

| STATE OF UTAH<br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS AND MINING                                                                  |                  |             |                                                                                                                                                                        |         |                                                                                         | FORM 3<br>AMENDED REPORT <input type="checkbox"/>                                                                                                                |                            |       |       |        |
|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------|-----------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|-------|-------|--------|
| <b>APPLICATION FOR PERMIT TO DRILL</b>                                                                                                               |                  |             |                                                                                                                                                                        |         |                                                                                         | 1. WELL NAME and NUMBER<br>Morgan State 921-36H1CS                                                                                                               |                            |       |       |        |
| 2. TYPE OF WORK<br>DRILL NEW WELL <input checked="" type="checkbox"/> REENTER P&A WELL <input type="checkbox"/> DEEPEN WELL <input type="checkbox"/> |                  |             |                                                                                                                                                                        |         |                                                                                         | 3. FIELD OR WILDCAT<br>NATURAL BUTTES                                                                                                                            |                            |       |       |        |
| 4. TYPE OF WELL<br>Gas Well <input type="checkbox"/> Coalbed Methane Well: NO <input type="checkbox"/>                                               |                  |             |                                                                                                                                                                        |         |                                                                                         | 5. UNIT or COMMUNITIZATION AGREEMENT NAME                                                                                                                        |                            |       |       |        |
| 6. NAME OF OPERATOR<br>KERR-MCGEE OIL & GAS ONSHORE, L.P.                                                                                            |                  |             |                                                                                                                                                                        |         |                                                                                         | 7. OPERATOR PHONE<br>720 929-6515                                                                                                                                |                            |       |       |        |
| 8. ADDRESS OF OPERATOR<br>P.O. Box 173779, Denver, CO, 80217                                                                                         |                  |             |                                                                                                                                                                        |         |                                                                                         | 9. OPERATOR E-MAIL<br>julie.jacobson@anadarko.com                                                                                                                |                            |       |       |        |
| 10. MINERAL LEASE NUMBER<br>(FEDERAL, INDIAN, OR STATE)<br>ML 22265                                                                                  |                  |             | 11. MINERAL OWNERSHIP<br>FEDERAL <input type="checkbox"/> INDIAN <input type="checkbox"/> STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>       |         |                                                                                         | 12. SURFACE OWNERSHIP<br>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<br>(if box 12 = 'INDIAN')                                                                                          |                  |             | 18. INTEND TO COMMINGLE PRODUCTION FROM<br>MULTIPLE FORMATIONS<br>YES <input checked="" type="checkbox"/> (Submit Commingling Application) NO <input type="checkbox"/> |         |                                                                                         | 19. SLANT<br>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                                                                                                                                  | 681 FNL 715 FEL  |             | NENE                                                                                                                                                                   | 36      | 9.0 S                                                                                   | 21.0 E                                                                                                                                                           | S                          |       |       |        |
| Top of Uppermost Producing Zone                                                                                                                      | 1739 FNL 493 FEL |             | SENE                                                                                                                                                                   | 36      | 9.0 S                                                                                   | 21.0 E                                                                                                                                                           | S                          |       |       |        |
| At Total Depth                                                                                                                                       | 1739 FNL 493 FEL |             | SENE                                                                                                                                                                   | 36      | 9.0 S                                                                                   | 21.0 E                                                                                                                                                           | S                          |       |       |        |
| 21. COUNTY<br>UINTAH                                                                                                                                 |                  |             | 22. DISTANCE TO NEAREST LEASE LINE (Feet)<br>493                                                                                                                       |         | 23. NUMBER OF ACRES IN DRILLING UNIT<br>639                                             |                                                                                                                                                                  |                            |       |       |        |
|                                                                                                                                                      |                  |             | 25. DISTANCE TO NEAREST WELL IN SAME POOL<br>(Applied For Drilling or Completed)<br>167                                                                                |         | 26. PROPOSED DEPTH<br>MD: 10609 TVD: 10439                                              |                                                                                                                                                                  |                            |       |       |        |
| 27. ELEVATION - GROUND LEVEL<br>4924                                                                                                                 |                  |             | 28. BOND NUMBER<br>22013542                                                                                                                                            |         | 29. SOURCE OF DRILLING WATER /<br>WATER RIGHTS APPROVAL NUMBER IF APPLICABLE<br>43-8496 |                                                                                                                                                                  |                            |       |       |        |
| <b>Hole, Casing, and Cement Information</b>                                                                                                          |                  |             |                                                                                                                                                                        |         |                                                                                         |                                                                                                                                                                  |                            |       |       |        |
| String                                                                                                                                               | Hole Size        | Casing Size | Length                                                                                                                                                                 | Weight  | Grade & Thread                                                                          | Max Mud Wt.                                                                                                                                                      | Cement                     | Sacks | Yield | Weight |
| Surf                                                                                                                                                 | 12.25            | 8.625       | 0 - 2470                                                                                                                                                               | 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 - 10609                                                                                                                                                              | 11.6    | HCP-110 LT&C                                                                            | 13.0                                                                                                                                                             | Premium Lite High Strength | 310   | 3.38  | 12.0   |
|                                                                                                                                                      |                  |             |                                                                                                                                                                        |         |                                                                                         |                                                                                                                                                                  | 50/50 Poz                  | 1560  | 1.31  | 14.3   |
| <b>ATTACHMENTS</b>                                                                                                                                   |                  |             |                                                                                                                                                                        |         |                                                                                         |                                                                                                                                                                  |                            |       |       |        |
| <b>VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES</b>                                          |                  |             |                                                                                                                                                                        |         |                                                                                         |                                                                                                                                                                  |                            |       |       |        |
| <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 Danielle Piernot                                                                                                                                |                  |             | TITLE Regulatory Analyst                                                                                                                                               |         |                                                                                         | PHONE 720 929-6156                                                                                                                                               |                            |       |       |        |
| SIGNATURE                                                                                                                                            |                  |             | DATE 12/19/2011                                                                                                                                                        |         |                                                                                         | EMAIL danielle.piernot@anadarko.com                                                                                                                              |                            |       |       |        |
| API NUMBER ASSIGNED<br>43047522710000                                                                                                                |                  |             | APPROVAL<br><br>Permit Manager                                                     |         |                                                                                         |                                                                                                                                                                  |                            |       |       |        |

