or mist does not drift. Reserve pit liners will be cut off or folded as near to the mud surface as possible and as safety considerations allow and buried on location.

No garbage or non-exempt substances as defined by Resource Conservation and Recovery Act (RCRA) subtitle C will be placed in the reserve pit. All refuse generated during construction, drilling, completion, and well testing activities will be contained in an enclosed receptacle, removed from the drill locations promptly, and transported to an approved disposal facility.

Portable, self-contained chemical toilets and/or sewage processing facilities will be provided for human waste disposal. Upon completion of operations, or as required, the toilet holding tanks will be pumped and the contents disposed of in an approved sewage disposal facility. All applicable regulations pertaining to disposal of human and solid waste will be observed.

Any undesirable event, including accidental release of fluids, or release in excess of reportable quantities, will be managed according to the notification requirements of UDOGMs "Reporting Oil and Gas Undesirable Events" rule. Where State wells are participatory to a Federal agreement, according to NTL-3A, the appropriate Federal agencies will be notified.

Materials Management

Hazardous materials above reportable quantities will not be produced by drilling or completing proposed wells or constructing the pipelines/facilities. The term "hazardous materials" as used here means: (1) any substance, pollutant, or containment listed as hazardous under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980, as amended 42 U.S.C. 9601 et seq., and the regulations issued under CERCLA; and (2) any hazardous waste as defined in RCRA of 1976, as amended. In addition, no extremely hazardous substance, as defined in 40 CFR 355, in threshold planning quantities, would be used, produced, stored, transported, or disposed of while producing any well.

Chemicals subject to reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) in quantities of 10,000 pounds or more may be produced and/or stored at production facilities and may be kept in limited quantities on drilling sites and well locations for short periods of time during drilling or completion activities.

G. Ancillary Facilities:

None are anticipated.

H. Well Site Layout (see Well Pad Design Summary):

The location, orientation and aerial extent of each drill pad; reserve/completion/flare pit; access road ingress/egress points, drilling rig, dikes/ditches, existing wells/infrastructure; proposed cuts and fills; and topsoil and spoil material stockpile locations are depicted on the exhibits for each project, where applicable. Site-specific conditions may require slight deviation in actual equipment and facility layout; however, the area of disturbance, as described in the survey, will not be exceeded.

Coordinates are provided in the National Spatial Reference System, North American Datum, 1927 (NAD27) or latest edition. Distances are depicted on each plat to the nearest two adjacent section lines.

I. Plans for Reclamation of the Surface:

Surface reclamation will be undertaken in two phases: interim and final. Interim reclamation is conducted following well completion and extends through the period of production. This reclamation is for the area of the well pad that is not required for production activities. Final reclamation is conducted following well plugging/conversion and/or facility abandonment processes.

Reclamation activities in both phases may include but is not limited to the re-contouring or re-configuration of topographic surfaces, restoration of drainage systems, segregation of spoils materials, minimizing surface disturbance, re-evaluating backfill requirements, pit closure, topsoil redistribution, soil treatments, seeding and weed control.

Interim Reclamation

Interim reclamation includes pit closure, re-contouring (where possible), soil bed preparation, topsoil placement, seeding, and/or weed control.

Interim re-contouring involves bringing all construction material from cuts and fills back onto the well pad and site and reestablishing the natural contours where desirable and practical. Fill and stockpiled spoils no longer necessary to the operation will be spread on the cut slopes and covered with stockpiled topsoil. All stockpiled top soils will be used for interim reclamation where practical to maintain soil viability. Where possible, the land surface will be left "rough" after re-contouring to ensure that the maximum surface area will be available to support the reestablishment of vegetative cover.

A reserve pit, upon being allowed to dry, will be backfilled and compacted with cover materials that are void of any topsoil, vegetation, large stones, rocks or foreign objects. Soils that are moisture laden, saturated, or partially/completely frozen will not be used for backfill or cover. The pit area will be mounded to allow for settling and to promote positive surface drainage away from the pit.

Final Reclamation

Final reclamation will be performed for newly drilled unproductive wells and/or at the end of the life of a productive well. As soon as practical after the conclusion of drilling and testing operations, unproductive drill holes will be plugged and abandoned (P&A). Site and road reclamation will commence following plugging. In no case will reclamation at non-producing locations be initiated later than six (6) months from the date a well is plugged. A joint inspection of the disturbed area to be reclaimed may be requested by KMG. The primary purpose of this inspection will be to review the existing conditions, or agree upon a revised final reclamation and abandonment plan. A Notice of Intent to Abandon will be filed for final recommendations regarding surface reclamation.

After plugging, all wellhead equipment that is no longer needed will be removed, and the well site will be reclaimed. Final contouring will blend with and follow as closely as practical the natural terrain and contours of the original site and surrounding areas. After re-contouring, final grading will be conducted over the entire surface of the well site and access road. Where practical, the area will be ripped to a depth of 18 to 24 inches on 18 to 24-inch centers and surface materials will be pitted with small depressions to form longitudinal depressions 12 to 18 inches deep perpendicular to the natural flow of water.

All unnecessary surface equipment and structures (e.g. cattle guards) and water control structures (e.g. culverts, drainage pipes) not needed to facilitate successful reclamation will be removed during final reclamation. Roads that will be reclaimed will be ripped to a depth of 18 inches where practical, re-contoured to approximate the original contour of the ground and seeded.

Upon successfully completing reclamation of a P&A location, a Final Abandonment Notice will be submitted to UDOGM.

Seeding and Measures Common to Interim and Final Reclamation

Reclaimed areas may be fenced to exclude grazing and encourage re-vegetation.

On slopes where severe erosion can become a problem and the use of machinery is not practical, seed will be hand broadcast and raked with twice the specified amount of seed. The slope will be stabilized using materials specifically designed to prevent erosion on steep slopes and hold seed in place so vegetation can become permanently established. These materials will include, but are not limited to, erosion control blankets and bonded fiber matrix at a rate to achieve a minimum of 80 percent soil coverage.

Seeding will occur year-round as conditions allow. Seed mixes appropriate to the native plant community as determined and specified for each project location based on the site specific soils will be used for re-vegetation. The site specific seed mix will be provided by SITLA.

J. Surface/Mineral Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

L. Other Information:

None

NBU 1022-11A1BS/ 1022-11A1CS/ 1022-11A4BS/ 1022-11B1BS
1022-2O4BS/ 1022-2O4CS/ 1022-2P4CS

Surface Use Plan of Operations
9 of 9

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

Gina T. Becker
Regulatory Analyst II
Kerr-McGee Oil & Gas Onshore LP
PO Box 173779
Denver, CO 80217-3779
(720) 929-6086

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 for State lease activities is provided by State Surety Bond 22013542, and for applicable Federal lease activities and pursuant to 43 CFR 3104, 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.



Gina T. Becker

August 10, 2011
Date



Joseph D. Johnson
1099 18TH STREET STE. 1800 • DENVER, CO 80202
720-929-6708 • FAX 720-929-7708
E-MAIL: JOE.JOHNSON@ANADARKO.COM

August 4, 2011

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

Re: Directional Drilling R649-3-11
NBU 1022-2O4CS
T10S-R22E
Section 2: SWSE
Surface: 220' FSL, 1402' FEL
T10S-R22E
Section 3: SWSE
Bottom Hole: 95' FSL, 1804' FEL
Uintah County, Utah

Dear Ms. Mason:

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

- Kerr-McGee's NBU 1022-2O4CS is located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing road and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

Therefore, based on the above stated information Kerr-McGee Oil & Gas Onshore LP requests the permit be granted pursuant to R649-3-11.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

A handwritten signature in blue ink, appearing to read 'Joe D. Johnson', with a horizontal line underneath.

Joseph D. Johnson
Landman

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)

August 19, 2011

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2011 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 2011 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
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(Proposed PZ WASATCH-MESA VERDE)

NBU 1022-11F PAD

43-047-51797	NBU 1022-11C2CS	Sec 11 T10S R22E 1860 FNL 1499 FWL
	BHL	Sec 11 T10S R22E 0370 FNL 1365 FWL

43-047-51799	NBU 1022-11C3DS	Sec 11 T10S R22E 1852 FNL 1505 FWL
	BHL	Sec 11 T10S R22E 1268 FNL 1726 FWL

43-047-51800	NBU 1022-11D1CS	Sec 11 T10S R22E 1868 FNL 1493 FWL
	BHL	Sec 11 T10S R22E 0576 FNL 0818 FWL

43-047-51801	NBU 1022-11F2DS	Sec 11 T10S R22E 1844 FNL 1512 FWL
	BHL	Sec 11 T10S R22E 1622 FNL 1625 FWL

NBU 1022-11G2 PAD

43-047-51802	NBU 1022-11B4CS	Sec 11 T10S R22E 1627 FNL 2594 FEL
	BHL	Sec 11 T10S R22E 1238 FNL 1803 FEL

43-047-51813	NBU 1022-11B4BS	Sec 11 T10S R22E 1633 FNL 2601 FEL
	BHL	Sec 11 T10S R22E 0908 FNL 1804 FEL

43-047-51815	NBU 1022-11B1CS	Sec 11 T10S R22E 1639 FNL 2609 FEL
	BHL	Sec 11 T10S R22E 0577 FNL 1805 FEL

43-047-51817	NBU 1022-C4AS	Sec 11 T10S R22E 1645 FNL 2617 FEL
	BHL	Sec 11 T10S R22E 0825 FNL 2462 FWL

43-047-51818	NBU 1022-11C4CS	Sec 11 T10S R22E 1651 FNL 2625 FEL
	BHL	Sec 11 T10S R22E 1071 FNL 2131 FWL

RECEIVED: August 22, 2011

API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
43-047-51855	NBU 1022-11F4AS	Sec 11 T10S R22E 1657 FNL 2633 FEL
	BHL	Sec 11 T10S R22E 2138 FNL 2288 FWL
NBU 1022-2A PAD		
43-047-51803	NBU 1022-2G1CS	Sec 02 T10S R22E 0165 FNL 0760 FEL
	BHL	Sec 02 T10S R22E 1905 FNL 1814 FEL
43-047-51807	NBU 1022-2G1BS	Sec 02 T10S R22E 0164 FNL 0770 FEL
	BHL	Sec 02 T10S R22E 1573 FNL 1815 FEL
43-047-51808	NBU 1022-2H1BS	Sec 02 T10S R22E 0167 FNL 0730 FEL
	BHL	Sec 02 T10S R22E 1410 FNL 0494 FEL
43-047-51812	NBU 1022-2H1CS	Sec 02 T10S R22E 0166 FNL 0740 FEL
	BHL	Sec 02 T10S R22E 1743 FNL 0494 FEL
43-047-51825	NBU 1022-2H4BS	Sec 02 T10S R22E 0165 FNL 0750 FEL
	BHL	Sec 02 T10S R22E 2074 FNL 0493 FEL
NBU 1022-11G4 PAD		
43-047-51805	NBU 1022-11A4CS	Sec 11 T10S R22E 2411 FNL 1535 FEL
	BHL	Sec 11 T10S R22E 1075 FNL 0490 FEL
43-047-51814	NBU 1022-11H1BS	Sec 11 T10S R22E 2405 FNL 1526 FEL
	BHL	Sec 11 T10S R22E 1406 FNL 0490 FEL
43-047-51822	NBU 1022-11G4CS	Sec 11 T10S R22E 2435 FNL 1566 FEL
	BHL	Sec 11 T10S R22E 2559 FNL 1799 FEL
43-047-51823	NBU 1022-11G1BS	Sec 11 T10S R22E 2423 FNL 1550 FEL
	BHL	Sec 11 T10S R22E 1568 FNL 1802 FEL
43-047-51837	NBU 1022-11G1CS	Sec 11 T10S R22E 2417 FNL 1542 FEL
	BHL	Sec 11 T10S R22E 1954 FNL 1646 FEL
43-047-51853	NBU 1022-11G4BS	Sec 11 T10S R22E 2429 FNL 1558 FEL
	BHL	Sec 11 T10S R22E 2229 FNL 1800 FEL
NBU 1022-2I PAD		
43-047-51809	NBU 1022-2I4CS	Sec 02 T10S R22E 1886 FSL 0949 FEL
	BHL	Sec 02 T10S R22E 1576 FSL 0492 FEL
43-047-51810	NBU 1022-2P1BS	Sec 02 T10S R22E 1881 FSL 0957 FEL
	BHL	Sec 02 T10S R22E 1245 FSL 0492 FEL
43-047-51824	NBU 1022-2I1CS	Sec 02 T10S R22E 1895 FSL 0931 FEL
	BHL	Sec 02 T10S R22E 2240 FSL 0493 FEL
43-047-51829	NBU 1022-2I4BS	Sec 02 T10S R22E 1890 FSL 0940 FEL
	BHL	Sec 02 T10S R22E 1909 FSL 0492 FEL
43-047-51838	NBU 1022-2P4BS	Sec 02 T10S R22E 1872 FSL 0975 FEL
	BHL	Sec 02 T10S R22E 0581 FSL 0492 FEL
43-047-51852	NBU 1022-2P1CS	Sec 02 T10S R22E 1877 FSL 0966 FEL
	BHL	Sec 02 T10S R22E 0913 FSL 0492 FEL
NBU 1022-2B PAD		
43-047-51811	NBU 1022-2B1CS	Sec 02 T10S R22E 0544 FNL 1813 FEL
	BHL	Sec 02 T10S R22E 0579 FNL 1818 FEL

API #	WELL NAME	LOCATION						
(Proposed PZ WASATCH-MESA VERDE)								
43-047-51827	NBU 1022-2B4CS	Sec 02	T10S	R22E	0543	FNL	1793	FEL
		BHL Sec 02	T10S	R22E	1242	FNL	1816	FEL
43-047-51828	NBU 1022-2B4BS	Sec 02	T10S	R22E	0543	FNL	1803	FEL
		BHL Sec 02	T10S	R22E	0910	FNL	1817	FEL
43-047-51830	NBU 1022-2C1BS	Sec 02	T10S	R22E	0544	FNL	1823	FEL
		BHL Sec 02	T10S	R22E	0090	FNL	2158	FWL
NBU 1022-11J PAD								
43-047-51816	NBU 1022-11K4BS	Sec 11	T10S	R22E	1980	FSL	2131	FEL
		BHL Sec 11	T10S	R22E	1804	FSL	1963	FWL
43-047-51843	NBU 1022-11J1CS	Sec 11	T10S	R22E	1990	FSL	2130	FEL
		BHL Sec 11	T10S	R22E	2065	FSL	1797	FEL
43-047-51851	NBU 1022-11J1BS	Sec 11	T10S	R22E	2000	FSL	2129	FEL
		BHL Sec 11	T10S	R22E	2395	FSL	1798	FEL
NBU 1022-2J PAD								
43-047-51819	NBU 1022-2G4CS	Sec 02	T10S	R22E	2375	FSL	1639	FEL
		BHL Sec 02	T10S	R22E	2568	FNL	1813	FEL
43-047-51820	NBU 1022-2H4CS	Sec 02	T10S	R22E	2351	FSL	1584	FEL
		BHL Sec 02	T10S	R22E	2406	FNL	0493	FEL
43-047-51844	NBU 1022-2J4BS	Sec 02	T10S	R22E	2367	FSL	1621	FEL
		BHL Sec 02	T10S	R22E	1741	FSL	1811	FEL
43-047-51845	NBU 1022-2O1CS	Sec 02	T10S	R22E	2343	FSL	1566	FEL
		BHL Sec 02	T10S	R22E	0747	FSL	1808	FEL
43-047-51847	NBU 1022-2I1BS	Sec 02	T10S	R22E	2347	FSL	1575	FEL
		BHL Sec 02	T10S	R22E	2572	FSL	0493	FEL
43-047-51854	NBU 1022-2G4BS	Sec 02	T10S	R22E	2359	FSL	1602	FEL
		BHL Sec 02	T10S	R22E	2237	FNL	1814	FEL
NBU 1022-O1 PAD								
43-047-51821	NBU 1022-11O1CS	Sec 11	T10S	R22E	0944	FSL	1360	FEL
		BHL Sec 11	T10S	R22E	0744	FSL	1793	FEL
43-047-51831	NBU 1022-11O4CS	Sec 11	T10S	R22E	0925	FSL	1366	FEL
		BHL Sec 11	T10S	R22E	0079	FSL	1824	FEL
43-047-51832	NBU 1022-11P1BS	Sec 11	T10S	R22E	0973	FSL	1351	FEL
		BHL Sec 11	T10S	R22E	1068	FSL	0474	FEL
43-047-51833	NBU 1022-11P4BS	Sec 11	T10S	R22E	0954	FSL	1357	FEL
		BHL Sec 11	T10S	R22E	0456	FSL	0504	FEL
43-047-51836	NBU 1022-12M1BS	Sec 11	T10S	R22E	0963	FSL	1354	FEL
		BHL Sec 12	T10S	R22E	1077	FSL	0824	FWL
43-047-51856	NBU 1022-11O4BS	Sec 11	T10S	R22E	0935	FSL	1363	FEL
		BHL Sec 11	T10S	R22E	0413	FSL	1792	FEL

