

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

FORM 3

AMENDED REPORT

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| APPLICATION FOR PERMIT TO DRILL | | 1. WELL NAME and NUMBER NBU 1022-11H1CS |
| 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) UO1197A-ST | 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 | 2573 FSL 521 FEL | NESE | 11 | 10.0 S | 22.0 E | S |
| Top of Uppermost Producing Zone | 1737 FNL 490 FEL | SENE | 11 | 10.0 S | 22.0 E | S |
| At Total Depth | 1737 FNL 490 FEL | SENE | 11 | 10.0 S | 22.0 E | S |

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| 21. COUNTY UINTAH | 22. DISTANCE TO NEAREST LEASE LINE (Feet) 1737 | 23. NUMBER OF ACRES IN DRILLING UNIT 1674 |
| 24. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 970 | 25. PROPOSED DEPTH MD: 8591 TVD: 8441 | |
| 26. ELEVATION - GROUND LEVEL 5086 | 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 - 2090 | 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 - 8591 | 11.6 | I-80 LT&C | 12.5 | Premium Lite High Strength | 270 | 3.38 | 11.0 |
| | | | | | | | 50/50 Poz | 1190 | 1.31 | 14.3 |

ATTACHMENTS

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

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| <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 |

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|------------------------|---------------------------------|--|
| NAME Andy Lytle | TITLE Regulatory Analyst | PHONE 720 929-6100 |
| SIGNATURE | DATE 08/11/2011 | EMAIL andrew.lytle@anadarko.com |

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| API NUMBER ASSIGNED 43047518630000 | APPROVAL  Permit Manager |
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