**Kerr-McGee Oil & Gas Onshore. L.P.****MORGAN STATE 921-36H1CS**

Surface: 681 FNL / 715 FEL NENE  
BHL: 1739 FNL / 493 FEL SENE

Section 36 T9S R21E

Unitah County, Utah  
Mineral Lease: ML-22265

**ONSHORE ORDER NO. 1****DRILLING PROGRAM**

- 1. & 2.a** **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      | 1,221'       |                 |
| Birds Nest       | 1,565'       | Water           |
| Mahogany         | 2,023'       | Water           |
| Wasatch          | 4,505'       | Gas             |
| Mesaverde        | 7,174'       | Gas             |
| Sego             | 9,333'       | Gas             |
| Castlegate       | 9,402'       | Gas             |
| MN5              | 9,839'       | Gas             |
| TVD =            | 10,439'      |                 |
| TD =             | 10,609'      |                 |

- 2.c** Kerr McGee Oil & Gas Onshore LP (Kerr McGee) will either drill to the the Blackhawk formation, which is part of the Mesaverde formation, or the Wasatch/Mesaverde formation. If Kerr McGee drills to the Blackhawk formation (part of the Mesaverde formation), please refer to MN5 as the bottom formation. The attached Blackhawk Drilling Program includes Total Vertical Depth, Total Depth, and appropriate casing and cement programs for the deeper formation.