API #	WELL NAME			LOCATION						
(Proposed PZ WASATCH-MESA VERDE)										
NBU 1022-11I1 PAD										
43-047-51834	NBU 1022-11I1CS	Sec	11	T10S	R22E	2545	FSL	0532	FEL	
	BHL	Sec	11	T10S	R22E	2112	FSL	0481	FEL	
43-047-51835	NBU 1022-12L1CS	Sec	11	T10S	R22E	2554	FSL	0528	FEL	
	BHL	Sec	12	T10S	R22E	2070	0FSL	823	FWL	
43-047-51857	NBU 1022-11H4BS	Sec	11	T10S	R22E	2582	FSL	0518	FEL	
	BHL	Sec	11	T10S	R22E	2067	FNL	0489	FEL	
43-047-51858	NBU 1022-11H4CS	Sec	11	T10S	R22E	2592	FSL	0514	FEL	
	BHL	Sec	11	T10S	R22E	2398	FNL	0489	FEL	
43-047-51861	NBU 1022-12L1BS	Sec	11	T10S	R22E	2564	FSL	0525	FEL	
	BHL	Sec	12	T10S	R22E	2401	FSL	0822	FWL	
43-047-51863	NBU 1022-11H1CS	Sec	11	T10S	R22E	2573	FSL	0521	FEL	
	BHL	Sec	11	T10S	R22E	1737	FNL	0490	FEL	
NBU 1022-2P PAD										
43-047-51839	NBU 1022-2P4CS	Sec	02	T10S	R22E	0221	FSL	1342	FEL	
	BHL	Sec	02	T10S	R22E	0255	FSL	0496	FEL	
43-047-51841	NBU 1022-11B1BS	Sec	02	T10S	R22E	0221	FSL	1382	FEL	
	BHL	Sec	11	T10S	R22E	0280	FNL	1755	FEL	
43-047-51842	NBU 1022-11A1BS	Sec	02	T10S	R22E	0221	FSL	1352	FEL	
	BHL	Sec	11	T10S	R22E	0080	FNL	0473	FEL	
43-047-51846	NBU 1022-2O4CS	Sec	02	T10S	R22E	0220	FSL	1402	FEL	
	BHL	Sec	02	T10S	R22E	0095	FSL	1804	FEL	
43-047-51848	NBU 1022-11A4BS	Sec	02	T10S	R22E	0221	FSL	1372	FEL	
	BHL	Sec	11	T10S	R22E	0744	FNL	0490	FEL	
43-047-51849	NBU 1022-2O4BS	Sec	02	T10S	R22E	0221	FSL	1392	FEL	
	BHL	Sec	02	T10S	R22E	0415	FSL	1807	FEL	
43-047-51850	NBU 1022-11A1CS	Sec	02	T10S	R22E	0221	FSL	1362	FEL	
	BHL	Sec	11	T10S	R22E	0413	FNL	0491	FEL	
NBU 1022-14A PAD										
43-047-51840	NBU 1022-11P4CS	Sec	14	T10S	R22E	0379	FNL	1228	FEL	
	BHL	Sec	11	T10S	R22E	0088	FSL	0466	FEL	
43-047-51860	NBU 1022-12M1CS	Sec	14	T10S	R22E	0385	FNL	1236	FEL	
	BHL	Sec	12	T10S	R22E	0746	FSL	0825	FWL	
43-047-51868	NBU 1022-12M4BS	Sec	14	T10S	R22E	0391	FNL	1244	FEL	
	BHL	Sec	12	T10S	R22E	0415	FSL	0825	FWL	
43-047-51870	NBU 1022-12M4CS	Sec	14	T10S	R22E	0397	FNL	1252	FEL	
	BHL	Sec	12	T10S	R22E	0086	FSL	0819	FWL	
NBU 1022-11O2 PAD										
43-047-51859	NBU 1022-11K4CS	Sec	11	T10S	R22E	1103	FSL	2372	FEL	
	BHL	Sec	11	T10S	R22E	1442	FSL	2113	FWL	

API #	WELL NAME	LOCATION
(Proposed PZ WASATCH-MESA VERDE)		
43-047-51862	NBU 1022-11N1BS	Sec 11 T10S R22E 1094 FSL 2377 FEL
	BHL	Sec 11 T10S R22E 1111 FSL 2105 FWL
43-047-51864	NBU 1022-11N1CS	Sec 11 T10S R22E 1085 FSL 2382 FEL
	BHL	Sec 11 T10S R22E 0801 FSL 2127 FWL
43-047-51865	NBU 1022-11N4BS	Sec 11 T10S R22E 1077 FSL 2387 FEL
	BHL	Sec 11 T10S R22E 0462 FSL 2127 FWL
43-047-51867	NBU 1022-11N4CS	Sec 11 T10S R22E 1068 FSL 2392 FEL
	BHL	Sec 11 T10S R22E 0146 FSL 2084 FWL
43-047-51869	NBU 1022-11O2AS	Sec 11 T10S R22E 1111 FSL 2367 FEL
	BHL	Sec 11 T10S R22E 1102 FSL 1964 FEL
NBU 1022-11I3 PAD		
43-047-51866	NBU 1022-11I4BS	Sec 11 T10S R22E 1489 FSL 0996 FEL
	BHL	Sec 11 T10S R22E 1774 FSL 0485 FEL
43-047-51871	NBU 1022-11I4CS	Sec 11 T10S R22E 1459 FSL 0997 FEL
	BHL	Sec 11 T10S R22E 1443 FSL 0497 FEL
43-047-51872	NBU 1022-12L4BS	Sec 11 T10S R22E 1479 FSL 0996 FEL
	BHL	Sec 12 T10S R22E 1739 FSL 0823 FWL
43-047-51873	NBU 1022-12L4CS	Sec 11 T10S R22E 1469 FSL 0996 FEL
	BHL	Sec 12 T10S R22E 1408 FSL 0824 FWL

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

Michael L. Coulthard  Digitally signed by Michael L. Coulthard
 DN: cn=Michael L. Coulthard, o=Bureau of Land Management,
 ou=Branch of Minerals, email=Michael_Coulthard@blm.gov, c=US
 Date: 2011.08.19 08:43:17 -06'00'

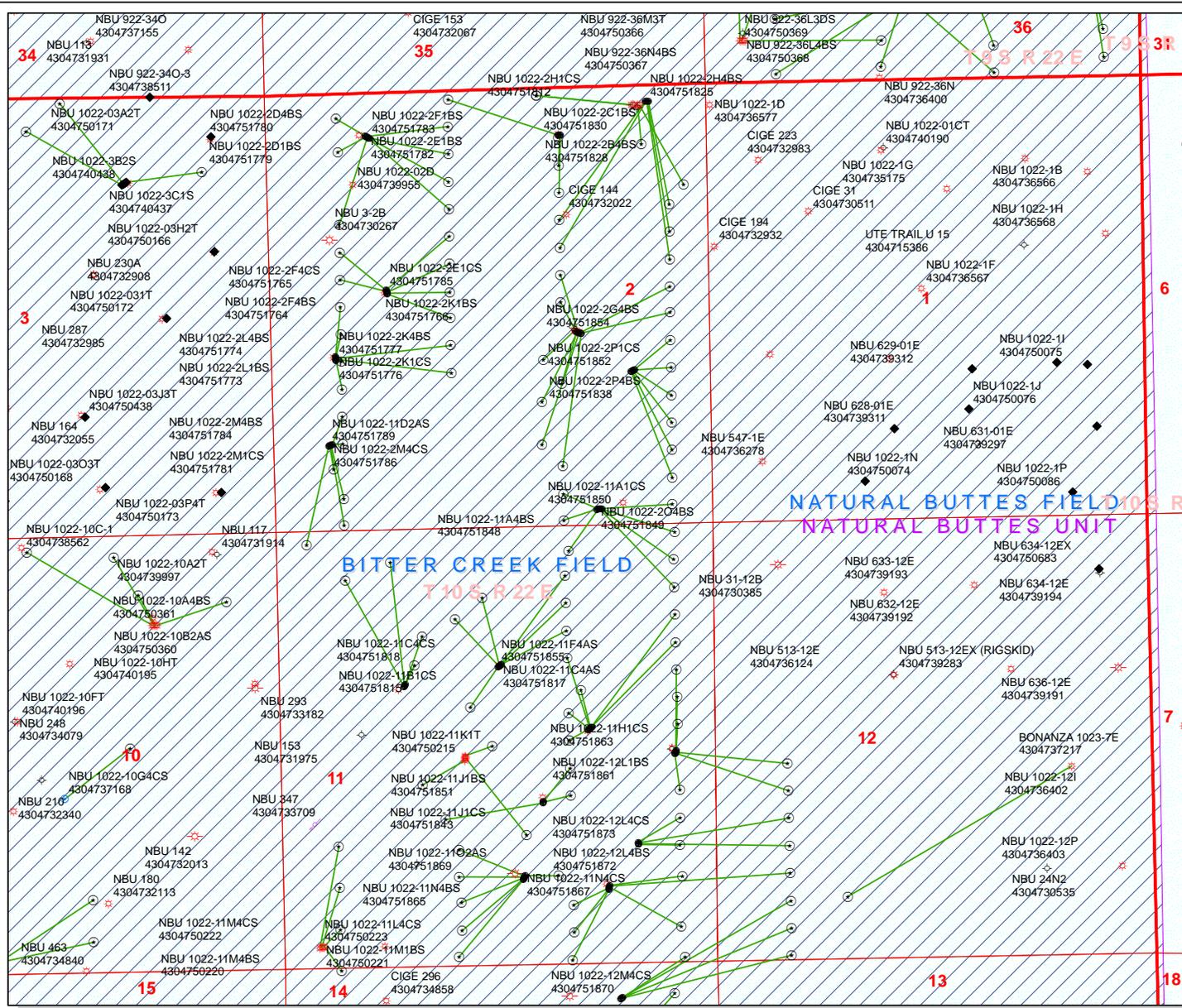
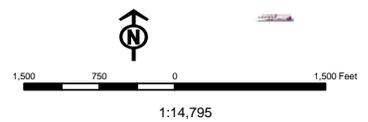
bcc: File - Natural Buttes Unit
 Division of Oil Gas and Mining
 Central Files
 Agr. Sec. Chron
 Fluid Chron

MCoulthard:mc:8-19-11

API Number: 4304751846
Well Name: NBU 1022-204CS
 Township T10.0 Range R22.2 Section 02
Meridian: SLBM
 Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.

Map Prepared:
 Map Produced by Diana Mason

Units	Wells Query Status
ACTIVE	APD - Approved Permit
EXPLORATORY	DRL - Spudded (Drilling Commenced)
GAS STORAGE	GIW - Gas Injection
NF PP OIL	GS - Gas Storage
NF SECONDARY	LA - Location Abandoned
PI OIL	LOC - New Location
PP GAS	OPS - Operation Suspended
PP GEOTHERM	PA - Plugged Abandoned
PP OIL	PGW - Producing Gas Well
SECONDARY	POW - Producing Oil Well
TERMINATED	RET - Returned APD
Unknown	SGW - Shut-in Gas Well
ABANDONED	SOW - Shut-in Oil Well
ACTIVE	TA - Temp. Abandoned
COMBINED	TW - Test Well
INACTIVE	WDW - Water Disposal
STORAGE	WIW - Water Injection Well
TERMINATED	WSW - Water Supply Well
Sections	
Township	



From: Jim Davis
To: Hill, Brad; Mason, Diana
CC: Bonner, Ed; Garrison, LaVonne; Lytle, Andy
Date: 9/26/2011 5:08 PM
Subject: Anadarko APD approvals 10S 22E Sec 2, 11 and 14
Attachments: Anadarko Approvals from SITLA 9.26.11.xls

The following APDs have been approved by SITLA including arch clearance and paleo clearance:

4304751840 NBU 1022-11P4CS
4304751860 NBU 1022-12M1CS
4304751868 NBU 1022-12M4BS
4304751870 NBU 1022-12M4CS
4304751803 NBU 1022-2G1CS
4304751807 NBU 1022-2G1BS
4304751808 NBU 1022-2H1BS
4304751812 NBU 1022-2H1CS
4304751825 NBU 1022-2H4BS
4304751811 NBU 1022-2B1CS
4304751827 NBU 1022-2B4CS
4304751828 NBU 1022-2B4BS
4304751830 NBU 1022-2C1BS
4304751809 NBU 1022-2I4CS
4304751810 NBU 1022-2P1BS
4304751824 NBU 1022-2I1CS
4304751829 NBU 1022-2I4BS
4304751838 NBU 1022-2P4BS
4304751852 NBU 1022-2P1CS
4304751839 NBU 1022-2P4CS
4304751841 NBU 1022-11B1BS
4304751842 NBU 1022-11A1BS
4304751846 NBU 1022-2O4CS
4304751848 NBU 1022-11A4BS
4304751849 NBU 1022-2O4BS
4304751850 NBU 1022-11A1CS

These APDS are approved including arch clearance but will require **spot paleo monitoring** as recommended in the applicable paleo reports:

4304751758 NBU 1022-2C1CS
4304751767 NBU 1022-2C4BS
4304751768 NBU 1022-2C4CS
4304751779 NBU 1022-2D1BS
4304751780 NBU 1022-2D4BS
4304751782 NBU 1022-2E1BS
4304751783 NBU 1022-2F1BS
4304751760 NBU 1022-2E4BS
4304751761 NBU 1022-2F1CS
4304751764 NBU 1022-2F4BS
4304751765 NBU 1022-2F4CS
4304751766 NBU 1022-2K1BS
4304751785 NBU 1022-2E1CS
4304751775 NBU 1022-2L4CS
4304751778 NBU 1022-2M1BS
4304751781 NBU 1022-2M1CS
4304751784 NBU 1022-2M4BS
4304751786 NBU 1022-2M4CS
4304751789 NBU 1022-11D2AS

4304751802 NBU 1022-11B4CS
4304751813 NBU 1022-11B4BS
4304751815 NBU 1022-11B1CS
4304751817 NBU 1022-11C4AS
4304751818 NBU 1022-11C4CS
4304751855 NBU 1022-11F4AS
4304751805 NBU 1022-11A4CS
4304751814 NBU 1022-11H1BS
4304751822 NBU 1022-11G4CS
4304751823 NBU 1022-11G1BS
4304751837 NBU 1022-11G1CS
4304751853 NBU 1022-11G4BS
4304751834 NBU 1022-11I1CS
4304751835 NBU 1022-12L1CS
4304751857 NBU 1022-11H4BS
4304751858 NBU 1022-11H4CS
4304751861 NBU 1022-12L1BS
4304751863 NBU 1022-11H1CS
4304751866 NBU 1022-11I4BS
4304751871 NBU 1022-11I4CS
4304751872 NBU 1022-12L4BS
4304751873 NBU 1022-12L4CS
4304751816 NBU 1022-11K4BS
4304751843 NBU 1022-11J1CS
4304751851 NBU 1022-11J1BS
4304751859 NBU 1022-11K4CS
4304751862 NBU 1022-11N1BS
4304751864 NBU 1022-11N1CS
4304751865 NBU 1022-11N4BS
4304751867 NBU 1022-11N4CS
4304751869 NBU 1022-11O2AS

These APDS are approved including arch clearance but will require **full paleo monitoring** as recommended in the applicable paleo reports:

4304751771 NBU 1022-2E4CS
4304751772 NBU 1022-2L1CS
4304751773 NBU 1022-2L1BS
4304751774 NBU 1022-2L4BS
4304751776 NBU 1022-2K1CS
4304751777 NBU 1022-2K4BS
4304751819 NBU 1022-2G4CS
4304751820 NBU 1022-2H4CS
4304751844 NBU 1022-2J4BS
4304751845 NBU 1022-2O1CS
4304751847 NBU 1022-2I1BS
4304751854 NBU 1022-2G4BS
4304751797 NBU 1022-11C2CS
4304751799 NBU 1022-11C3DS
4304751800 NBU 1022-11D1CS
4304751801 NBU 1022-11F2DS
4304751821 NBU 1022-11O1CS
4304751831 NBU 1022-11O4CS
4304751832 NBU 1022-11P1BS
4304751833 NBU 1022-11P4BS
4304751836 NBU 1022-12M1BS
4304751856 NBU 1022-11O4BS

That's a big enough list that I'm including a simple spreadsheet that has this same information, but organized in such a way as may be more useful to some of you.

Thanks.

-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

Well Name	KERR-MCGEE OIL & GAS ONSHORE, L.P. NBU 1022-2O4CS			
String	Surf	Prod		
Casing Size(")	8.625	4.500		
Setting Depth (TVD)	2131	8543		
Previous Shoe Setting Depth (TVD)	40	2131		
Max Mud Weight (ppg)	8.3	12.5		
BOPE Proposed (psi)	500	5000		
Casing Internal Yield (psi)	3390	7780		
Operators Max Anticipated Pressure (psi)	5468	12.3		

Calculations	Surf String	8.625	"
Max BHP (psi)	.052*Setting Depth*MW=	920	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	664	NO <input type="checkbox"/> air drill
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	451	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	460	NO <input type="checkbox"/> Reasonable depth in area
Required Casing/BOPE Test Pressure=		2131	psi
*Max Pressure Allowed @ Previous Casing Shoe=		40	psi *Assumes 1psi/ft frac gradient

Calculations	Prod String	4.500	"
Max BHP (psi)	.052*Setting Depth*MW=	5553	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=	4528	YES <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=	3674	YES <input type="checkbox"/> OK
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=	4142	NO <input type="checkbox"/> Reasonable
Required Casing/BOPE Test Pressure=		5000	psi
*Max Pressure Allowed @ Previous Casing Shoe=		2131	psi *Assumes 1psi/ft frac gradient

Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="checkbox"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="checkbox"/>
Required Casing/BOPE Test Pressure=			psi
*Max Pressure Allowed @ Previous Casing Shoe=			psi *Assumes 1psi/ft frac gradient

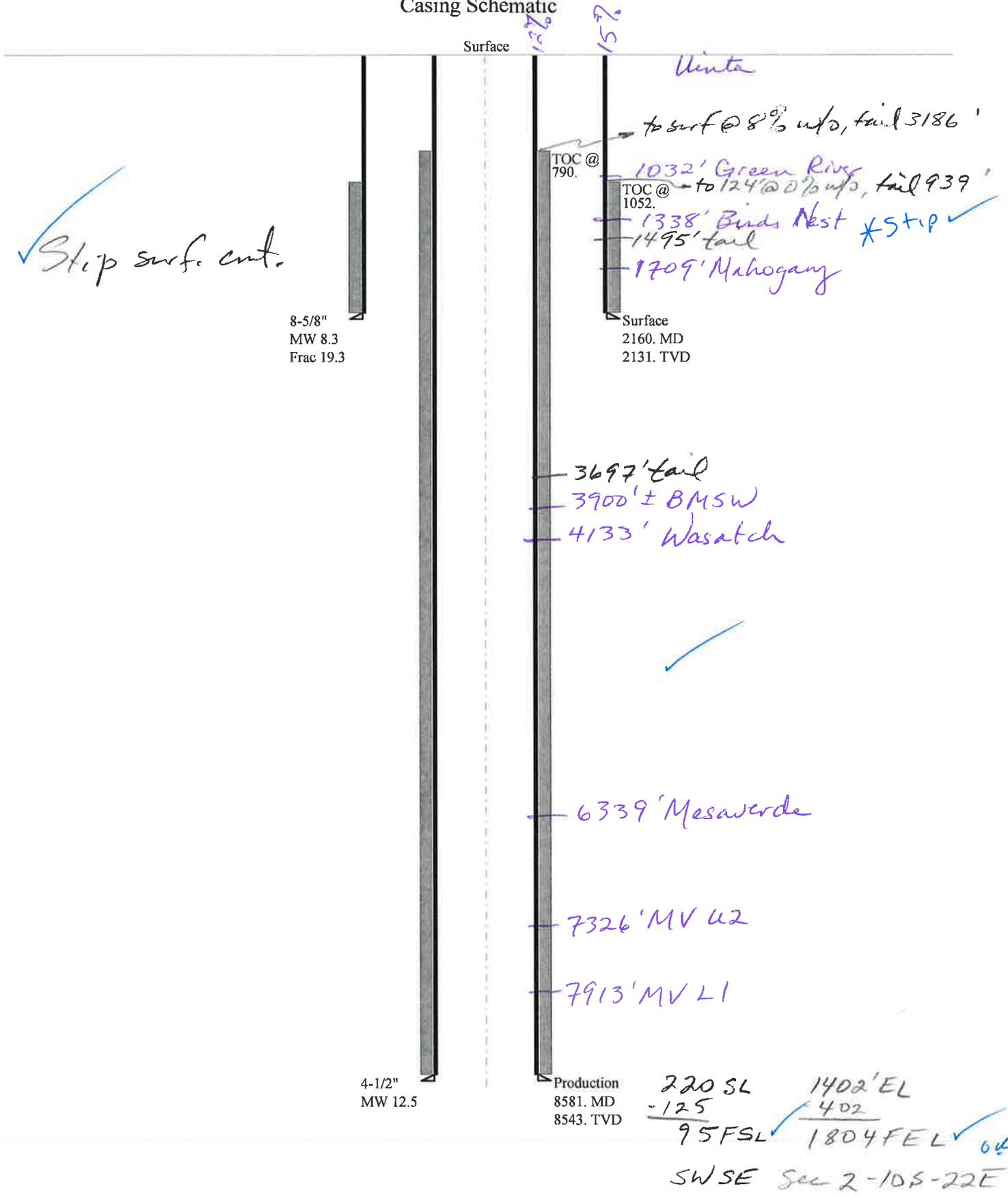
Calculations	String		"
Max BHP (psi)	.052*Setting Depth*MW=		
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) (psi)	Max BHP-(0.12*Setting Depth)=		NO <input type="checkbox"/>
MASP (Gas/Mud) (psi)	Max BHP-(0.22*Setting Depth)=		NO <input type="checkbox"/>
			*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth)=		NO <input type="checkbox"/>
Required Casing/BOPE Test Pressure=			psi

API Well Number: 43047518460000

*Max Pressure Allowed @ Previous Casing Shoe=	<input type="text"/>	psi *Assumes 1psi/ft frac gradient
---	----------------------	------------------------------------

43047518460000 NBU 1022-2O4CS

Casing Schematic



✓ Stop surf. cont.

8-5/8"
MW 8.3
Frac 19.3

4-1/2"
MW 12.5

Production
8581. MD
8543. TVD

Surface
2160. MD
2131. TVD

TOC @ 790.
TOC @ 1052.

1032' Green River
to 124' @ 0% w/o, fail 939'

1338' Birds Nest *5+P ✓

1495' tail

1709' Mahogany

3697' tail

3900' ± 8MSW

4133' Wasatch

6339' Mesaverde

7326' MV U2

7913' MV L1

220 SL
-125
95 FSL ✓

1402' EL
-402
1804 FEL ✓ 04.

SWSE Sec 2-10S-22E

Well name:	43047518460000 NBU 1022-2O4CS		
Operator:	KERR-MCGEE OIL & GAS ONSHORE, L.P.		
String type:	Surface	Project ID:	43-047-51846
Location:	UINTAH COUNTY		

Design parameters:

Collapse

Mud weight: 8.330 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
 Surface temperature: 74 °F
 Bottom hole temperature: 104 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 100 ft

Cement top: 1,052 ft

Burst

Max anticipated surface pressure: 1,901 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP 2,156 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
 8 Round LTC: 1.70 (J)
 Buttress: 1.60 (J)
 Premium: 1.50 (J)
 Body yield: 1.50 (B)

Tension is based on air weight.
 Neutral point: 1,893 ft

Directional Info - Build & Drop

Kick-off point 300 ft
 Departure at shoe: 312 ft
 Maximum dogleg: 2 °/100ft
 Inclination at shoe: 11.4 °

Re subsequent strings:

Next setting depth: 8,581 ft
 Next mud weight: 12.500 ppg
 Next setting BHP: 5,572 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,160 ft
 Injection pressure: 2,160 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	2160	8.625	28.00	I-55	LT&C	2131	2160	7.892	85536
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	922	1880	2.039	2156	3390	1.57	59.7	348	5.83 J

Prepared by: Helen Sadik-Macdonald
 Div of Oil, Gas & Mining

Phone: 801 538-5357
 FAX: 801-359-3940

Date: October 14, 2011
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2131 ft, a mud weight of 8.33 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

Well name:	43047518460000 NBU 1022-2O4CS		
Operator:	KERR-MCGEE OIL & GAS ONSHORE, L.P.		
String type:	Production		Project ID: 43-047-51846
Location:	UINTAH COUNTY		

Design parameters:

Collapse

Mud weight: 12.500 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

H2S considered? No
Surface temperature: 74 °F
Bottom hole temperature: 194 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 100 ft

Cement top: 790 ft

Burst

Max anticipated surface pressure: 3,668 psi
Internal gradient: 0.220 psi/ft
Calculated BHP 5,547 psi

No backup mud specified.

Tension:

8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.60 (B)

Tension is based on air weight.
Neutral point: 6,985 ft

Directional Info - Build & Drop

Kick-off point 300 ft
Departure at shoe: 421 ft
Maximum dogleg: 2 °/100ft
Inclination at shoe: 0 °

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Est. Cost (\$)
1	8581	4.5	11.60	I-80	LT&C	8543	8581	3.875	113269
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (kips)	Tension Strength (kips)	Tension Design Factor
1	5547	6360	1.146	5547	7780	1.40	99.1	212	2.14 J

Prepared by: Helen Sadik-Macdonald
Div of Oil, Gas & Mining

Phone: 801 538-5357
FAX: 801-359-3940

Date: October 14, 2011
Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 8543 ft, a mud weight of 12.5 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Collapse strength is (biaxially) derated for doglegs in directional wells by multiplying the tensile stress by the cross section area to calculate a

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.
Well Name NBU 1022-2O4CS
API Number 43047518460000 **APD No** 4396 **Field/Unit** NATURAL BUTTES
Location: 1/4,1/4 SWSE **Sec 2 Tw** 10.0S **Rng** 22.0E 220 FSL 1402 FEL
GPS Coord (UTM) 636481 4425590 **Surface Owner**

Participants

Andy Lytle, Sheila Wopsock, Charles Chase, Grizz Oleen, Mark Kuehn, Doyle Holmes, (Kerr McGee). John Slaugh, Mitch Batty, (Timberline). Jim Davis (SITLA). David Hackford, (DOGM).

Regional/Local Setting & Topography

The general area is in the southeast portion of the Natural Buttes Unit . Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River is approx. 1100 feet to the southwest. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 40 air miles to the northwest. Access from Vernal is approximately 47.6 road miles following Utah State, Uintah County and oilfield development roads. Six wells, in addition to this one (for a total of seven) will be directionally drilled from this pad. This proposed location will be a new pad. The CIGE 161 location is directly to the east of this site, but this location is not adequate for seven additional wells.. A 410 foot access road will be constructed. The proposed location will run in an east-west direction along the top of a flat topped ridge. This ridge breaks off sharply into rugged secondary canyons especially on the south side. A shallow draw coming to this site from the north will be re-routed around the location. The reserve pit will be on the south side of the location and the excess cut stockpile will be on the south and west sides of the location. The pad should be stable and should be a suitable location for seven wells, and is on the best site available in the immediate area.

Surface Use Plan

Current Surface Use
Wildlfe Habitat

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.13	Width 332 Length 425	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate? Y

Environmental Parameters

Affected Floodplains and/or Wetlands N

Flora / Fauna

Prickly pear, wild onion, shadscale, mat saltbrush, Indian ricegrass, halogeton, pepper grass, annuals and curly Vegetation is a salt desert shrub type. Principal species present are cheatgrass, black sagebrush, stipa, mesquite grass.

Sheep, antelope, raptors and small mammals and birds.

Soil Type and Characteristics

Shallow rocky sandy loam.

Erosion Issues Y

Fill on north side of location will be compacted during construction.

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? Y

Shallow draw coming into location from the north will be re-routed.

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y Paleo Potential Observed? N Cultural Survey Run? Y Cultural Resources? N

Reserve Pit

Site-Specific Factors

Site Ranking

Distance to Groundwater (feet)	100 to 200	5	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)		20	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)		0	
Affected Populations			
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	40	1 Sensitivity Level

Characteristics / Requirements

The reserve pit is planned in an area of cut on the south side of the location. Dimensions are 100' x 260' x 12' deep with 2' of freeboard. Kerr McGee agreed to line the pit with a 30-mil liner and 2 layers of felt.

Closed Loop Mud Required? N Liner Required? Y Liner Thickness 30 Pit Underlayment Required? Y

Other Observations / Comments

Of the seven wells being drilled from this pad, four will have well bores that leave section two and produce from section eleven to the south. These four are the NBU 1022-11A1BS, NBU 1022-11A1CS, NBU 1022-11A4BS and the NBU 1022-11B1BS.

David Hackford
Evaluator

8/18/2011
Date / Time

Application for Permit to Drill Statement of Basis

10/27/2011

Utah Division of Oil, Gas and Mining

Page 1

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
4396	43047518460000	SITLA	GW	S	No
Operator	KERR-MCGEE OIL & GAS ONSHORE, L.P.		Surface Owner-APD		
Well Name	NBU 1022-2O4CS		Unit	NATURAL BUTTES	
Field	NATURAL BUTTES		Type of Work	DRILL	
Location	SWSE 2 10S 22E S 220 FSL 1402 FEL		GPS Coord (UTM)	636391E	4425790N

Geologic Statement of Basis

Kerr McGee proposes to set 2,160' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 3,900'. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of Section 2. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill
APD Evaluator

9/1/2011
Date / Time

Surface Statement of Basis

The general area is in the southeast portion of the Natural Buttes Unit. Within this area is the White River and rugged drainages that drain into it. Topography is varied and frequently dissected by short draws or washes, which become overly steep as they approach the White River breaks or rim. Distance to the White River is 1100' to the southwest. The side drainages are dry except for ephemeral flows. No seeps or springs exist in the area. An occasional pond has been constructed to supply water for livestock and antelope. Vernal, Utah is approximately 40 air miles to the northwest. Access from Vernal is approximately 47.6 road miles following Utah State, Uintah County and oilfield development roads. A 410' access road will be constructed.

Seven wells will be directionally drilled from this location. They are the NBU 1022-2P4CS, NBU 1022-11A1BS, NBU 1022-11A1CS, NBU 1022-11A4BS, NBU 1022-11B1BS, NBU 1022-2O4BS, and the NBU 1022-2O4CS. The proposed location is on the point of a flat topped ridge that runs in an east-west direction. This ridge breaks off sharply into rugged secondary canyons especially to the south. A shallow drainage enters the proposed site from the north and will be re-routed around the location.. The pad as constructed should be stable and sufficient for seven wells, and is the best site in the immediate area.

Excess material will be stockpiled on the west side of the reserve pit The north side of location will be fill and will be compacted during construction..

Both the surface and minerals are owned by SITLA. Jim Davis of SITLA and Ben Williams with DWR were invited by email to the pre-site evaluation. Jim Davis was present. Kerr McGee was told to consult with SITLA for reclamation standards including seeding mixes to be used.

David Hackford
Onsite Evaluator

8/18/2011
Date / Time

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 30 mils with a felt subliner shall be properly installed and maintained in the reserve pit.

RECEIVED: October 27, 2011

Application for Permit to Drill Statement of Basis

10/27/2011

Utah Division of Oil, Gas and Mining

Page 2

Pits	The reserve pit should be located on the south side of the location.
Surface	Drainages adjacent to the proposed pad shall be diverted around the location.

WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 8/10/2011

API NO. ASSIGNED: 43047518460000

WELL NAME: NBU 1022-204CS

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

PHONE NUMBER: 720 929-6086

CONTACT: Gina Becker

PROPOSED LOCATION: SWSE 02 100S 220E

Permit Tech Review:

SURFACE: 0220 FSL 1402 FEL

Engineering Review:

BOTTOM: 0095 FSL 1804 FEL

Geology Review:

COUNTY: UINTAH

LATITUDE: 39.97127

LONGITUDE: -109.40287

UTM SURF EASTINGS: 636391.00

NORTHINGS: 4425790.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 3 - State

LEASE NUMBER: ST UT ML 22651

PROPOSED PRODUCING FORMATION(S): WASATCH-MESA VERDE

SURFACE OWNER: 3 - State

COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- PLAT**
- Bond:** STATE/FEE - 22013542
- Potash**
- Oil Shale 190-5**
- Oil Shale 190-3**
- Oil Shale 190-13**
- Water Permit:** 43-8496
- RDCC Review:**
- Fee Surface Agreement**
- Intent to Commingle**

Commingle Approved

LOCATION AND SITING:

- R649-2-3.**
- Unit:** NATURAL BUTTES
- R649-3-2. General**
- R649-3-3. Exception**
- Drilling Unit**
- Board Cause No:** Cause 173-14
- Effective Date:** 12/2/1999
- Siting:** 460' Fr U Bdry & Uncommitted Tracts
- R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations: 3 - Commingle - ddoucet
5 - Statement of Basis - bhill
15 - Directional - dmason
17 - Oil Shale 190-5(b) - dmason
25 - Surface Casing - hmaconnald



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 1022-204CS
API Well Number: 43047518460000
Lease Number: ST UT ML 22651
Surface Owner: STATE
Approval Date: 10/27/2011

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:

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

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

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Surface casing shall be cemented to the surface.

Additional Approvals:

The operator is required to obtain approval from the Division of Oil, Gas and mining before performing any of the following actions during the drilling of this well:

- Any changes to the approved drilling plan – contact Dustin Doucet
- Significant plug back of the well – contact Dustin Doucet
- Plug and abandonment of the well – contact Dustin Doucet

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
OR
submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website at <http://oilgas.ogm.utah.gov>
- 24 hours prior to testing blowout prevention equipment - contact Dan Jarvis
- 24 hours prior to cementing or testing casing – contact Dan Jarvis
- Within 24 hours of making any emergency changes to the approved drilling program – contact Dustin Doucet
- 24 hours prior to commencing operations to plug and abandon the well – contact Dan Jarvis

Contact Information:

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voicemail message if the person is not available to take the call):

- Carol Daniels 801-538-5284 - office
- Dustin Doucet 801-538-5281 - office
801-733-0983 - after office hours
- Dan Jarvis 801-538-5338 - office
801-231-8956 - after office hours

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:



For John Rogers
Associate Director, Oil & Gas

BLM - Vernal Field Office - Notification Form

Operator KERR-McGEE OIL & GAS Rig Name/# BUCKET RIG
 Submitted By GINA BECKER Phone Number 720.929.6086
 Well Name/Number NBU 1022-204CS
 Qtr/Qtr SWSE Section 2 Township 10S Range 22E
 Lease Serial Number ST UT ML 22651
 API Number 4304751846

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

Date/Time 12/30/2011 13:00 HRS AM PM

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

- Surface Casing
 Intermediate Casing
 Production Casing
 Liner
 Other

RECEIVED

DEC 29 2011

DIV. OF OIL, GAS & MINING

Date/Time 01/26/2012 08:00 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 KENNY GATHINGS AT

435.828.0986 OR LEVEL YOUNG AT 435.781.7051

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651
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:
		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: NBU 1022-204CS	
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	9. API NUMBER: 43047518460000	
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: 0220 FSL 1402 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 02 Township: 10.0S Range: 22.0E Meridian: S	COUNTY: UINTAH	
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input checked="" type="checkbox"/> SPUD REPORT Date of Spud: 12/30/2011 <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>		
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 CONDUCTOR PIPE. CMT W/ 28 SX READY MIX. SPUD WELL LOCATION ON DEC. 30, 2011 AT 13:00 HRS.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY		
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 1/6/2012	

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: P.O. Box 173779
city DENVER
state CO zip 80217 Phone Number: (720) 929-6086

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304751846	NBU 1022-204CS		SWSE	2	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
<i>B</i>	99999	<i>2910</i>	12/30/2011			<i>1/18 /2012</i>	
Comments: MIRU PETE MARTIN BUCKET RIG. <i>WSMVD</i> SPUD WELL LOCATION ON 12/30/2011 AT 13:00 HRS. <i>BAL = SWSE</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

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)

GINA BECKER

Name (Please Print)

Signature

REGULATORY ANALYST

1/6/2012

Title

Date

RECEIVED

JAN 18 2012

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 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: ST UT ML 22651
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well		8. WELL NAME and NUMBER: NBU 1022-204CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		9. API NUMBER: 43047518460000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779		9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0220 FSL 1402 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 02 Township: 10.0S Range: 22.0E Meridian: S		COUNTY: UINTAH
		STATE: UTAH
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:		
<input type="checkbox"/> SPUD REPORT Date of Spud:		
<input checked="" type="checkbox"/> DRILLING REPORT Report Date: 1/28/2012		
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
MIRU AIR RIG ON JAN. 26, 2012. DRILLED SURFACE HOLE TO 2334'. RAN SURFACE CASING AND CEMENTED. WELL IS WAITING ON ROTARY RIG. DETAILS OF CEMENT JOB WILL BE INCLUDED WITH WELL COMPLETION REPORT.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY January 31, 2012		
NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regularatory Analyst
SIGNATURE N/A	DATE 1/30/2012	

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: ST UT ML 22651
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	8. WELL NAME and NUMBER: NBU 1022-2O4CS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0220 FSL 1402 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 02 Township: 10.0S Range: 22.0E Meridian: S	9. API NUMBER: 43047518460000
5. PHONE NUMBER: 720 929-6511	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
COUNTY: UINTAH	STATE: UTAH

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

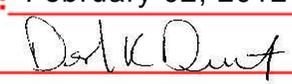
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT Approximate date work will start: 1/17/2012	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion:	<input checked="" type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: <input style="width: 100px;" type="text"/>

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

The Operator requests approval for changes in the drilling plan. Specifically, the Operator requests approval for a FIT wavier, closed loop drilling option, and a production casing change. All other aspects of the previously approved drilling plan will not change. Please see the attachment. Thank you.

Approved by the Utah Division of Oil, Gas and Mining

Date: February 02, 2012

By: 

NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regularatory Analyst
SIGNATURE N/A	DATE 1/17/2012	

Kerr-McGee Oil & Gas Onshore. L.P.**NBU 1022-2O4CS**

Surface:	220 FSL / 1402 FEL	SWSE
BHL:	95 FSL / 1804 FEL	SWSE

Section 2 T10S R22E

Uintah County, Utah
Mineral Lease: ST UT ML 22651

ONSHORE ORDER NO. 1**DRILLING PROGRAM**

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

<u>Formation</u>	<u>Depth</u>	<u>Resource</u>
Uinta	0 - Surface	
Green River	1,032'	
Birds Nest	1,338'	Water
Mahogany	1,709'	Water
Wasatch	4,133'	Gas
Mesaverde	6,339'	Gas
MVU2	7,326'	Gas
MVL1	7,913'	Gas
TVD	8,543'	
TD	8,581'	

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 bottom hole pressure calculated at 8543' TVD, approximately equals
5,468 psi 0.64 psi/ft = actual bottomhole gradient

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

Maximum anticipated surface pressure equals approximately 3,576 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 11 inch 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.