If Kerr McGee drills to the Wasatch/Mesaverde formation please refer to Sego as the bottom formation. The attached Wasatch/Mesaverde Drilling Program includes Total Vertical Depth, Total Depth, and appropriate casing and cement programs for the depths the Wasatch/Mesaverde formations are found.

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

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

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

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

**5. Drilling Fluids Program:**

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

**6. Evaluation Program:**

Please refer to the attached Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

**7. Abnormal Conditions:****7.a Blackhawk (Part of Mesaverde Formation) Target Formation**

Maximum anticipated bottom hole pressure calculated at 10439' TVD, approximately equals  
6,890 psi (0.66 psi/ft = actual bottomhole gradient)

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

Maximum anticipated surface pressure equals approximately 4,641 psi (bottom hole pressure  
minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

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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))

**7.b Wasach/Mesaverde Target Formation**

Maximum anticipated bottom hole pressure calculated at 9333' TVD, approximately equals  
5,973 psi (0.64 psi/ft = actual bottomhole gradient)

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

Maximum anticipated surface pressure equals approximately 3,907 psi (bottom hole pressure  
minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

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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 Blackhawk Drilling Program and the Wasatch/Mesaverde 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 Blackhawk Drilling Program and the Wasatch/Mesaverde Drilling Program

[illegible]



## KERR-McGEE OIL & GAS ONSHORE LP

### BLACKHAWK DRILLING PROGRAM

**CASING PROGRAM**

|            |        |          |            |       |         | DESIGN FACTORS |        |          |         |
|------------|--------|----------|------------|-------|---------|----------------|--------|----------|---------|
|            |        |          |            |       |         | LTC            |        | DQX      |         |
|            | SIZE   | INTERVAL |            | WT.   | GR.     | CPLG.          | BURST  | COLLAPSE | TENSION |
| CONDUCTOR  | 14"    | 0-40'    |            |       |         |                |        |          |         |
|            |        |          |            |       |         |                | 3,390  | 1,880    | 348,000 |
| SURFACE    | 8-5/8" | 0        | to 2,470   | 28.00 | IJ-55   | LTC            | 2.18   | 1.63     | 5.75    |
|            |        |          |            |       |         |                | 10,690 | 8,650    | 279,000 |
| PRODUCTION | 4-1/2" | 0        | to 5,000   | 11.60 | HCP-110 | DQX            | 1.19   | 1.23     | 3.72    |
|            | 4-1/2" | 5,000    | to 10,609' | 11.60 | HCP-110 | LTC            | 1.19   | 1.23     | 5.35    |

**Surface Casing:**

(Burst Assumptions: TD = 13.0 ppg)

0.73 psi/ft = frac gradient @ surface shoe

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

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

**Production casing:**

(Burst Assumptions: Pressure test with 8.4ppg @

9000 psi)

0.66 psi/ft = bottomhole gradient

(Collapse Assumption: Fully Evacuated Casing, Max MW)

(Tension Assumptions: Air Weight of Casing\*Buoy.Fact. of water)

**CEMENT PROGRAM**

|            |                      | FT. OF FILL                                                              | DESCRIPTION                            | SACKS   | EXCESS | WEIGHT | YIELD |
|------------|----------------------|--------------------------------------------------------------------------|----------------------------------------|---------|--------|--------|-------|
| SURFACE    | LEAD                 | 500'                                                                     | Premium cmt + 2% CaCl                  | 180     | 60%    | 15.80  | 1.15  |
|            |                      |                                                                          | + 0.25 pps flocele                     |         |        |        |       |
| Option 1   | TOP OUT CMT (6 jobs) | 1,200'                                                                   | 20 gals sodium silicate + Premium cmt  | 270     | 0%     | 15.80  | 1.15  |
|            |                      |                                                                          | + 2% CaCl + 0.25 pps flocele           |         |        |        |       |
| SURFACE    |                      | NOTE: If well will circulate water to surface, option 2 will be utilized |                                        |         |        |        |       |
| Option 2   | LEAD                 | 1,970'                                                                   | 65/35 Poz + 6% Gel + 10 pps gilsonite  | 180     | 35%    | 11.00  | 3.82  |
|            |                      |                                                                          | + 0.25 pps Flocele + 3% salt BWOW      |         |        |        |       |
|            | TAIL                 | 500'                                                                     | Premium cmt + 2% CaCl                  | 150     | 35%    | 15.80  | 1.15  |
|            |                      |                                                                          | + 0.25 pps flocele                     |         |        |        |       |
|            | TOP OUT CMT          | as required                                                              | Premium cmt + 2% CaCl                  | as req. |        | 15.80  | 1.15  |
| PRODUCTION | LEAD                 | 3,999'                                                                   | Premium Lite II +0.25 pps              | 310     | 35%    | 12.00  | 3.38  |
|            |                      |                                                                          | celloflake + 5 pps gilsonite + 10% gel |         |        |        |       |
|            |                      |                                                                          | + 0.5% extender                        |         |        |        |       |
|            | TAIL                 | 6,610'                                                                   | 50/50 Poz/G + 10% salt + 2% gel        | 1,560   | 35%    | 14.30  | 1.31  |
|            |                      |                                                                          | + 0.1% R-3                             |         |        |        |       |

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

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

**FLOAT EQUIPMENT & CENTRALIZERS**

|            |                                                                                                                |
|------------|----------------------------------------------------------------------------------------------------------------|
| SURFACE    | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe |
|            |                                                                                                                |
| PRODUCTION | Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well.                   |
|            |                                                                                                                |