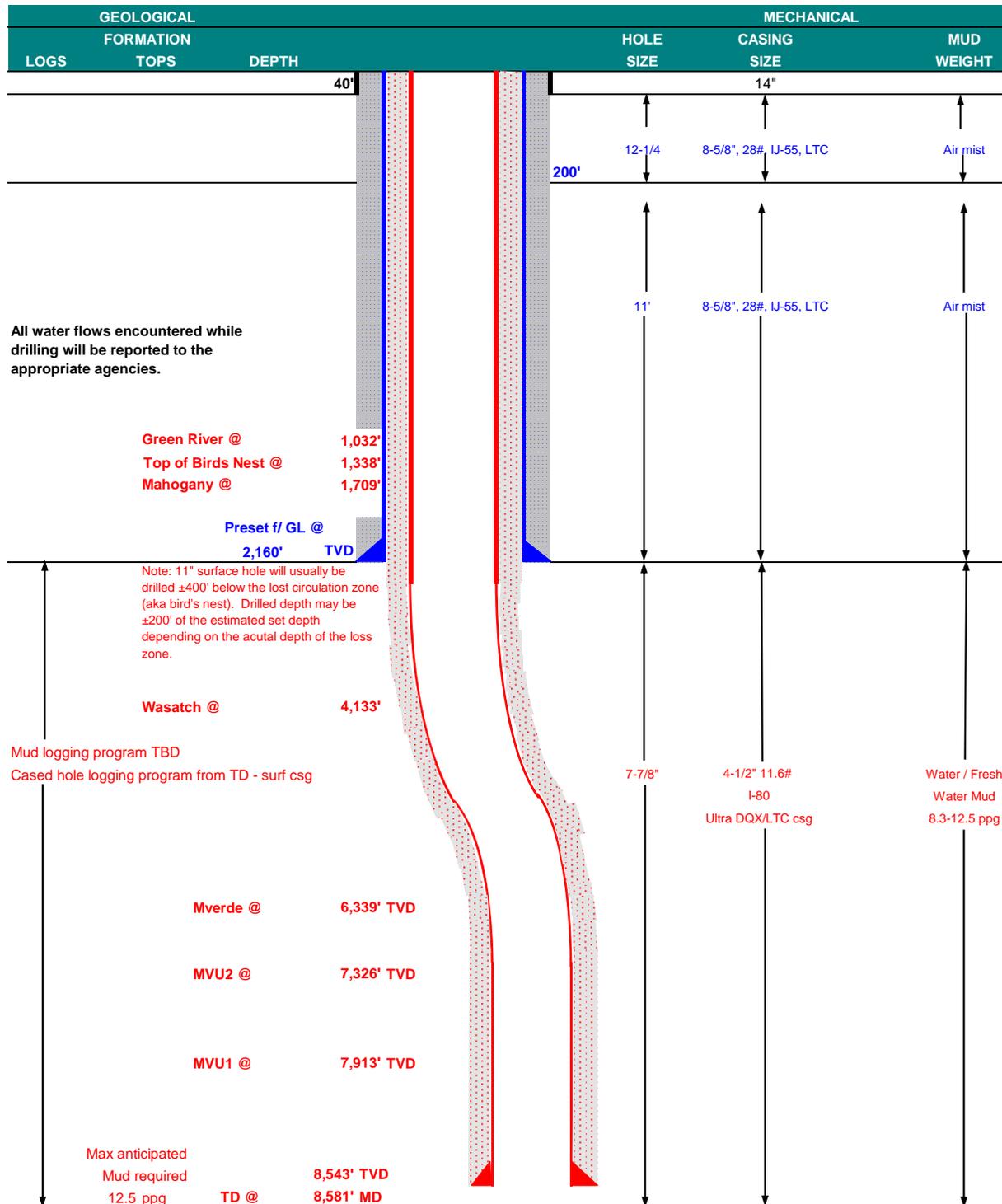
10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	January 16, 2012	
WELL NAME	NBU 1022-204CS		TD	8,543'	MD 8,581'
FIELD	Natural Buttes	COUNTY	Uintah	STATE	Utah
SURFACE LOCATION	SWSE	220 FSL	1402 FEL	Sec 2 T 10S R 22E	FINISHED ELEVATION 5,092'
BTM HOLE LOCATION	SWSE	95 FSL	1804 FEL	Sec 2 T 10S R 22E	
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM (Minerals), UDOGM (Surface), UDOGM Tri-County Health Dept.				





KERR-McGEE OIL & GAS ONSHORE LP
DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS			
						BURST	LTC		DQX
							COLLAPSE	TENSION	
CONDUCTOR	14"	0-40'				3,390	1,880	348,000	N/A
SURFACE	8-5/8"	0 to 2,160	28.00	IJ-55	LTC	2.50	1.86	6.57	N/A
						7,780	6,350	223,000	267,035
PRODUCTION	4-1/2"	0 to 5,000	11.60	I-80	DQX	1.11	1.14		3.32
						1.11	1.14	6.64	

Surface Casing:

(Burst Assumptions: TD = 12.5 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 @ 7000 psi) 0.64 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 Option 1	LEAD	500'	Premium cmt + 2% CaCl + 0.25 pps flocele	180	60%	15.80	1.15
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt + 2% CaCl + 0.25 pps flocele	270	0%	15.80	1.15
NOTE: If well will circulate water to surface, option 2 will be utilized							
SURFACE Option 2	LEAD	1,660'	65/35 Poz + 6% Gel + 10 pps gilsonite + 0.25 pps Flocele + 3% salt BWOW	150	35%	11.00	3.82
	TAIL	500'	Premium cmt + 2% CaCl + 0.25 pps flocele	150	35%	15.80	1.15
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.80	1.15
PRODUCTION	LEAD	3,631'	Premium Lite II +0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	270	20%	11.00	3.38
	TAIL	4,950'	50/50 Poz/G + 10% salt + 2% gel + 0.1% R-3	1,170	35%	14.30	1.31

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

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

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

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

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

DRILLING ENGINEER:

Nick Spence / Danny Showers / Chad Loesel

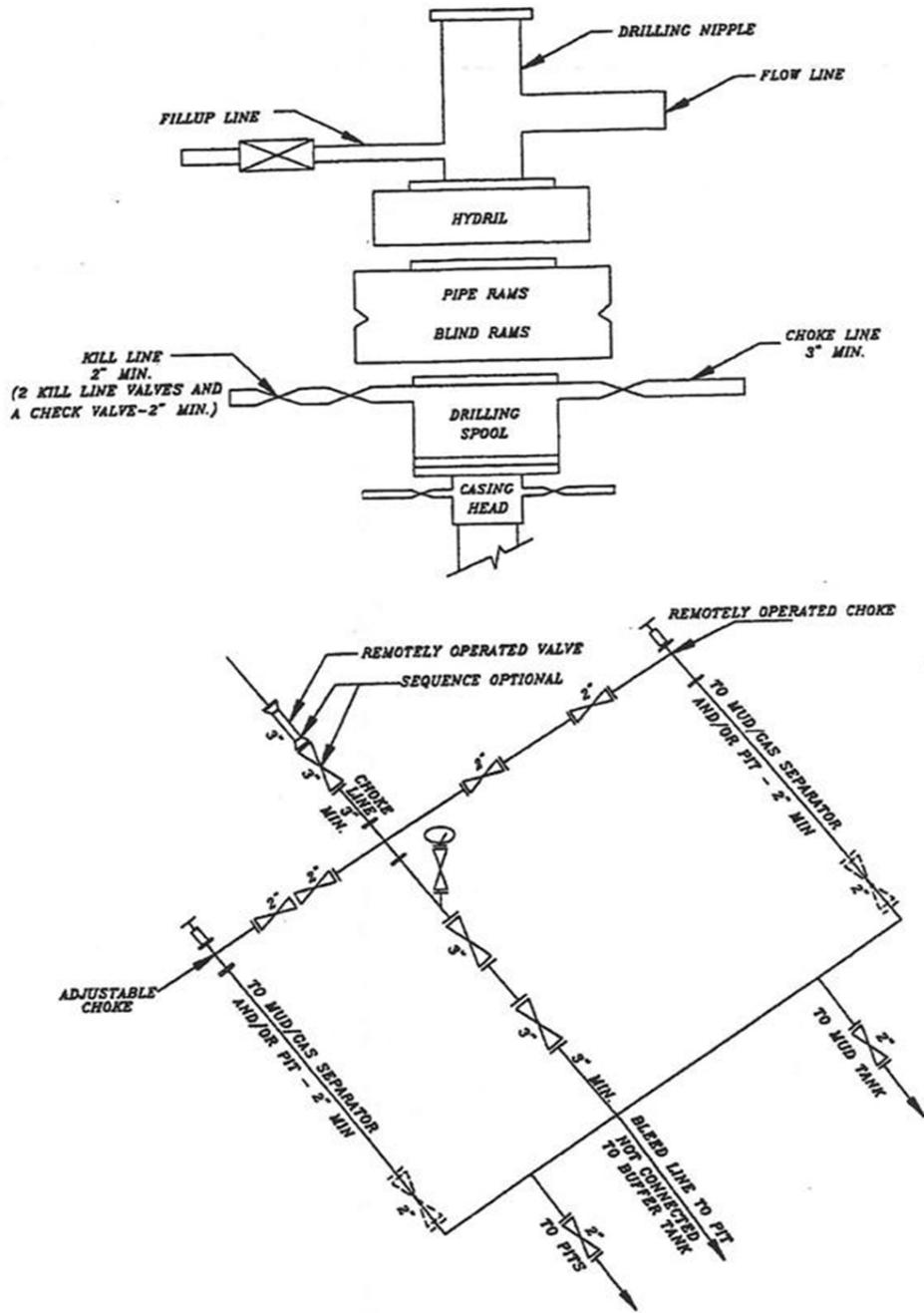
DATE:

DRILLING SUPERINTENDENT:

Kenny Gathings / Lovel Young

DATE:

EXHIBIT A
NBU 1022-204CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

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.

BLM - Vernal Field Office - Notification Form

Operator KERR MCGEE Rig Name/# H&P 311
Submitted By SCOTT ALLRED Phone Number 435- 790-1884
Well Name/Number NBU 1022-204CS
Qtr/Qtr SW/SE Section 2 Township 10S Range 22E
Lease Serial Number ST UT ML 22651
API Number 43-047-518460000

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

Date/Time _____ AM PM

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

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

RECEIVED
MAR 08 2012
DIV. OF OIL, GAS & MINING

Date/Time _____ AM PM

BOPE

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

Date/Time 3/10/2012 11:00 AM PM

Remarks TIME ESTIMATED

BLM - Vernal Field Office - Notification Form

Operator KERR MCGEE Rig Name/# H&P 311
Submitted By SCOTT ALLRED Phone Number 435- 790-1884
Well Name/Number NBU 1022-204CS
Qtr/Qtr SW/SE Section 2 Township 10S Range 22E
Lease Serial Number ST UT ML 22651
API Number 43-047-518460000

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

Date/Time _____ AM PM

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

- Surface Casing
- Intermediate Casing
- Production Casing
- Liner
- Other

RECEIVED
MAR 13 2012
DIV. OF OIL, GAS & MINING

Date/Time 3/14/2012 8:00 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 TIME ESTIMATED

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: ST UT ML 22651
1. TYPE OF WELL Gas Well	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	8. WELL NAME and NUMBER: NBU 1022-204CS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0220 FSL 1402 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 02 Township: 10.0S Range: 22.0E Meridian: S	9. API NUMBER: 43047518460000
5. PHONE NUMBER: 720 929-6511	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
	COUNTY: UINTAH
	STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/15/2012	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: <input type="text" value="Rig Release - ACTS Pit"/>

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

MIRU ROTARY RIG. FINISHED DRILLING FROM 2,450' TO 8,610' ON MARCH 13, 2012. RAN 4-1/2" 11.6#I-80 PRODUCTION CASING. CEMENTED PRODUCTION CASING. RELEASED H&P 311 RIG ON MARCH 15, 2012 @ 16:00 HRS. DETAILS OF CEMENT JOB WILL BE INCLUDED WITH THE WELL COMPLETION REPORT. WELL IS WAITING ON FINAL COMPLETION ACTIVITIES. THE PIT ON THIS LOCATION WILL BE REFURBISHED AND UTILIZED AS PART OF THE ACTS SYSTEM.

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

Date: March 28, 2012

By: 

NAME (PLEASE PRINT) Jaime Scharnowske	PHONE NUMBER 720 929-6304	TITLE Regulatory Analyst
SIGNATURE N/A	DATE 3/16/2012	

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING		FORM 9
SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651
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:
		7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
1. TYPE OF WELL Gas Well		8. WELL NAME and NUMBER: NBU 1022-204CS
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.		9. API NUMBER: 43047518460000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779	PHONE NUMBER: 720 929-6511	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0220 FSL 1402 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 02 Township: 10.0S Range: 22.0E Meridian: S	COUNTY: UINTAH	
	STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: <input type="checkbox"/> SPUD REPORT Date of Spud: <input checked="" type="checkbox"/> DRILLING REPORT Report Date: 5/1/2012	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
	<input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CONVERT WELL TYPE <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> PLUG BACK <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION <input type="checkbox"/> TEMPORARY ABANDON <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> APD EXTENSION OTHER: <input style="width: 100px;" type="text"/>	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.		
<p>THE SUBJECT WELL WAS PLACED ON PRODUCTION ON MAY 1, 2012 AT 1330 HOURS. THE CHRONOLOGICAL WELL HISTORY WILL BE SUBMITTED WITH THE WELL COMPLETION REPORT.</p>		
<p>Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 08, 2012</p>		
NAME (PLEASE PRINT) Gina Becker	PHONE NUMBER 720 929-6086	TITLE Regulatory Analyst II
SIGNATURE N/A	DATE 5/2/2012	

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

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER:
ST UT ML 22651

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT or CA AGREEMENT NAME
NBU 1022-204CS

8. WELL NAME and NUMBER:
UTU63047A

9. API NUMBER:
4304751846

10. FIELD AND POOL, OR WILDCAT
NATURAL BUTTES

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
SWSE 2 10S 22E S

12. COUNTY
UINTAH

13. STATE
UTAH

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

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

3. ADDRESS OF OPERATOR: P.O. BOX 173779 CITY DENVER STATE CO ZIP 80217 PHONE NUMBER: (720) 929-6000

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **SWSE 220 FSL 1402 FEL S2,T10S,R22E**
AT TOP PRODUCING INTERVAL REPORTED BELOW: **SWSE 113 FSL 1800 FEL S2,T10S,R22E**
AT TOTAL DEPTH: **SWSE 95 FSL 1800 FEL S2,T10S,R22E** *BHL by HSM*

14. DATE SPUNDED: **12/30/2011** 15. DATE T.D. REACHED: **3/13/2012** 16. DATE COMPLETED: **5/1/2012** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): **5092 GL**

18. TOTAL DEPTH: MD **8,610** TVD **8,573** 19. PLUG BACK T.D.: MD **8,549** TVD **8,512** 20. IF MULTIPLE COMPLETIONS, HOW MANY? * 21. DEPTH BRIDGE MD PLUG SET: TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
CBL/CMI/GR/CCL

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
20"	14" STL	36.7#	0	40		28			
11"	8 5/8" IJ-55	28#	0	2,321		625		0	
7 7/8"	4 1/2" I-80	11.6#	0	8,592		1,445		1470	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 3/8"	7,933							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)	INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
(A) MESAVERDE	6,569	8,443			6,569 8,443	0.36	192	Open <input checked="" type="checkbox"/> Squeezed <input type="checkbox"/>
(B)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(C)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>
(D)								Open <input type="checkbox"/> Squeezed <input type="checkbox"/>

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
6569-8443	PUMP 8,251 BBLs SLICK H2O & 165,962 LBS 30/50 OTTAWA SAND
	8 STAGES

29. ENCLOSED ATTACHMENTS:

ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY

SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS:
PROD

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED: 5/1/2012		TEST DATE: 5/6/2012		HOURS TESTED: 24		TEST PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 2,740	WATER - BBL: 360	PROD. METHOD:
CHOKE SIZE: 20/64	TBG. PRESS. 1,487	CSG. PRESS. 1,862	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL: 0	GAS - MCF: 2,740	WATER - BBL: 360	INTERVAL STATUS: PROD

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:		TEST DATE:		HOURS TESTED:		TEST PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	PROD. METHOD:
CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU - GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL - BBL:	GAS - MCF:	WATER - BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. 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.