**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:

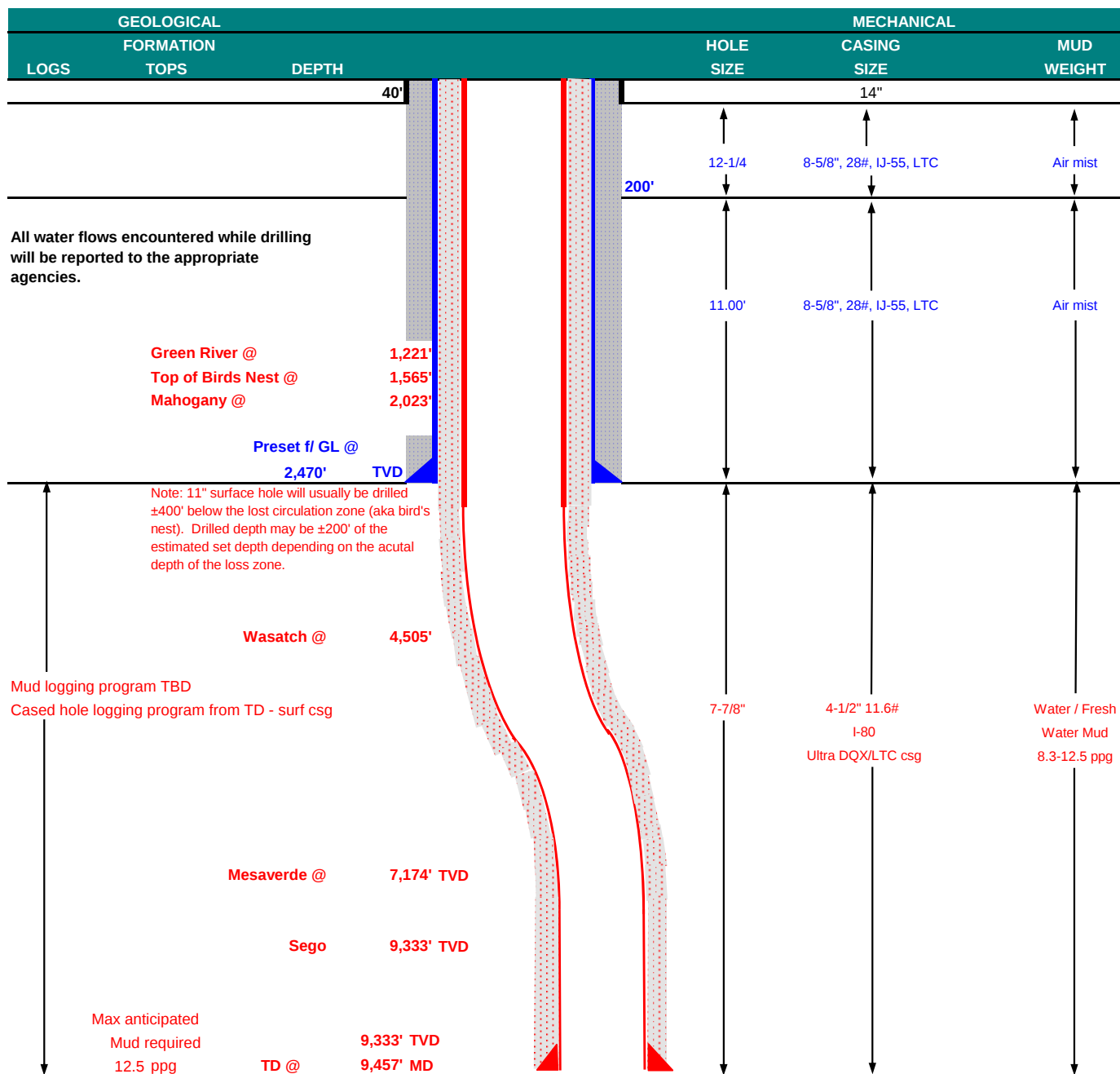
RECEIVED: December 19, 2011



## KERR-McGEE OIL & GAS ONSHORE LP

# WASATCH/MESAVERDE DRILLING PROGRAM

|                   |                                                                                       |          |                        |        |        |       |                    |     |           |
|-------------------|---------------------------------------------------------------------------------------|----------|------------------------|--------|--------|-------|--------------------|-----|-----------|
| COMPANY NAME      | KERR-McGEE OIL & GAS ONSHORE LP                                                       |          |                        |        |        | DATE  | December 19, 2011  |     |           |
| WELL NAME         | MORGAN STATE 921-36H1CS                                                               |          |                        |        |        | TD    | 9,333'             | TVD | 9,457' MD |
| FIELD             | Natural Buttes                                                                        |          | COUNTY                 | Uintah | STATE  | Utah  | FINISHED ELEVATION |     | 4,923'    |
| SURFACE LOCATION  | NENE                                                                                  | 681 FNL  | 715 FEL                | Sec 36 | T 9S   | R 21E |                    |     |           |
|                   | Latitude: 39.997902                                                                   |          | Longitude: -109.492516 |        | NAD 27 |       |                    |     |           |
| BTM HOLE LOCATION | SENE                                                                                  | 1739 FNL | 493 FEL                | Sec 36 | T 9S   | R 21E |                    |     |           |
|                   | Latitude: 39.994997                                                                   |          | Longitude: -109.491728 |        | NAD 27 |       |                    |     |           |
| OBJECTIVE ZONE(S) | Wasatch/Mesaverde                                                                     |          |                        |        |        |       |                    |     |           |
| ADDITIONAL INFO   | Regulatory Agencies: UDOGM (Minerals), UDOGM (Surface), UDOGM Tri-County Health Dept. |          |                        |        |        |       |                    |     |           |