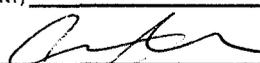
34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
				GREEN RIVER	1,047
				BIRD'S NEST	1,338
				MAHOGANY	1,849
				WASATCH	4,186
				MESAVERDE	6,404

35. ADDITIONAL REMARKS (Include plugging procedure)

The first 210' of the surface hole was drilled with a 12 1/4" bit. The remainder of surface hole was drilled with an 11" bit. DQX csg was run from surface to 4912'; LTC csg was run from 4912' to 8592'. Attached is the chronological well history, perforation report & final survey.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) CARA MAHLER TITLE REGULATORY ANALYST
 SIGNATURE  DATE 6/13/2012

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
 Fax: 801-359-3940

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-204CS - BLACK

Spud Date: 1/26/2012

Project: UTAH-UINTAH

Site: NBU 1022-2P PAD

Rig Name No: H&P 311/311, PROPETRO 11/11

Event: DRILLING

Start Date: 1/26/2012

End Date: 3/15/2012

Active Datum: RKB @5,117.00usft (above Mean Sea Level)

UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
1/26/2012	20:30 - 21:30	1.00	MIRU	01	A	P		MOVE RIG F/ NBU 1022-204BS TO NBU 1022-204CS
	21:30 - 23:00	1.50	MIRU	01	B	P		NBU 1022-204CS (WELL 7 OF 7). INSTALL DIVERTOR HEAD AND BLUEY LINE. BUILD DITCH. SPOT IN RIG. SPOT IN CATWALK AND PIPE RACKS. RIG UP PIT PUMP. RIG UP PUMP. PRIME PUMP. INSPECT RIG. HELD PRE-SPUD SAFETY MEETING.
	23:00 - 0:00	1.00	DRLSUR	01	B	P		P/U MOTOR & 12 1/4 BIT SPUD 01/26/2012 @ 23:00. DRILL 12.25" HOLE 44'- 210'. (166', 110'/HR) RPM=45, WOB 5-15K. PSI ON/OFF 600/400. UP/DOWN/ ROT 20/20/20 K. DRAG 0 K. CIRC RESERVE W. 8.3# WATER. DRILL DOWN TO 127' W/ 6" COLLARS.
1/27/2012	0:00 - 2:00	2.00	DRLSUR	06	A	P		TOOH #1 BHA / TIH W/2# BHA
	2:00 - 20:00	18.00	DRLSUR	02	B	P		DRILL F/210 T/2298' (2088' @ 109.8' PER HR) WOB 18K, PSI ON/OFF 1600/1400, RPM 40 UP/DWN/ROT 90/78/82 (LOST CIRC 1510')
	20:00 - 22:00	2.00	DRLSUR	05	C	P		CIRC PRIOR TO TOOH
1/28/2012	22:00 - 0:00	2.00	DRLSUR	06	A	P		TOOH LDDP & BHA #2
	0:00 - 1:30	1.50	DRLSUR	06	A	P		TOOH LDDP & #2 BHA
	1:30 - 4:30	3.00	DRLSUR	12	C	P		RUN 52 JTS 8 5/8, 28# CSNG., SHOE SET @ 2294.14', BAFFLE SET @ 2249.61'
	4:30 - 5:30	1.00	DRLSUR	12	B	P		HOLD SAFETY MEETING, RUN 200' OF 1". RIG DOWN RIG MOVE OFF WELL, REBUILD DITCH. RIG UP CEMENT TRUCK, 2" HARD LINES,. CEMENT HEAD, LOAD PLUG.
	5:30 - 7:30	2.00	DRLSUR	12	E	P		PRESSURE TEST LINES TO 2000 PSI. PUMP 140 BBLS OF WATER AHEAD. PUMP 20 BBLS OF 8.3# GEL WATER AHEAD. PUMP 300 SX TAIL ,15.8#, 1.15 YIELD. DROP PLUG ON FLY. DISPLACE WITH 134 BBLS OF H2O. NO CIRC THROUGHOUT. FINAL LIFT 200 PSI AT 4 BBLS MIN. BUMP PLUG FLOAT DIDN'T HOLD, SHUT IN LEFT 200PSI FOR 4 HRS, PUMP 150 SX (30.7 BBLS) OF SAME TAIL CEMENT WITH 2% CACL DOWN 1". SHUT DOWN AND CLEAN TRUCK.
	7:30 - 9:30	2.00	DRLSUR	13	A	P		WAIT 2HRS FOR CEMENT
	9:30 - 10:00	0.50	DRLSUR	12	E	P		PUMP 175SK TOP JOB, CEMENT TO SURFACE, 3BBLS TO SURFACE
	10:00 - 11:00	1.00	DRLSUR	01	E	P		RD PUMPS & RIG, RELEASE RIG @ 11:00
3/10/2012	20:30 - 21:30	1.00	DRLPRO	01	A	P		SKID FROM NBU 1022-204BS
	21:30 - 0:00	2.50	DRLPRO	01	B	P		NIPPLE UP BOP'S STRATA LINES
3/11/2012	0:00 - 7:00	6.00	DRLPRO	15	A	P		HOLD SAFETY MEETING, RIG UP BOP TESTERS PRESS TEST THE BOP, TIW, DART VALVE, BOP VALVES, PIPE RAMS, BLIND RAMS, CHOKE VALVES, KILL LINE AND STRATA LINES TO 250 PSI LOW/5MIN AND 5000 PSI HIGH/10 MIN. TESTED THE ANNULAR T/250 PSI LOW & 2500 PSI HIGH, TEST 8 5/8" CASING T/1500 PSI (OK) TEST STRATA EQUIPMENT (OK) RIG DOWN BOP TESTER. INSTALL WEAR BUSHING.

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-2O4CS - BLACK

Spud Date: 1/26/2012

Project: UTAH-UINTAH

Site: NBU 1022-2P PAD

Rig Name No: H&P 311/311, PROPETRO 11/11

Event: DRILLING

Start Date: 1/26/2012

End Date: 3/15/2012

Active Datum: RKB @5,117.00usft (above Mean Sea Level)

UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:00 - 10:00	3.00	DRLPRO	06	A	P		MAKE UP BIT,MOTOR, MWD TOOLS AND TIH TO 2208' TAGGED CEMENT
	10:00 - 11:00	1.00	DRLPRO	02	F	P		DRILL CEMENT, FLOAT @2274', SHOE@ 2315' CEMENT TO 2355
	11:00 - 17:00	6.00	DRLPRO	02	B	P		DRILL F/ 2355' TO 3682' TD 1327 TOTAL FEET @ 221.1 FEET PER HOUR WEIGHT ON BIT 17, ROTARY RPM'S 55 MUD MOTOR RPM'S 123 STROKES PER MINUTE 120 - GPM 536 MUD WEIGHT 8.4 VIS 26 TORQUE ON BOTTOM 8,000 TORQUE OFF BOTTOM 4,000 PRESSURE ON BOTTOM 2006 PSI PRESSURE OFF BOTTOM 1466 PSI PICK UP STRING WEIGHT 227K SLACK OFF STRING WEIGHT 81K ROTATING STRING WEIGHT 15K SLIDE 111' / 1.17 HR/ FPH 94.8' ROTATE 1216' / 4.83 HRS./ FPH251.1' 16' NORTH/20' WEST OF TARGET CENTER STRATA ON LINE ANNULAR DRILLING PRESSURE 56 PSI ANNULAR CONNECTION PRESSURE 23 PSI 0 FEET TO 0 FEET FLARE NOV DEWATERING
	17:00 - 17:30	0.50	DRLPRO	07	A	P		RIG SERVICE
	17:30 - 0:00	6.50	DRLPRO	02	B	P		DRILL F/ 3682' TO 4645' TD 963TOTAL FEET @ 148.1 FEET PER HOUR WEIGHT ON BIT 20, ROTARY RPM'S 55 MUD MOTOR RPM'S 123 STROKES PER MINUTE 120 - GPM 536 MUD WEIGHT 8.9 VIS 30 TORQUE ON BOTTOM 8,000 TORQUE OFF BOTTOM 5,000 PRESSURE ON BOTTOM 1800 PSI PRESSURE OFF BOTTOM 1475 PSI PICK UP STRING WEIGHT 145K SLACK OFF STRING WEIGHT 99K ROTATING STRING WEIGHT 120K SLIDE 30' / .75 HR/ FPH 40' ROTATE 923' / 5.25 HRS./ FPH175.8' 18' WEST/14' NORTH OF TARGET CENTER STRATA ON LINE ANNULAR DRILLING PRESSURE 59 PSI ANNULAR CONNECTION PRESSURE 25 PSI 0 FEET TO 0 FEET FLARE NOV DEWATERING

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-2O4CS - BLACK

Spud Date: 1/26/2012

Project: UTAH-UINTAH

Site: NBU 1022-2P PAD

Rig Name No: H&P 311/311, PROPETRO 11/11

Event: DRILLING

Start Date: 1/26/2012

End Date: 3/15/2012

Active Datum: RKB @5,117.00usft (above Mean Sea Level)

UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
3/12/2012	0:00 - 17:30	17.50	DRLPRO	02	B	P		DRILL F/4645' TO 6820' 2175TOTAL FEET @ 124.2 FEET PER HOUR WEIGHT ON BIT 20, ROTARY RPM'S 55 MUD MOTOR RPM'S 123 STROKES PER MINUTE 120 - GPM 536 MUD WEIGHT 8.4 VIS 26 TORQUE ON BOTTOM 12,000 TORQUE OFF BOTTOM 9,000 PRESSURE ON BOTTOM 2000 PSI PRESSURE OFF BOTTOM 1700 PSI PICK UP STRING WEIGHT 195K SLACK OFF STRING WEIGHT 122K ROTATING STRING WEIGHT 150K SLIDE 30' / .75 HR/ FPH 40' ROTATE 923' / 5.25 HRS./ FPH175.8' 18' WEST/14' NORTH OF TARGET CENTER STRATA ON LINE ANNULAR DRILLING PRESSURE 66 PSI ANNULAR CONNECTION PRESSURE 38PSI 0 FEET TO 10 FEET FLARE NOV DEWATERING
	17:30 - 18:00	0.50	DRLPRO	07	A	P		RIG SEVRVICE
	18:00 - 0:00	6.00	DRLPRO	02	B	P		DRILL F/6820' TO 7355' 535TOTAL FEET @ 89.1 FEET PER HOUR WEIGHT ON BIT 20, ROTARY RPM'S 55 MUD MOTOR RPM'S 123 STROKES PER MINUTE 120 - GPM 536 MUD WEIGHT 8.4 VIS 26 TORQUE ON BOTTOM 12,000 TORQUE OFF BOTTOM 9,000 PRESSURE ON BOTTOM 2180 PSI PRESSURE OFF BOTTOM 1795 PSI PICK UP STRINGWEIGHT 208K SLACK OFF STRINGWEIGHT 126K ROTATING STRING WEIGHT 161K SLIDE 33' / 1 HR/ 33 FPH ROTATE 505' / 5 HRS./ 110 FPH' 6' WEST/14' NORTH OF TARGET CENTER STRATA ON LINE ANNULAR DRILLING PRESSURE 99 PSI ANNULAR CONNECTION PRESSURE 38PSI 0 FEET TO 10 FEET FLARE NOV DEWATERING

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-2O4CS - BLACK

Spud Date: 1/26/2012

Project: UTAH-UINTAH

Site: NBU 1022-2P PAD

Rig Name No: H&P 311/311, PROPETRO 11/11

Event: DRILLING

Start Date: 1/26/2012

End Date: 3/15/2012

Active Datum: RKB @5,117.00usft (above Mean Sea Level)

UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
3/13/2012	0:00 - 15:30	15.50	DRLPRO	02	B	P		DRILL F/7355' TO 8610' 1255 TOTAL FEET @ 89.1 FEET PER HOUR WEIGHT ON BIT 20, ROTARY RPM'S 55 MUD MOTOR RPM'S 123 STROKES PER MINUTE 120 - GPM 536 MUD WEIGHT 8.4 VIS 26 TORQUE ON BOTTOM 12,000 TORQUE OFF BOTTOM 9,000 PRESSURE ON BOTTOM 2180 PSI PRESSURE OFF BOTTOM 1795 PSI PICK UP STRING WEIGHT 208 K SLACK OFF STRING WEIGHT 126 K ROTATING STRING WEIGHT 161 K SLIDE 33' / 1 HR/ 33 FPH ROTATE 505' / 5 HRS./ 110 FPH' 2' S AND 4' E OF TARGET CENTER STRATA ON LINE ANNULAR DRILLING PRESSURE 105 PSI ANNULAR CONNECTION PRESSURE 42 PSI 10 FEET TO 20 FEET FLARE NOV DEWATERING
	15:30 - 20:00	4.50	DRLPRO	05	B	P		CIRC. AND DISPLACE WATER WITH 12.2 MUD,
	20:00 - 0:00	4.00	DRLPRO	06	E	P		WIPER TRIP TO THE SHOE
3/14/2012	0:00 - 3:00	3.00	DRLPRO	06	A	P		TRIP IN HOLE TO CONDITION HOLE FOR CASING WASH AND REAM 8393' TO 8610'
	3:00 - 5:00	2.00	DRLPRO	05	C	P		CIRC. AND COND HOLE
	5:00 - 16:30	11.50	DRLPRO	06	D	P		SAFETY MEETING/ RIG UP LAY DOWN TRUCK, LAY DOWN 4 1/2" DRILL PIPE & BHA.
	16:30 - 0:00	7.50	DRLPRO	12	C	P		(RUN CASING TO 3700' @ 00:00 HRS MIDNIGHT) PULL WEAR BUSHING. RIG UP CASING CREW. RUN FLOAT SHOE, SHOE JT FLOAT COLLAR, 86 JTS & 1MARKER JT OF 4 1/2" I-80 11.6# LT&C CSG, 1 CROSS OVER F/ LT&C PIN T/ DQX BOX & 0 JTS 4 1/2" I-80 11.6# DQX CSG W/ SHOE SET @ -' & FLOAT COLLAR @ -' (TORQUE TURN DQX CSG) WASATCH MARKER JT @ -' & MESA VERDE MARKER JT @ -'. RIG DOWN CASING CREWS.
3/15/2012	0:00 - 5:30	5.50	DRLPRO	12	C	P		(FINISH RUNNING CASING) PULL WEAR BUSHING. RIG UP CASING CREW. RUN FLOAT SHOE, SHOE JT FLOAT COLLAR, 86 JTS & 1MARKER JT OF 4 1/2" I-80 11.6# LT&C CSG, 1 CROSS OVER F/ LT&C PIN T/ DQX BOX & 115 JTS 4 1/2" I-80 11.6# DQX CSG W/ SHOE SET @ 8592' & FLOAT COLLAR @ 8547' (TORQUE TURN DQX CSG) WASATCH MARKER JT @ 4911' & MESA VERDE MARKER JT @ 6356'. RIG DOWN CASING CREWS.

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-2O4CS - BLACK

Spud Date: 1/26/2012

Project: UTAH-UINTAH

Site: NBU 1022-2P PAD

Rig Name No: H&P 311/311, PROPETRO 11/11

Event: DRILLING

Start Date: 1/26/2012

End Date: 3/15/2012

Active Datum: RKB @5,117.00usft (above Mean Sea Level)

UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	5:30 - 9:30	4.00	DRLPRO	12	E	P		HOLD SAFTEY MEETING, RIG UP BJ CEMENTERS, PRESSURE TEST LINES TO 5000 PSI FOR 5 MIN., PUMPED 25 BBLS PRE FLUSH 8.4 PPG H2O, LEAD CEMENT = 12.5 PPG @ 2.02 CU/FT SACK YIELD, 445 SACKS, 160 BBLS (PREM LITE II + 0.05 lbs/sack STATIC FREE + 0.4% bwoc R-3 + 0.25 lbs/sack CELLO FLAKE + 5 lbs/sack KOL-SEAL + 0.4% bwoc FL-52 + 0.2% bwoc SODIUM METASILICATE + 8% bwoc BENTONITE II + FRESH WATER). TAIL CEMENT = 14.3 PPG @ 1.31 CU/FT SACK YIELD, 1000 SACKS, 233 BBLS (50:50 POZ FLY ASH: CLASS G CEMENT + 10% bwow SODIUM CHLORIDE + 0.15% bwow R-3 + 0.002 gps FP-6L + 2% bwoc BENTONITE II + FRESH WATER), DISPLACED 133 BBLS H2O W/CLAY CARE + 1 GAL MAGNACIDE, FINAL LIFT PRESS 2568 PSI, BUMP PLUG T/ 3257 PSI HELD FOR 5 MIN, BLEED OFF FLOAT HELD, 0 BBLS CEMENT TO SURF, CALCULATED TOP OF TAIL @ 3633', RIG DOWN BJ CEMENTING EQUIPMENT, FLUSH OUT BOPS & FLOWLINE. RIG DOWN CEMENTERS & RELEASE CEMENTERS.
	9:30 - 16:00	6.50	DRLPRO	01	E	P		CLEAN PITS, RIG DOWN RIG. RIG RELEASED ON 3-15-2012 @ 1600 HRS.

1 General

1.1 Customer Information

Company	US ROCKIES REGION
Representative	
Address	

1.2 Well/Wellbore Information

Well	NBU 1022-2O4CS - BLACK	Wellbore No.	OH
Well Name	NBU 1022-2O4CS	Wellbore Name	NBU 1022-2O4CS
Report No.	1	Report Date	4/16/2012
Project	UTAH-UINTAH	Site	NBU 1022-2P PAD
Rig Name/No.		Event	COMPLETION
Start Date	4/30/2012	End Date	5/1/2012
Spud Date	1/26/2012	Active Datum	RKB @5,117.00usft (above Mean Sea Level)
UWI	SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0		

1.3 General

Contractor		Job Method	PERFORATE	Supervisor	
Perforated Assembly	PRODUCTION CASING	Conveyed Method	WIRELINE		

1.4 Initial Conditions

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

1.5 Summary

Gross Interval	6,569.0 (usft)-8,443.0 (usft)	Start Date/Time	4/23/2012 12:00AM
No. of Intervals	40	End Date/Time	4/23/2012 12:00AM
Total Shots	192	Net Perforation Interval	52.00 (usft)
Avg Shot Density	3.69 (shot/ft)	Final Surface Pressure	
		Final Press Date	

2 Intervals

2.1 Perforated Interval

Date	Formation/Reservoir	CCL@ (usft)	CCL-T S (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/Add. Shot	Diameter (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
4/23/2012 12:00AM	MESAVERDE/			6,569.0	6,572.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO	N

2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-T S (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diamete r (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
4/23/2012 12:00AM	MESAVERDE/			6,620.0	6,623.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			6,714.0	6,715.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			6,747.0	6,748.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			6,783.0	6,784.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			6,820.0	6,821.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			6,857.0	6,858.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			6,872.0	6,873.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			6,924.0	6,926.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			6,967.0	6,968.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,082.0	7,085.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,254.0	7,255.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,302.0	7,303.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,334.0	7,336.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,409.0	7,411.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,453.0	7,454.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,479.0	7,480.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,504.0	7,505.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,519.0	7,520.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,588.0	7,590.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,647.0	7,648.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,680.0	7,681.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	

2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-T S (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diamete r (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
4/23/2012 12:00AM	MESAVERDE/			7,739.0	7,740.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,797.0	7,798.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,810.0	7,811.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,889.0	7,890.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,902.0	7,904.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			7,963.0	7,964.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,015.0	8,016.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,060.0	8,061.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,093.0	8,094.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,108.0	8,109.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,123.0	8,124.0	4.00		0.360	EXP/	3.375	90.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,181.0	8,182.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,207.0	8,208.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,234.0	8,235.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,255.0	8,256.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,290.0	8,291.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,355.0	8,356.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	
4/23/2012 12:00AM	MESAVERDE/			8,441.0	8,443.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTIO N	