**KERR-McGEE OIL & GAS ONSHORE LP****WASATCH/MESAVERDE DRILLING PROGRAM****CASING PROGRAM**

|            |        |                 |       |       |       | DESIGN FACTORS |          |         |         |
|------------|--------|-----------------|-------|-------|-------|----------------|----------|---------|---------|
|            |        |                 |       |       |       | LTC            |          | DQX     |         |
|            | SIZE   | INTERVAL        | WT.   | GR.   | CPLG. | BURST          | COLLAPSE | TENSION |         |
| CONDUCTOR  | 14"    | 0-40'           |       |       |       | 3,390          | 1,880    | 348,000 | N/A     |
| SURFACE    | 8-5/8" | 0 to 2,470      | 28.00 | IJ-55 | LTC   | 2.18           | 1.63     | 5.75    | N/A     |
|            |        |                 |       |       |       | 7,780          | 6,350    |         | 267,035 |
| PRODUCTION | 4-1/2" | 0 to 5,000      | 11.60 | I-80  | DQX   | 1.11           | 1.05     |         | 3.01    |
|            |        |                 |       |       |       | 7,780          | 6,350    | 223,000 |         |
|            | 4-1/2" | 5,000 to 9,457' | 11.60 | I-80  | LTC   | 1.11           | 1.05     | 5.33    |         |

**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                  | 180     | 60%    | 15.80  |  | 1.15  |
|            |                      |                                                                          | + 0.25 pps flocele                     |         |        |        |  |       |
| Option 1   | TOP OUT CMT (6 jobs) | 1,200'                                                                   | 20 gals sodium silicate + Premium cmt  | 270     | 0%     | 15.80  |  | 1.15  |
|            |                      |                                                                          | + 2% CaCl + 0.25 pps flocele           |         |        |        |  |       |
| SURFACE    |                      | NOTE: If well will circulate water to surface, option 2 will be utilized |                                        |         |        |        |  |       |
| Option 2   | LEAD                 | 1,970'                                                                   | 65/35 Poz + 6% Gel + 10 pps gilsonite  | 180     | 35%    | 11.00  |  | 3.82  |
|            |                      |                                                                          | + 0.25 pps Flocele + 3% salt BWOW      |         |        |        |  |       |
|            | TAIL                 | 500'                                                                     | Premium cmt + 2% CaCl                  | 150     | 35%    | 15.80  |  | 1.15  |
|            |                      |                                                                          | + 0.25 pps flocele                     |         |        |        |  |       |
|            | TOP OUT CMT          | as required                                                              | Premium cmt + 2% CaCl                  | as req. |        | 15.80  |  | 1.15  |
| PRODUCTION | LEAD                 | 3,997'                                                                   | Premium Lite II +0.25 pps              | 310     | 35%    | 12.00  |  | 3.38  |
|            |                      |                                                                          | celloflake + 5 pps gilsonite + 10% gel |         |        |        |  |       |
|            |                      |                                                                          | + 0.5% extender                        |         |        |        |  |       |
|            | TAIL                 | 5,460'                                                                   | 50/50 Poz/G + 10% salt + 2% gel        | 1,290   | 35%    | 14.30  |  | 1.31  |
|            |                      |                                                                          | + 0.1% R-3                             |         |        |        |  |       |

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

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

**FLOAT EQUIPMENT & CENTRALIZERS**

|            |                                                                                                                |
|------------|----------------------------------------------------------------------------------------------------------------|
| SURFACE    | Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe |
|            |                                                                                                                |
| PRODUCTION | Float shoe, 1 jt, float collar. 15 centralizers for a Mesaverde and 20 for a Blackhawk well.                   |
|            |                                                                                                                |