3 Plots

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-2O4CS - BLACK Spud Date: 1/26/2012
 Project: UTAH-UINTAH Site: NBU 1022-2P PAD Rig Name No: ROYAL WELL SERVICE 2/2, ROYAL WELL SERVICE 2/2
 Event: COMPLETION Start Date: 4/30/2012 End Date: 5/1/2012
 Active Datum: RKB @5,117.00usft (above Mean Sea Level) UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
1/26/2012	-							
4/19/2012	13:50 - 14:02	0.20	COMP	48		P		HSM & JSA W/B&C QUICK TEST.
	14:02 - 15:11	1.15	COMP	33	E	P		WHP 0 PSI. FILL SURFACE CSG. MIRU B&C QUICK TEST. PSI TEST T/ 1031 PSI. HELD FOR 15 MIN LOST 62 PSI. PSI TEST T/ 3525 PSI. HELD FOR 15 MIN LOST 32 PSI. 1ST PSI TEST T/ 7050 PSI. HELD FOR 30 MIN LOST 75 PSI. NO COMMUNICATION OR MIGRATION WITH SURFACE CSG BLEED OFF PSI. MOVE T/ NEXT WELL. SWIFN
4/20/2012	7:30 - 7:45	0.25	COMP	48		P		HSM & JSA W/CASED HOLE SOLUTIONS.
	7:45 - 10:15	2.50	COMP	37	B	P		WHP 0 PSI - MIRU CASED HOLE SOLUTIONS. PERF STG 1) P/U 3 1/8" EXP GNS, 23 GRM, 0.36 HOLE, 120 DEG PHSG. PERF M.V. AS PER PERF DESIGN. POOH & HANG BACK LUB. SW - SDFN.
4/23/2012	6:45 - 7:00	0.25	COMP	48		P		HSM & JSA W/SUPERIOR WELL SERVICE & CASED HOLE SOLUTIONS
	9:54 - 10:23	0.48	COMP	36	E	P		MIRU SUPERIOR WELL SERVICE. PT SURFACE EQUIP TO 9500 PSI. 200# LOSS IN 15 MIN. FRAC STG 1) WHP 1500 PSI. BRK DWN PERF 4.8 BPM @ 3124 PSI. ISIP 24611 PSI. FG. 0.73. EST INJ RATE 49.8 BPM @ 5591 PSI. 21/24 PERFS OPEN - 86%. MP 6293 PSI, MR 52.3 BPM, AP 5675 PSI, AR 49.5 BPM. ISIP 2551 PSI, FG. 0.75, NPI 90 PSI. PMP'D 1202 BBLS SLK WTR, 21,812 LBS 30/50 SND. X-OVER FOR WL.
	10:28 - 11:28	1.00	COMP	37	B	P		PERF STG 2) P/U HALCO 8K CBP & 3 1/8" EXP GNS, 23 GRM, 0.36 HOLE, 90 DEG PHSG. RIH SET CBP @ 8154'. PERF MESA VERDE AS PER PERF DESIGN. POOH & HANG BACK LUB. X-OVER FOR FRAC
	12:27 - 12:53	0.43	COMP	36	E	P		FRAC STG 2) WHP 2085 PSI. BRK DWN PERF 3.8 BPM @ 2523 PSI. ISIP 2170 PSI. FG. 0.71. EST INJ RATE 51.9 BPM @ 4938 PSI. 24/24 PERFS OPEN - 100%. MP 6319 PSI, MR 52.1 BPM, AP 5724 PSI, AR 50.7 BPM. ISIP 2695 PSI, FG. 0.77, NPI 525 PSI. PMP'D 1066 BBLS SLK WTR, 21,613 LBS 30/50 SND. X-OVER FOR WL.
	12:58 - 13:58	1.00	COMP	37	B	P		PERF STG 3) P/U HALCO 8K CBP & 3 1/8" EXP GNS, 23 GRM, 0.36 HOLE, 120 DEG PHSG. RIH SET CBP @ 7934'. PERF MESA VERDE AS PER PERF DESIGN. POOH & HANG BACK LUB. X-OVER FOR FRAC

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-2O4CS - BLACK

Spud Date: 1/26/2012

Project: UTAH-UINTAH

Site: NBU 1022-2P PAD

Rig Name No: ROYAL WELL SERVICE 2/2, ROYAL WELL SERVICE 2/2

Event: COMPLETION

Start Date: 4/30/2012

End Date: 5/1/2012

Active Datum: RKB @5,117.00usft (above Mean Sea Level)

UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	14:33 - 14:58	0.42	COMP	36	E	P		FRAC STG 3) WHP 395 PSI. BRK DWN PERF 4.8 BPM @ 4207 PSI. ISIP 2747 PSI. FG. 0.79. EST INJ RATE 52.2 BPM @ 5318 PSI. 24/24 PERFS OPEN - 100%. MP 5685 PSI, MR 52.4 BPM, AP 5113 PSI, AR 52.1 BPM. ISIP 2555 PSI, FG. 0.78, NPI (-192) PSI. PMP'D 1020 BBLs SLK WTR, 20,651 LBS 30/50 SND. X-OVER FOR WL.
	15:03 - 16:03	1.00	COMP	37	B	P		PERF STG 4) P/U HALCO 8K CBP & 3 1/8" EXP GNS, 23 GRM, 0.36 HOLE, 90 DEG PHSG. RIH SET CBP @ 7620'. PERF MESA VERDE AS PER PERF DESIGN. POOH & HANG BACK LUB. X-OVER FOR FRAC
	16:41 - 17:13	0.53	COMP	36	E	P		FRAC STG 4) WHP 1770 PSI. BRK DWN PERF 4.3 BPM @ 2624 PSI. ISIP 1960 PSI. FG. 0.70. EST INJ RATE 54.1 BPM @ 4587 PSI. 24/24 PERFS OPEN - 100%. MP 5646 PSI, MR 54.4 BPM, AP 4796 PSI, AR 54 BPM. ISIP 2181 PSI, FG. 0.73, NPI 221 PSI. PMP'D 1553 BBLs SLK WTR, 33,794 LBS 30/50 SND. X-OVER FOR WL.
	17:18 - 18:08	0.83	COMP	37	B	P		PERF STG 5) P/U HALCO 8K CBP & 3 1/8" EXP GNS, 23 GRM, 0.36 HOLE, 90 & 120 DEG PHSG. RIH SET CBP @ 0000'. PERF MESA VERDE AS PER PERF DESIGN. POOH & HANG BACK LUB. X-OVER FOR FRAC
4/24/2012	6:45 - 7:00	0.25	COMP	48		P		HSM & JSA W/SUPERIOR WELL SERVICE & CASEDHOLE SOLUTIONS
	8:32 - 8:56	0.40	COMP	36	E	P		FRAC STG 5) WHP 1585 PSI. BRK DWN PERF 4.4 BPM @ 3065 PSI. ISIP 2211 PSI. FG. 0.74. EST INJ RATE 51.1 BPM @ 4605 PSI. 24/24 PERFS OPEN - 100%. MP 5543 PSI, MR 51.3 BPM, AP 5000 PSI, AR 51 BPM. ISIP 2260 PSI, FG. 0.75, NPI 49 PSI. PMP'D 1024 BBLs SLK WTR, 21,085 LBS 30/50 SND. X-OVER FOR WL.
	9:01 - 9:51	0.83	COMP	37	B	P		PERF STG 6) P/U HALCO 8K CBP & 3 1/8" EXP GNS, 23 GRM, 0.36 HOLE, 90 & 120 DEG PHSG. RIH SET CBP @ 0000'. PERF MESA VERDE AS PER PERF DESIGN. POOH & HANG BACK LUB. X-OVER FOR FRAC
	10:19 - 10:42	0.38	COMP	36	E	P		FRAC STG 6) WHP 128 PSI. BRK DWN PERF 4.7 BPM @ 2583 PSI. ISIP 1560 PSI. FG. 0.66. EST INJ RATE 49.9 BPM @ 5078 PSI. 18/24 PERFS OPEN - 75%. MP 6105 PSI, MR 50.2 BPM, AP 5404 PSI, AR 49.7 BPM. ISIP 2462 PSI, FG. 0.79, NPI 902 PSI. PMP'D 960 BBLs SLK WTR, 19,358 LBS 30/50 SND. X-OVER FOR WL.
	10:45 - 11:35	0.83	COMP	37	B	P		PERF STG 7) P/U HALCO 8K CBP & 3 1/8" EXP GNS, 23 GRM, 0.36 HOLE, 90 DEG PHSG. RIH SET CBP @ 6903'. PERF MESA VERDE AS PER PERF DESIGN. POOH & HANG BACK LUB. X-OVER FOR FRAC

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-2O4CS - BLACK

Spud Date: 1/26/2012

Project: UTAH-UINTAH

Site: NBU 1022-2P PAD

Rig Name No: ROYAL WELL SERVICE 2/2, ROYAL WELL SERVICE 2/2

Event: COMPLETION

Start Date: 4/30/2012

End Date: 5/1/2012

Active Datum: RKB @5,117.00usft (above Mean Sea Level)

UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	12:38 - 12:57	0.32	COMP	36	E	P		FRAC STG 7) WHP 1792 PSI. BRK DWN PERF 4.4 BPM @ 2625 PSI. ISIP 1959 PSI. FG. 0.73. EST INJ RATE 49.7 BPM @ 5345 PSI. 18/24 PERFS OPEN - 76%. MP 5903 PSI, MR 50.4 BPM, AP 5007 PSI, AR 49.9 BPM. ISIP 2534 PSI, FG. 0.81, NPI 575 PSI. PMP'D 793 BBLS SLK WTR, 15,755 LBS 30/50 SND. X-OVER FOR WL.
	13:02 - 13:52	0.83	COMP	37	B	P		PERF STG 8) P/U HALCO 8K CBP & 3 1/8" EXP GNS, 23 GRM, 0.36 HOLE, 90 DEG PHSG. RIH SET CBP @ 6653'. PERF MESA VERDE AS PER PERF DESIGN. POOH & HANG BACK LUB. X-OVER FOR FRAC
	14:47 - 15:03	0.27	COMP	36	E	P		FRAC STG 8) WHP 285 PSI. BRK DWN PERF 4.1 BPM @ 2837 PSI. ISIP 1142 PSI. FG. 0.61. EST INJ RATE 50 BPM @ 4783 PSI. 17/24 PERFS OPEN - 72%. MP 5305 PSI, MR 50.1 BPM, AP 4783 PSI, AR 50 BPM. ISIP 2466 PSI, FG. 0.81, NPI 1324 PSI. PMP'D 633 BBLS SLK WTR, 11,894 LBS 30/50 SND. X-OVER FOR WL.
	15:08 - 17:15	2.12	COMP	34	I	P		KILL PLUG) RIH W/HALCO 8K CBP & SET @ 6519'. ((MISS RUN - PWR CHRGR DID NOT GO OFF. POOH W/CBP @ 150'/MIN)). CHANGE OUT CBP. RIH & SET CBP @ 6519'. POOH & RD WL. SWI - SDFN. HSM, JSA
4/30/2012	6:45 - 7:00	0.25	COMP	48		P		ROAD RIG FROM OURAY 6-225 TO NBU 1022-2O4CS, MIRU, SPOT EQUIP, N/D WH, N/U 5K BOP, R/U FLOOR & TBG EQUIP, R/U HAL 9000 & FLOWLINE TO PIT, SPOT TBG TRAILER
	7:00 - 12:00	5.00	COMP	30	A	P		P/U TBG, TALLY IN HOLE, TAG @ 6523'
	12:00 - 15:00	3.00	COMP	31	I	P		MIRU PWR SWWL & NEW WASHINGTON RUBBER
	15:00 - 15:25	0.42	COMP	44	C	P		PRESS TEST BOP'S TO 3,000 PSI FOR 15 MIN, LOST 0 PS, STARTDRILLING PLUGS IN THE A.M.
	15:25 - 16:00	0.58	COMP	47	B	P		HSM, JSA DRILLING PLUGS
5/1/2012	6:45 - 7:00	0.25	COMP	48		P		

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-2O4CS - BLACK

Spud Date: 1/26/2012

Project: UTAH-UINTAH

Site: NBU 1022-2P PAD

Rig Name No: ROYAL WELL SERVICE 2/2, ROYAL WELL SERVICE 2/2

Event: COMPLETION

Start Date: 4/30/2012

End Date: 5/1/2012

Active Datum: RKB @5,117.00usft (above Mean Sea Level)

UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:00 - 15:00	8.00	COMP	44	C	P		<p>C/O 3' SAND, TAG 1ST PLUG @ 6,519' DRL PLUG IN 5 MIN. 100 PSI INCREASE RIH, CSG PRESS 0 PSI.</p> <p>C/O 28' SAND, TAG 2ND PLUG @ 6,665' DRL PLUG IN 5 MIN. 400 PSI INCREASE RIH, CSG PRESS 50 PSI.</p> <p>C/O 30' SAND, TAG 3RD PLUG @ 6,909' DRL PLUG IN 3 MIN 0 PSI INCREASE RIH, CSG PRESS 200 PSI.</p> <p>C/O 26' SAND, TAG 4TH PLUG @ 7,117' DRL PLUG IN 10 MIN. 0 PSI INCREASE RIH, CSG PRESS 700 PSI.</p> <p>C/O 20' SAND, TAG 5TH PLUG @ 7,449' DRL PLUG IN 5 MIN. 400 PSI INCREASE RIH, CSG PRESS 400 PSI.</p> <p>C/O 31' SAND, TAG 6TH PLUG @ 7,629' DRL PLUG IN 6 MIN. 400 PSI INCREASE RIH, CSG PRESS 600 PSI.</p> <p>C/O 28' SAND, TAG 7TH PLUG @ 7,937' DRL PLUG IN 5 MIN. 400 PSI INCREASE RIH, CSG PRESS 700 PSI.</p> <p>C/O 20' SAND, TAG 7TH PLUG @ 8,162' DRL PLUG IN 5 MIN. 500 PSI INCREASE RIH, CSG PRESS 700 PSI.</p> <p>PBTD @ 8,547', BTM PERF @ 8,443', RIH TAG @ 8,5126', C/O TO 8,547', 104' PAST BTM PERF W/ 269 JTS 2 3/8" L-80 TBG, LD 20 JTS, PU & STRIP IN TBG HANGER & LAND TBG W/ 249 JTS 2 3/8" L-80, EOT 7,932.82'.</p> <p>RD POWER SWVEL, FLOOR & TBG EQUIP, ND BOPS, NU WH, DROP BALL TO SHEAR OFF BIT W/ 1,800 PSI, LET BIT FALL FOR 20 MIN.</p> <p>TURN OVER TO FLOW BACK CREW, RD & MOVE TO NEXT WELL ON PAD.</p> <p>KB= 25' 4 1/16" WEATHERFORD HANGER= .83' TBG DELIVERED 282 JTS 249 JTS 2 3/8" L-80 = 7,904.86' TBG USED 249 JTS POBS= 2.20' TBG RETURNED 33 JTS EOT @7,932.89'</p> <p>TWTR= 7,981 BBLs TWR= 1,500 BBLs TWLTR= 6,481 BBLs</p>

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-2O4CS - BLACK		Spud Date: 1/26/2012	
Project: UTAH-UINTAH		Site: NBU 1022-2P PAD	Rig Name No: ROYAL WELL SERVICE 2/2, ROYAL WELL SERVICE 2/2
Event: COMPLETION		Start Date: 4/30/2012	End Date: 5/1/2012
Active Datum: RKB @5,117.00usft (above Mean Sea Level)		UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0	

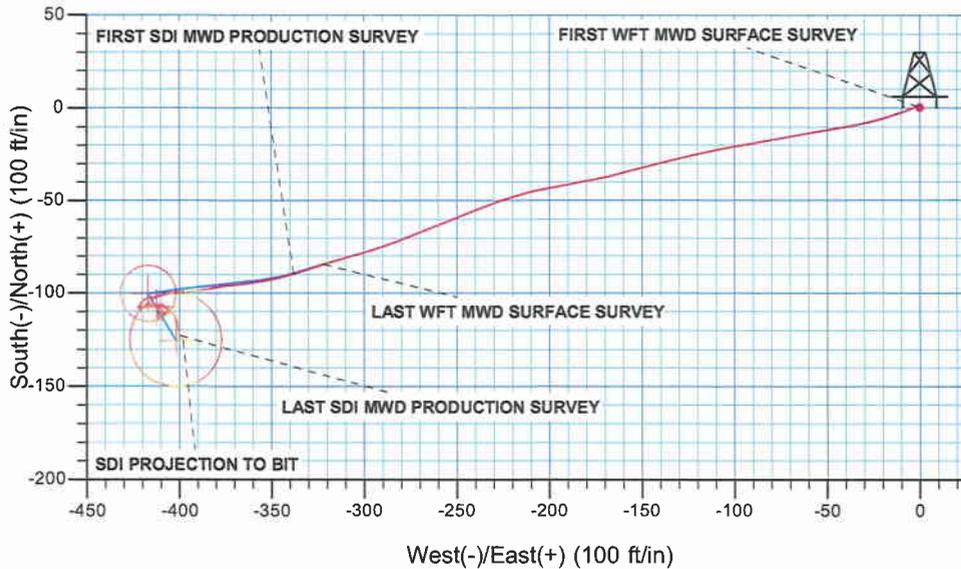
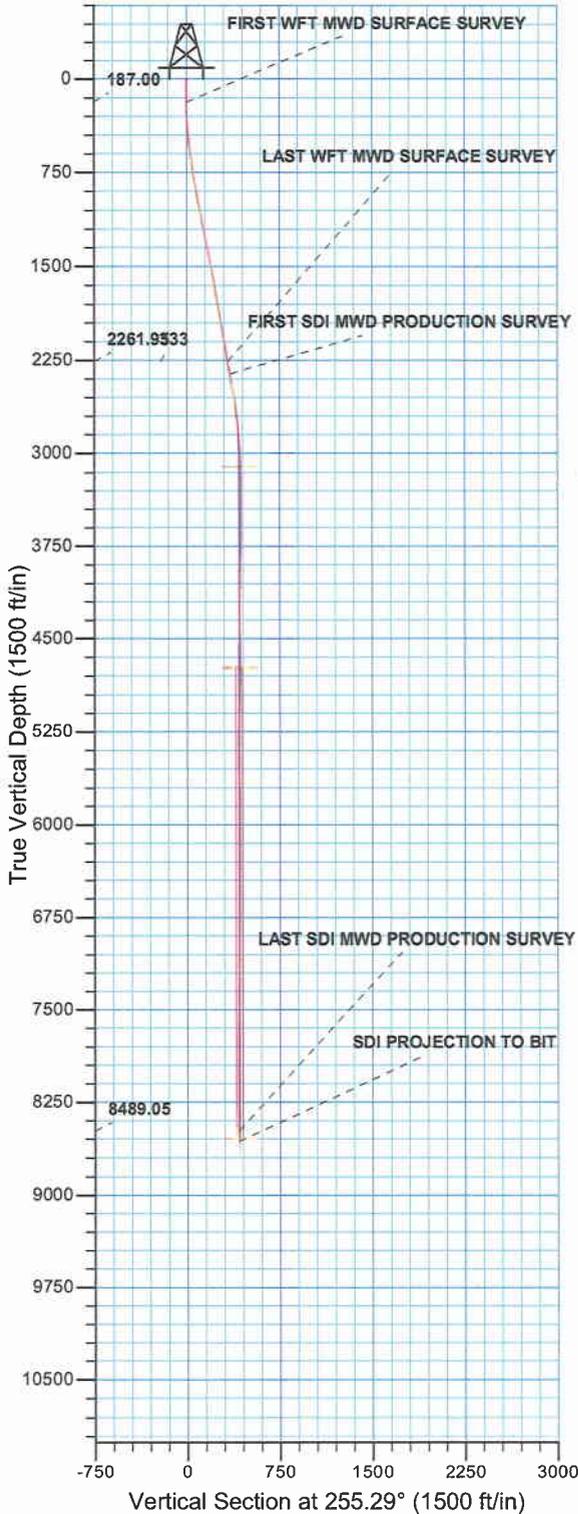
Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	15:00 - 13:30		COMP	50				WELL TURNED TO SALES @ 13:30 HR ON 5/1/2012- 2,600 MCFD, 1920 BWPD, FCP 2400#, FTP 2500#, 20/64"
5/10/2012	7:00 -			50				WELL IP'D ON 5/10/2012 - 3688 MCFD, 0 BOPD, 120 BWPD, CP 2300#, FTP 1900#, CK 16/64, LP 132#, 24 HRS
5/11/2012	-							

WELL DETAILS: NBU 1022-2O4CS					
GL 5092' & KB 21' @ 5113.00ft (HP 311)					
+N/-S 0.00	+E/-W 0.00	Northing 14519618.78	Eastng 2088148.56	Latitude 39.971337	Longitude -109.401995



Azimuths to True North
Magnetic North: 11.02°

Magnetic Field
Strength: 52316.2snT
Dip Angle: 65.86°
Date: 07/21/2011
Model: IGRF2010



PROJECT DETAILS: Uintah County, UT UTM12
Geodetic System: Universal Transverse Mercator (US Survey Feet) Datum: NAD 1927 - Western US Ellipsoid: Clarke 1866 Zone: Zone 12N (114 W to 108 W) Location: SECTION 2 T10S R22E System Datum: Mean Sea Level

Design: OH (NBU 1022-2O4CS/OH)
Created By: Gabe Kendall Date: 14:42, March 15 2012



Scientific Drilling
Rocky Mountain Operations

Kerr McGee Oil and Gas Onshore LP

**Uintah County, UT UTM12
NBU 1022-2P PAD
NBU 1022-2O4CS**

OH

Design: OH

Standard Survey Report

15 March, 2012

Anadarko 
Petroleum Corporation

Company:	Kerr McGee Oil and Gas Onshore LP	Local Co-ordinate Reference:	Well NBU 1022-2O4CS
Project:	Uintah County, UT UTM12	TVD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Site:	NBU 1022-2P PAD	MD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Well:	NBU 1022-2O4CS	North Reference:	True
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000.1 Single User Db

Project	Uintah County, UT UTM12		
Map System:	Universal Transverse Mercator (US Survey Feet)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 - Western US		
Map Zone:	Zone 12N (114 W to 108 W)		

Site	NBU 1022-2P PAD, SECTION 2 T10S R22E				
Site Position:		Northing:	14,519,620.58 usft	Latitude:	39.971339
From:	Lat/Long	Easting:	2,088,208.52 usft	Longitude:	-109.401781
Position Uncertainty:	0.00 ft	Slot Radius:	13.200 in	Grid Convergence:	1.03 °

Well	NBU 1022-2O4CS, 220 FSL 1402 FEL					
Well Position	+N/-S	0.00 ft	Northing:	14,519,618.78 usft	Latitude:	39.971337
	+E/-W	0.00 ft	Easting:	2,088,148.56 usft	Longitude:	-109.401995
Position Uncertainty		0.00 ft	Wellhead Elevation:	ft	Ground Level:	5,092.00 ft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	07/21/11	11.02	65.86	52,316

Design	OH				
Audit Notes:					
Version:	1.0	Phase:	ACTUAL	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)	
	0.00	0.00	0.00	255.29	

Survey Program	Date	03/15/12			
From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description	
21.00	2,291.00	Survey #1 WFT MWD SURFACE (OH)	MWD	MWD - Standard	
2,393.00	8,610.00	Survey #2 SDI MWD PRODUCTION (OH)	MWD SDI	MWD - Standard ver 1.0.1	

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Buid Rate (°/100ft)	Turn Rate (°/100ft)	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
21.00	0.00	0.00	21.00	0.00	0.00	0.00	0.00	0.00	0.00	
187.00	0.77	296.56	187.00	0.50	-1.00	0.84	0.46	0.46	0.00	
FIRST WFT MWD SURFACE SURVEY										
272.00	1.87	252.48	271.97	0.34	-2.83	2.65	1.67	1.29	-51.86	
357.00	3.28	246.86	356.89	-1.04	-6.39	6.44	1.68	1.66	-6.61	
447.00	5.00	251.62	446.65	-3.29	-12.48	12.91	1.95	1.91	5.29	
537.00	6.31	253.49	536.21	-5.93	-20.94	21.76	1.47	1.46	2.08	
627.00	7.88	259.12	625.52	-8.50	-31.75	32.86	1.91	1.74	6.26	
717.00	9.31	260.49	714.50	-10.87	-44.98	46.27	1.60	1.59	1.52	

Company: Kerr McGee Oil and Gas Onshore LP
Project: Uintah County, UT UTM12
Site: NBU 1022-2P PAD
Well: NBU 1022-2O4CS
Wellbore: OH
Design: OH

Local Co-ordinate Reference: Well NBU 1022-2O4CS
TVD Reference: GL 5092' & KB 21' @ 5113.00ft (HP 311)
MD Reference: GL 5092' & KB 21' @ 5113.00ft (HP 311)
North Reference: True
Survey Calculation Method: Minimum Curvature
Database: EDM 5000.1 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
807.00	9.06	260.24	803.35	-13.27	-59.15	60.58	0.28	-0.28	-0.28	
897.00	10.31	259.24	892.06	-15.97	-74.04	75.67	1.40	1.39	-1.11	
987.00	10.69	259.24	980.56	-19.04	-90.16	92.04	0.42	0.42	0.00	
1,077.00	10.88	259.24	1,068.97	-22.18	-106.70	108.84	0.21	0.21	0.00	
1,167.00	11.19	256.37	1,157.30	-25.82	-123.53	126.04	0.70	0.34	-3.19	
1,257.00	11.88	256.24	1,245.49	-30.09	-141.02	144.04	0.77	0.77	-0.14	
1,347.00	11.88	254.74	1,333.56	-34.73	-158.95	162.56	0.34	0.00	-1.67	
1,437.00	10.88	258.99	1,421.79	-38.79	-176.23	180.30	1.45	-1.11	4.72	
1,527.00	11.06	259.49	1,510.15	-41.98	-193.05	197.39	0.23	0.20	0.56	
1,617.00	11.25	256.74	1,598.45	-45.57	-210.09	214.77	0.63	0.21	-3.06	
1,707.00	10.06	251.62	1,686.89	-50.07	-226.09	231.40	1.69	-1.32	-5.69	
1,797.00	9.75	248.49	1,775.55	-55.34	-240.64	246.81	0.69	-0.34	-3.48	
1,887.00	9.63	247.12	1,864.27	-61.06	-254.67	261.83	0.29	-0.13	-1.52	
1,977.00	10.44	249.12	1,952.89	-66.89	-269.22	277.38	0.98	0.90	2.22	
2,067.00	10.50	249.49	2,041.39	-72.67	-284.52	293.65	0.10	0.07	0.41	
2,157.00	10.19	251.74	2,129.93	-78.04	-299.76	309.75	0.57	-0.34	2.50	
2,247.00	9.69	253.87	2,218.58	-82.64	-314.60	325.27	0.69	-0.56	2.37	
2,291.00	9.69	253.74	2,261.95	-84.70	-321.71	332.68	0.05	0.00	-0.30	
LAST WFT MWD SURFACE SURVEY										
2,393.00	9.50	252.46	2,362.53	-89.64	-337.98	349.66	0.28	-0.19	-1.25	
FIRST SDI MWD PRODUCTION SURVEY										
2,487.00	9.15	258.26	2,455.28	-93.50	-352.69	364.88	1.07	-0.37	6.17	
2,581.00	9.76	264.85	2,548.01	-95.74	-367.95	380.20	1.32	0.65	7.01	
2,675.00	8.62	259.58	2,640.80	-97.73	-382.81	395.08	1.51	-1.21	-5.61	
2,770.00	7.39	268.19	2,734.88	-99.21	-395.92	408.14	1.80	-1.29	9.06	
2,864.00	4.92	253.07	2,828.34	-100.57	-405.82	418.06	3.12	-2.63	-16.09	
2,959.00	3.78	266.96	2,923.06	-101.93	-412.85	425.20	1.63	-1.20	14.62	
3,053.00	3.52	235.32	3,016.88	-103.73	-418.31	430.94	2.13	-0.28	-33.66	
3,147.00	1.49	204.91	3,110.79	-106.48	-421.20	434.44	2.51	-2.16	-32.35	
3,242.00	0.88	270.13	3,205.77	-107.60	-422.45	435.93	1.45	-0.64	68.65	
3,336.00	0.97	111.04	3,299.77	-107.89	-422.43	435.98	1.94	0.10	-169.24	
3,431.00	0.62	166.59	3,394.76	-108.68	-421.56	435.34	0.85	-0.37	58.47	
3,525.00	0.97	173.45	3,488.75	-109.96	-421.35	435.46	0.39	0.37	7.30	
3,619.00	0.97	11.20	3,582.75	-109.97	-421.11	435.23	2.04	0.00	-172.61	
3,714.00	0.53	314.95	3,677.74	-108.87	-421.26	435.10	0.85	-0.46	-59.21	
3,808.00	0.35	180.92	3,771.74	-108.85	-421.57	435.40	0.87	-0.19	-142.59	
3,903.00	1.58	66.92	3,866.73	-108.63	-420.37	434.18	1.84	1.29	-120.00	
3,997.00	1.58	76.77	3,960.69	-107.82	-417.92	431.60	0.29	0.00	10.48	
4,091.00	1.49	90.13	4,054.66	-107.53	-415.44	429.12	0.39	-0.10	14.21	
4,186.00	1.32	102.52	4,149.63	-107.77	-413.13	426.96	0.37	-0.18	13.04	
4,280.00	0.88	307.22	4,243.62	-107.57	-412.65	426.44	2.29	-0.47	-165.21	
4,375.00	0.88	296.49	4,338.61	-106.80	-413.89	427.44	0.17	0.00	-11.29	
4,469.00	0.70	291.66	4,432.60	-106.27	-415.07	428.44	0.20	-0.19	-5.14	

Company:	Kerr McGee Oil and Gas Onshore LP	Local Co-ordinate Reference:	Well NBU 1022-2O4CS
Project:	Uintah County, UT UTM12	TVD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Site:	NBU 1022-2P PAD	MD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Well:	NBU 1022-2O4CS	North Reference:	True
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000.1 Single User Db

Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	
4,563.00	0.53	284.89	4,526.60	-105.94	-416.02	429.28	0.20	-0.18	-7.20	
4,658.00	0.46	224.82	4,621.59	-106.10	-416.71	430.00	0.53	-0.07	-63.23	
4,752.00	0.79	235.94	4,715.59	-106.73	-417.52	430.93	0.37	0.35	11.83	
4,846.00	1.41	84.06	4,809.58	-106.97	-416.90	430.40	2.28	0.66	-161.57	
4,941.00	1.49	79.84	4,904.55	-106.64	-414.52	428.01	0.14	0.08	-4.44	
5,035.00	1.06	88.63	4,998.53	-106.40	-412.45	425.95	0.50	-0.46	9.35	
5,129.00	0.97	96.63	5,092.51	-106.47	-410.79	424.36	0.18	-0.10	8.51	
5,224.00	1.06	112.27	5,187.50	-106.90	-409.18	422.91	0.31	0.09	16.46	
5,318.00	0.88	124.40	5,281.48	-107.63	-407.78	421.74	0.29	-0.19	12.90	
5,412.00	1.06	147.43	5,375.47	-108.77	-406.72	421.01	0.45	0.19	24.50	
5,507.00	0.79	194.72	5,470.46	-110.15	-406.41	421.06	0.82	-0.28	49.78	
5,601.00	1.49	246.04	5,564.44	-111.27	-407.69	422.58	1.25	0.74	54.60	
5,695.00	1.41	232.07	5,658.41	-112.48	-409.72	424.85	0.38	-0.09	-14.86	
5,790.00	1.32	223.10	5,753.39	-114.00	-411.39	426.85	0.24	-0.09	-9.44	
5,884.00	0.44	82.04	5,847.38	-114.74	-411.77	427.41	1.79	-0.94	-150.06	
5,979.00	1.85	1.00	5,942.36	-113.15	-411.38	426.63	1.93	1.48	-85.31	
6,073.00	1.12	353.59	6,036.33	-110.72	-411.46	426.09	0.80	-0.78	-7.88	
6,167.00	0.62	350.02	6,130.32	-109.31	-411.65	425.91	0.53	-0.53	-3.80	
6,262.00	0.00	348.79	6,225.32	-108.80	-411.74	425.87	0.65	-0.65	0.00	
6,356.00	0.44	189.09	6,319.32	-109.16	-411.80	426.02	0.47	0.47	0.00	
6,450.00	1.14	344.92	6,413.31	-108.61	-412.10	426.17	1.65	0.74	165.78	
6,545.00	0.35	328.66	6,508.30	-107.45	-412.49	426.26	0.85	-0.83	-17.12	
6,639.00	0.26	28.78	6,602.30	-107.02	-412.54	426.19	0.34	-0.10	63.96	
6,733.00	0.62	84.15	6,696.30	-106.78	-411.93	425.54	0.55	0.38	58.90	
6,828.00	0.53	150.07	6,791.29	-107.11	-411.20	424.92	0.66	-0.09	69.39	
6,922.00	0.79	146.02	6,885.29	-108.02	-410.62	424.59	0.28	0.28	-4.31	
7,016.00	1.23	140.05	6,979.27	-109.33	-409.61	423.95	0.48	0.47	-6.35	
7,111.00	1.76	145.14	7,074.24	-111.31	-408.12	423.01	0.57	0.56	5.36	
7,205.00	0.26	295.97	7,168.23	-112.40	-407.49	422.68	2.12	-1.60	160.46	
7,300.00	0.70	7.51	7,263.22	-111.73	-407.61	422.62	0.70	0.46	75.31	
7,394.00	0.79	24.38	7,357.22	-110.58	-407.27	421.99	0.25	0.10	17.95	
7,488.00	0.70	38.62	7,451.21	-109.54	-406.64	421.13	0.22	-0.10	15.15	
7,583.00	0.53	130.20	7,546.21	-109.37	-405.94	420.41	0.94	-0.18	96.40	
7,677.00	0.62	131.96	7,640.20	-109.99	-405.23	419.88	0.10	0.10	1.87	
7,771.00	0.53	155.52	7,734.20	-110.72	-404.67	419.53	0.27	-0.10	25.06	
7,865.00	0.53	99.88	7,828.19	-111.19	-404.06	419.06	0.53	0.00	-59.19	
7,960.00	0.44	118.34	7,923.19	-111.44	-403.31	418.39	0.19	-0.09	19.43	
8,054.00	0.79	154.20	8,017.18	-112.20	-402.71	418.00	0.54	0.37	38.15	
8,148.00	1.06	165.45	8,111.17	-113.62	-402.21	417.88	0.34	0.29	11.97	
8,243.00	1.41	170.46	8,206.15	-115.62	-401.80	417.99	0.39	0.37	5.27	
8,337.00	1.32	167.12	8,300.12	-117.82	-401.36	418.13	0.13	-0.10	-3.55	
8,431.00	1.58	159.21	8,394.09	-120.09	-400.66	418.02	0.35	0.28	-8.41	
8,526.00	1.94	151.18	8,489.05	-122.72	-399.42	417.49	0.46	0.38	-8.45	

LAST SDI MWD PRODUCTION SURVEY

Company:	Kerr McGee Oil and Gas Onshore LP	Local Co-ordinate Reference:	Well NBU 1022-204CS
Project:	Uintah County, UT UTM12	TVD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Site:	NBU 1022-2P PAD	MD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Well:	NBU 1022-204CS	North Reference:	True
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000.1 Single User Db

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
8,610.00	1.94	151.18	8,573.00	-125.21	-398.05	416.80	0.00	0.00	0.00
SDI PROJECTION TO BIT									

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment
		+N/-S (ft)	+E/-W (ft)	
187.00	187.00	0.50	-1.00	FIRST WFT MWD SURFACE SURVEY
2,291.00	2,261.95	-84.70	-321.71	LAST WFT MWD SURFACE SURVEY
2,393.00	2,362.53	-89.64	-337.98	FIRST SDI MWD PRODUCTION SURVEY
8,526.00	8,489.05	-122.72	-399.42	LAST SDI MWD PRODUCTION SURVEY
8,610.00	8,573.00	-125.21	-398.05	SDI PROJECTION TO BIT

Checked By: _____ Approved By: _____ Date: _____



Kerr McGee Oil and Gas Onshore LP

**Uintah County, UT UTM12
NBU 1022-2P PAD
NBU 1022-2O4CS**

OH

Design: OH

Survey Report - Geographic

15 March, 2012



Company:	Kerr McGee Oil and Gas Onshore LP	Local Co-ordinate Reference:	Well NBU 1022-2O4CS
Project:	Uintah County, UT UTM12	TVD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Site:	NBU 1022-2P PAD	MD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Well:	NBU 1022-2O4CS	North Reference:	True
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000.1 Single User Db

Project	Uintah County, UT UTM12		
Map System:	Universal Transverse Mercator (US Survey Feet)	System Datum:	Mean Sea Level
Geo Datum:	NAD 1927 - Western US		
Map Zone:	Zone 12N (114 W to 108 W)		

Site	NBU 1022-2P PAD, SECTION 2 T10S R22E				
Site Position:		Northing:	14,519,620.58 usft	Latitude:	39.971339
From:	Lat/Long	Easting:	2,088,208.52 usft	Longitude:	-109.401781
Position Uncertainty:	0.00 ft	Slot Radius:	13.200 in	Grid Convergence:	1.03 °

Well	NBU 1022-2O4CS, 220 FSL 1402 FEL					
Well Position	+N/-S	0.00 ft	Northing:	14,519,618.78 usft	Latitude:	39.971337
	+E/-W	0.00 ft	Easting:	2,088,148.56 usft	Longitude:	-109.401995
Position Uncertainty		0.00 ft	Wellhead Elevation:	ft	Ground Level:	5,092.00 ft

Wellbore	OH				
Magnetics	Model Name	Sample Date	Declination	Dip Angle	Field Strength
	IGRF2010	07/21/11	(°)	(°)	(nT)
			11.02	65.86	52,316

Design	OH				
Audit Notes:					
Version:	1.0	Phase:	ACTUAL	Tie On Depth:	0.00
Vertical Section:	Depth From (TVD)	+N/-S	+E/-W	Direction	
	(ft)	(ft)	(ft)	(°)	
	0.00	0.00	0.00	255.29	

Survey Program	Date	03/15/12			
From	To	Survey (Wellbore)	Tool Name	Description	
(ft)	(ft)				
21.00	2,291.00	Survey #1 WFT MWD SURFACE (OH)	MWD	MWD - Standard	
2,393.00	8,610.00	Survey #2 SDI MWD PRODUCTION (OH)	MWD SDI	MWD - Standard ver 1.0.1	

Survey										
Measured	Inclination	Azimuth	Vertical	+N/-S	+E/-W	Map	Map	Latitude	Longitude	
Depth	(°)	(°)	Depth	(ft)	(ft)	Northing	Easting			
(ft)			(ft)			(usft)	(usft)			
0.00	0.00	0.00	0.00	0.00	0.00	14,519,618.78	2,088,148.56	39.971337	-109.401995	
21.00	0.00	0.00	21.00	0.00	0.00	14,519,618.78	2,088,148.56	39.971337	-109.401995	
187.00	0.77	296.56	187.00	0.50	-1.00	14,519,619.26	2,088,147.55	39.971338	-109.401999	
FIRST WFT MWD SURFACE SURVEY										
272.00	1.87	252.48	271.97	0.34	-2.83	14,519,619.07	2,088,145.72	39.971338	-109.402005	
357.00	3.28	246.86	356.89	-1.04	-6.39	14,519,617.63	2,088,142.19	39.971334	-109.402018	
447.00	5.00	251.62	446.65	-3.29	-12.48	14,519,615.28	2,088,136.14	39.971328	-109.402040	
537.00	6.31	253.49	536.21	-5.93	-20.94	14,519,612.48	2,088,127.72	39.971321	-109.402070	
627.00	7.88	259.12	625.52	-8.50	-31.75	14,519,609.72	2,088,116.97	39.971314	-109.402109	
717.00	9.31	260.49	714.50	-10.87	-44.98	14,519,607.11	2,088,103.78	39.971307	-109.402156	
807.00	9.06	260.24	803.35	-13.27	-59.15	14,519,604.46	2,088,089.66	39.971301	-109.402206	

Company:	Kerr McGee Oil and Gas Onshore LP	Local Co-ordinate Reference:	Well NBU 1022-2O4CS
Project:	Uintah County, UT UTM12	TVD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Site:	NBU 1022-2P PAD	MD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Well:	NBU 1022-2O4CS	North Reference:	True
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000.1 Single User Db

Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
897.00	10.31	259.24	892.06	-15.97	-74.04	14,519,601.49	2,088,074.81	39.971293	-109.402259	
987.00	10.69	259.24	980.56	-19.04	-90.16	14,519,598.14	2,088,058.76	39.971285	-109.402317	
1,077.00	10.88	259.24	1,068.97	-22.18	-106.70	14,519,594.69	2,088,042.27	39.971276	-109.402376	
1,167.00	11.19	256.37	1,157.30	-25.82	-123.53	14,519,590.75	2,088,025.51	39.971266	-109.402436	
1,257.00	11.88	256.24	1,245.49	-30.09	-141.02	14,519,586.18	2,088,008.10	39.971254	-109.402498	
1,347.00	11.88	254.74	1,333.56	-34.73	-158.95	14,519,581.21	2,087,990.25	39.971242	-109.402562	
1,437.00	10.88	258.99	1,421.79	-38.79	-176.23	14,519,576.84	2,087,973.05	39.971231	-109.402624	
1,527.00	11.06	259.49	1,510.15	-41.98	-193.05	14,519,573.35	2,087,956.29	39.971222	-109.402684	
1,617.00	11.25	256.74	1,598.45	-45.57	-210.09	14,519,569.45	2,087,939.32	39.971212	-109.402745	
1,707.00	10.06	251.62	1,686.89	-50.07	-226.09	14,519,564.68	2,087,923.40	39.971200	-109.402802	
1,797.00	9.75	248.49	1,775.55	-55.34	-240.64	14,519,559.14	2,087,908.95	39.971185	-109.402854	
1,887.00	9.63	247.12	1,864.27	-61.06	-254.67	14,519,553.17	2,087,893.03	39.971169	-109.402904	
1,977.00	10.44	249.12	1,952.89	-66.89	-269.22	14,519,547.08	2,087,880.58	39.971153	-109.402956	
2,067.00	10.50	249.49	2,041.39	-72.67	-284.52	14,519,541.02	2,087,865.38	39.971138	-109.403011	
2,157.00	10.19	251.74	2,129.93	-78.04	-299.76	14,519,535.38	2,087,850.24	39.971123	-109.403065	
2,247.00	9.69	253.87	2,218.58	-82.64	-314.60	14,519,530.52	2,087,835.49	39.971110	-109.403118	
2,291.00	9.69	253.74	2,261.95	-84.70	-321.71	14,519,528.33	2,087,828.42	39.971104	-109.403143	
LAST WFT MWD SURFACE SURVEY										
2,393.00	9.50	252.46	2,362.53	-89.64	-337.98	14,519,523.10	2,087,812.24	39.971091	-109.403201	
FIRST SDI MWD PRODUCTION SURVEY										
2,487.00	9.15	258.26	2,455.28	-93.50	-352.69	14,519,518.98	2,087,797.60	39.971080	-109.403254	
2,581.00	9.76	264.85	2,548.01	-95.74	-367.95	14,519,516.47	2,087,782.39	39.971074	-109.403308	
2,675.00	8.62	259.58	2,640.80	-97.73	-382.81	14,519,514.21	2,087,767.56	39.971069	-109.403361	
2,770.00	7.39	268.19	2,734.88	-99.21	-395.92	14,519,512.50	2,087,754.48	39.971065	-109.403408	
2,864.00	4.92	253.07	2,828.34	-100.57	-405.82	14,519,510.95	2,087,744.60	39.971061	-109.403443	
2,959.00	3.78	266.96	2,923.06	-101.93	-412.85	14,519,509.48	2,087,737.61	39.971057	-109.403468	
3,053.00	3.52	235.32	3,016.88	-103.73	-418.31	14,519,507.57	2,087,732.17	39.971052	-109.403488	
3,147.00	1.49	204.91	3,110.79	-106.48	-421.20	14,519,504.77	2,087,729.33	39.971045	-109.403498	
3,242.00	0.88	270.13	3,205.77	-107.60	-422.45	14,519,503.63	2,087,728.10	39.971042	-109.403503	
3,336.00	0.97	111.04	3,299.77	-107.89	-422.43	14,519,503.34	2,087,728.13	39.971041	-109.403503	
3,431.00	0.62	166.59	3,394.76	-108.68	-421.56	14,519,502.57	2,087,729.01	39.971039	-109.403500	
3,525.00	0.97	173.45	3,488.75	-109.96	-421.35	14,519,501.29	2,087,729.24	39.971035	-109.403499	
3,619.00	0.97	11.20	3,582.75	-109.97	-421.11	14,519,501.29	2,087,729.49	39.971035	-109.403498	
3,714.00	0.53	314.95	3,677.74	-108.87	-421.26	14,519,502.38	2,087,729.32	39.971038	-109.403498	
3,808.00	0.35	180.92	3,771.74	-108.85	-421.57	14,519,502.40	2,087,729.00	39.971038	-109.403500	
3,903.00	1.58	66.92	3,866.73	-108.63	-420.37	14,519,502.64	2,087,730.20	39.971039	-109.403495	
3,997.00	1.58	76.77	3,960.69	-107.82	-417.92	14,519,503.49	2,087,732.64	39.971041	-109.403487	
4,091.00	1.49	90.13	4,054.66	-107.53	-415.44	14,519,503.83	2,087,735.12	39.971042	-109.403478	
4,186.00	1.32	102.52	4,149.63	-107.77	-413.13	14,519,503.63	2,087,737.42	39.971041	-109.403469	
4,280.00	0.88	307.22	4,243.62	-107.57	-412.65	14,519,503.84	2,087,737.90	39.971042	-109.403468	
4,375.00	0.88	296.49	4,338.61	-106.80	-413.89	14,519,504.58	2,087,736.65	39.971044	-109.403472	
4,469.00	0.70	291.66	4,432.60	-106.27	-415.07	14,519,505.10	2,087,735.47	39.971045	-109.403476	
4,563.00	0.53	284.89	4,526.60	-105.94	-416.02	14,519,505.40	2,087,734.51	39.971046	-109.403480	
4,658.00	0.46	224.82	4,621.59	-106.10	-416.71	14,519,505.23	2,087,733.82	39.971046	-109.403482	
4,752.00	0.79	235.94	4,715.59	-106.73	-417.52	14,519,504.59	2,087,733.02	39.971044	-109.403485	
4,846.00	1.41	84.06	4,809.58	-106.97	-416.90	14,519,504.36	2,087,733.64	39.971043	-109.403483	
4,941.00	1.49	79.84	4,904.55	-106.64	-414.52	14,519,504.74	2,087,736.01	39.971044	-109.403474	
5,035.00	1.06	88.63	4,998.53	-106.40	-412.45	14,519,505.01	2,087,738.08	39.971045	-109.403467	
5,129.00	0.97	96.63	5,092.51	-106.47	-410.79	14,519,504.97	2,087,739.74	39.971045	-109.403461	
5,224.00	1.06	112.27	5,187.50	-106.90	-409.18	14,519,504.57	2,087,741.36	39.971044	-109.403455	
5,318.00	0.88	124.40	5,281.48	-107.63	-407.78	14,519,503.86	2,087,742.77	39.971042	-109.403450	
5,412.00	1.06	147.43	5,375.47	-108.77	-406.72	14,519,502.74	2,087,743.86	39.971038	-109.403447	
5,507.00	0.79	194.72	5,470.46	-110.15	-406.41	14,519,501.37	2,087,744.19	39.971035	-109.403445	
5,601.00	1.49	246.04	5,564.44	-111.27	-407.69	14,519,500.22	2,087,742.93	39.971032	-109.403450	
5,695.00	1.41	232.07	5,658.41	-112.48	-409.72	14,519,498.98	2,087,740.92	39.971028	-109.403457	

Company:	Kerr McGee Oil and Gas Onshore LP	Local Co-ordinate Reference:	Well NBU 1022-204CS
Project:	Uintah County, UT UTM12	TVD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Site:	NBU 1022-2P PAD	MD Reference:	GL 5092' & KB 21' @ 5113.00ft (HP 311)
Well:	NBU 1022-204CS	North Reference:	True
Wellbore:	OH	Survey Calculation Method:	Minimum Curvature
Design:	OH	Database:	EDM 5000.1 Single User Db

Survey										
Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N-S (ft)	+E-W (ft)	Map Northing (usft)	Map Easting (usft)	Latitude	Longitude	
5,790.00	1.32	223.10	5,753.39	-114.00	-411.39	14,519,497.43	2,087,739.28	39.971024	-109.403463	
5,884.00	0.44	82.04	5,847.38	-114.74	-411.77	14,519,496.69	2,087,738.91	39.971022	-109.403465	
5,979.00	1.85	1.00	5,942.36	-113.15	-411.38	14,519,498.28	2,087,739.27	39.971026	-109.403463	
6,073.00	1.12	353.59	6,036.33	-110.72	-411.46	14,519,500.71	2,087,739.15	39.971033	-109.403464	
6,167.00	0.62	350.02	6,130.32	-109.31	-411.65	14,519,502.12	2,087,738.93	39.971037	-109.403464	
6,262.00	0.00	348.79	6,225.32	-108.80	-411.74	14,519,502.62	2,087,738.84	39.971038	-109.403465	
6,356.00	0.44	189.09	6,319.32	-109.16	-411.80	14,519,502.26	2,087,738.78	39.971037	-109.403465	
6,450.00	1.14	344.92	6,413.31	-108.61	-412.10	14,519,502.80	2,087,738.47	39.971039	-109.403466	
6,545.00	0.35	328.66	6,508.30	-107.45	-412.49	14,519,503.96	2,087,738.06	39.971042	-109.403467	
6,639.00	0.26	28.78	6,602.30	-107.02	-412.54	14,519,504.39	2,087,738.00	39.971043	-109.403467	
6,733.00	0.62	84.15	6,696.30	-106.78	-411.93	14,519,504.64	2,087,738.61	39.971044	-109.403465	
6,828.00	0.53	150.07	6,791.29	-107.11	-411.20	14,519,504.32	2,087,739.34	39.971043	-109.403463	
6,922.00	0.79	146.02	6,885.29	-108.02	-410.62	14,519,503.42	2,087,739.94	39.971040	-109.403461	
7,016.00	1.23	140.05	6,979.27	-109.33	-409.61	14,519,502.13	2,087,740.97	39.971037	-109.403457	
7,111.00	1.76	145.14	7,074.24	-111.31	-408.12	14,519,500.18	2,087,742.50	39.971031	-109.403452	
7,205.00	0.26	295.97	7,168.23	-112.40	-407.49	14,519,499.10	2,087,743.15	39.971028	-109.403449	
7,300.00	0.70	7.51	7,263.22	-111.73	-407.61	14,519,499.76	2,087,743.02	39.971030	-109.403450	
7,394.00	0.79	24.38	7,357.22	-110.58	-407.27	14,519,500.93	2,087,743.34	39.971033	-109.403449	
7,488.00	0.70	38.62	7,451.21	-109.54	-406.64	14,519,501.98	2,087,743.95	39.971036	-109.403446	
7,583.00	0.53	130.20	7,546.21	-109.37	-405.94	14,519,502.16	2,087,744.64	39.971037	-109.403444	
7,677.00	0.62	131.96	7,640.20	-109.99	-405.23	14,519,501.55	2,087,745.36	39.971035	-109.403441	
7,771.00	0.53	155.52	7,734.20	-110.72	-404.67	14,519,500.83	2,087,745.94	39.971033	-109.403439	
7,865.00	0.53	99.88	7,828.19	-111.19	-404.06	14,519,500.37	2,087,746.55	39.971032	-109.403437	
7,960.00	0.44	118.34	7,923.19	-111.44	-403.31	14,519,500.13	2,087,747.31	39.971031	-109.403434	
8,054.00	0.79	154.20	8,017.18	-112.20	-402.71	14,519,499.39	2,087,747.92	39.971029	-109.403432	
8,148.00	1.06	165.45	8,111.17	-113.62	-402.21	14,519,497.97	2,087,748.45	39.971025	-109.403431	
8,243.00	1.41	170.46	8,206.15	-115.62	-401.80	14,519,495.98	2,087,748.90	39.971020	-109.403429	
8,337.00	1.32	167.12	8,300.12	-117.82	-401.36	14,519,493.79	2,087,749.37	39.971014	-109.403427	
8,431.00	1.58	159.21	8,394.09	-120.09	-400.66	14,519,491.54	2,087,750.11	39.971007	-109.403425	
8,526.00	1.94	151.18	8,489.05	-122.72	-399.42	14,519,488.93	2,087,751.40	39.971000	-109.403421	
LAST SDI MWD PRODUCTION SURVEY										
8,610.00	1.94	151.18	8,573.00	-125.21	-398.05	14,519,486.46	2,087,752.82	39.970993	-109.403416	
SDI PROJECTION TO BIT										

Design Annotations					
Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates		Comment	
		+N-S (ft)	+E-W (ft)		
187.00	187.00	0.50	-1.00	FIRST WFT MWD SURFACE SURVEY	
2,291.00	2,261.95	-84.70	-321.71	LAST WFT MWD SURFACE SURVEY	
2,393.00	2,362.53	-89.64	-337.98	FIRST SDI MWD PRODUCTION SURVEY	
8,526.00	8,489.05	-122.72	-399.42	LAST SDI MWD PRODUCTION SURVEY	
8,610.00	8,573.00	-125.21	-398.05	SDI PROJECTION TO BIT	

Checked By: _____ Approved By: _____ Date: _____

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	FORM 9
5. LEASE DESIGNATION AND SERIAL NUMBER: ST UT ML 22651	
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:	
7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES	
8. WELL NAME and NUMBER: NBU 1022-204CS	
9. API NUMBER: 43047518460000	
9. FIELD and POOL or WILDCAT: NATURAL BUTTES	
1. TYPE OF WELL Gas Well	
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 PHONE NUMBER: 720 929-6100	
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0220 FSL 1402 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SWSE Section: 02 Township: 10.0S Range: 22.0E Meridian: S	
COUNTY: UINTAH	
STATE: UTAH	

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/20/2014	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> SPUD REPORT Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: SCALE REMED/BACKSIDE BRID

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

THE OPERATOR HAS COMPLETED THE FOLLOWING WORKOVER-SCALE REMED/BACKSIDE BRIDGE, ON THE SUBJECT WELL ON 03/20/2014. SEE ATTACHED OPERATIONS SUMMARY REPORT.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
 April 08, 2014

NAME (PLEASE PRINT) Doreen Green	PHONE NUMBER 435 781-9758	TITLE Regulatory Analyst II
SIGNATURE N/A	DATE 4/7/2014	

**US ROCKIES REGION
Operation Summary Report**

Well: NBU 1022-2O4CS - BLACK		Spud Date: 1/26/2012	
Project: UTAH-UINTAH		Site: NBU 1022-02P PAD	Rig Name No: ROCKY MOUNTAIN WELL SERVICE 3/3
Event: WELL WORK EXPENSE		Start Date: 3/18/2014	End Date: 3/20/2014
Active Datum: RKB @5,117.00usft (above Mean Sea Level)		UWI: SW/SE/0/10/S/22/E/2/0/0/26/PM/S/220/E/0/1402/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
3/18/2014	12:30 - 16:00	3.50	MAINT	30	A	P		MIRU, ND WH, NU BOP'S, RU FLOOR & TBG EQUIP, P/U ON TBG & PULL TBG FREE, SDFN
3/19/2014	7:00 - 7:15	0.25	MAINT	48		P		HSM, JSA
	7:15 - 12:00	4.75	MAINT	31	I	P		92# FCP, CONTROL WELL W/ 20 BBLS T-MAC, MIRU SCAN TECH, TOO H & SCAN 2-3/8" TBG, TBG PULLED WET @ JNT 149, MIRU SWABB EQUIP & SWABB TBG DRY, CONT TOO H & SCAN TBG, LD 30 JTS RED BAND TBG, 164 JTS YELLOW BAND, 55 JTS BLUE BAND, JTS 218-249 HAD LIGHT EXTERNAL SCALE, BTM 4 JTS WERE PLUGED W/ SCALE, RD SCAN TECH
	12:00 - 15:00	3.00	MAINT	31	I	P		P/U X-LONG 3-7/8" SLAUGH MILL, TIH ON 2-3/8" TBG TO PBD @ 8545' W/ NO TAG
3/20/2014	15:00 - 17:00	2.00	MAINT	31	I	P		TOOH W/ TBG, LD 20 JTS ON TRAILER, STAND BACK 80 STANDS IN DERRICK, SDFN W/ EOT @ 2850'
	7:00 - 7:15	0.25	MAINT	48		P		HSM, JSA
	7:15 - 8:00	0.75	MAINT	31	I	P		80# FCP, TOO H W/ REMAINING 90 JTS TBG, LD MILL
	8:00 - 10:45	2.75	MAINT	31	I	P		M/U LSN, TIH W/ 2-3/8" TBG, BROACH TBG TO LSN W/ 1.910 BROACH, LAND TBG ON HANGER W/ 249 JTS L-80 TBG
	10:45 - 12:00	1.25	MAINT	30	C	P		ND BOP'S, NU WH, RDMO
								KB 25'
								HANGER .83'
								249 JTS 2-3/8" L-80 TBG 7886.31'
								LSN .67'
								EOT @ 7912.81'
								TWLTR 100 BBLS