**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.

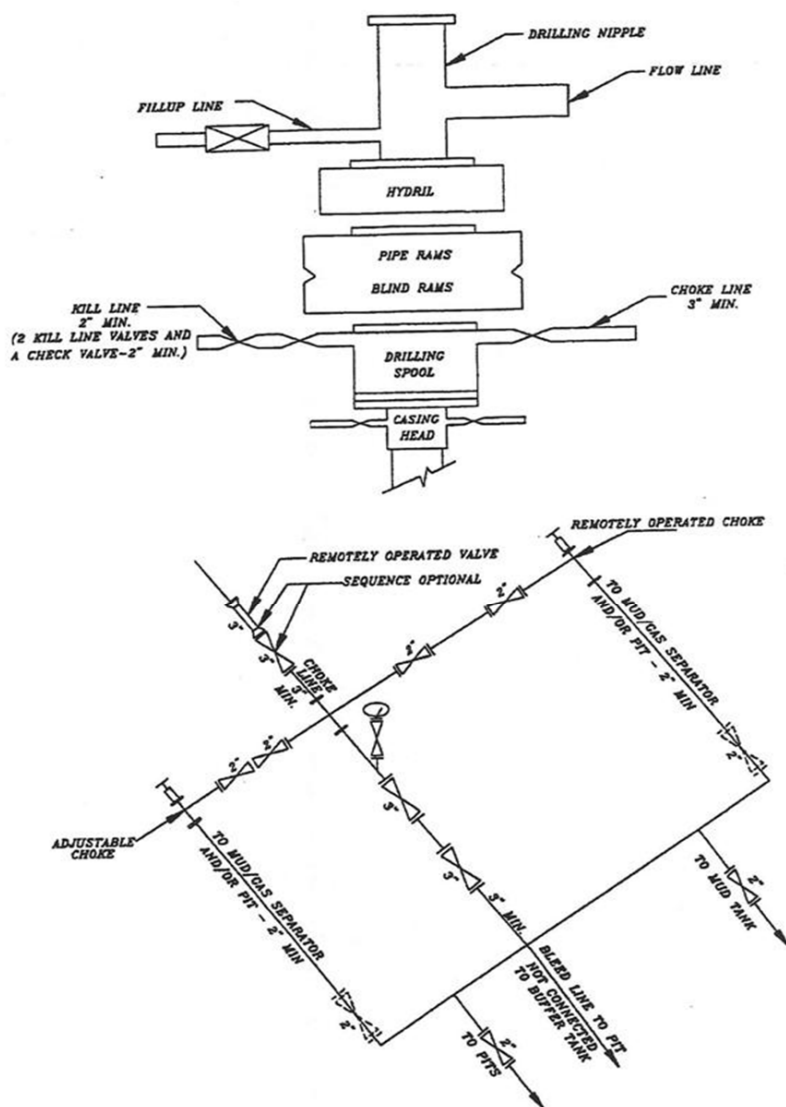
**DRILLING ENGINEER:**

Nick Spence / Danny Showers / Chad Loesel

**DATE:****DRILLING SUPERINTENDENT:**

Kenny Gathings / Lovel Young

**DATE:****RECEIVED: December 19, 2011**

EXHIBIT A  
MORGAN STATE 921-36H1CS

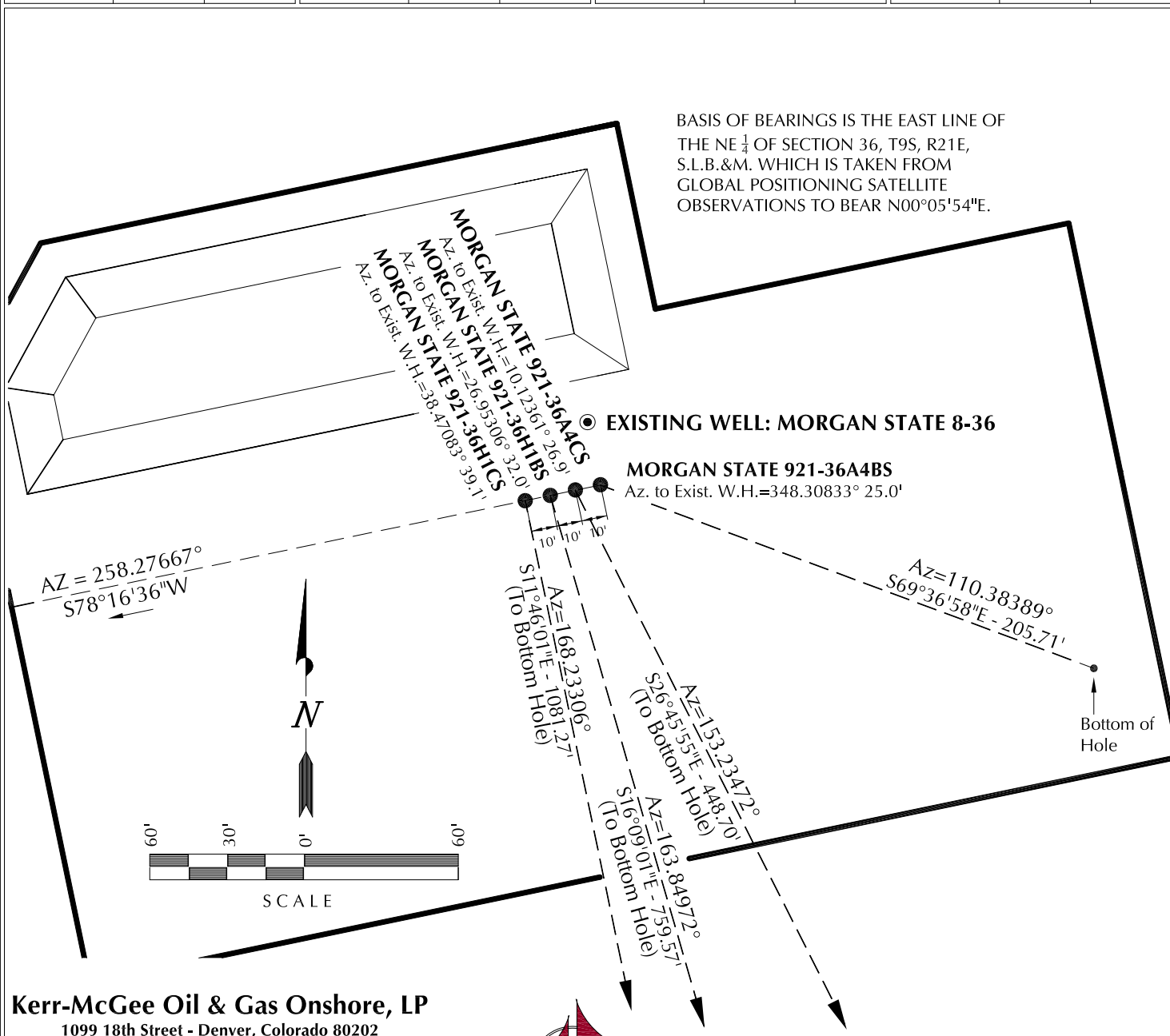
SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK



| WELL NAME               | SURFACE POSITION |                |               |                |          | BOTTOM HOLE   |                |               |                |           |
|-------------------------|------------------|----------------|---------------|----------------|----------|---------------|----------------|---------------|----------------|-----------|
|                         | NAD83            |                | NAD27         |                | FOOTAGES | NAD83         |                | NAD27         |                | FOOTAGES  |
|                         | LATITUDE         | LONGITUDE      | LATITUDE      | LONGITUDE      |          | LATITUDE      | LONGITUDE      | LATITUDE      | LONGITUDE      |           |
| MORGAN STATE 921-36H1CS | 39°59'52.321"    | 109°29'35.529" | 39°59'52.447" | 109°29'33.059" | 681' FNL | 39°59'41.863" | 109°29'32.692" | 39°59'41.989" | 109°29'30.222" | 1739' FNL |
|                         | 39.997867°       | 109.493202°    | 39.997902°    | 109.492516°    | 715' FEL | 39.994962°    | 109.492414°    | 39.994997°    | 109.491728°    | 493' FEL  |
| MORGAN STATE 921-36H1BS | 39°59'52.341"    | 109°29'35.403" | 39°59'52.467" | 109°29'32.933" | 679' FNL | 39°59'45.133" | 109°29'32.686" | 39°59'45.259" | 109°29'30.216" | 1408' FNL |
|                         | 39.997872°       | 109.493167°    | 39.997907°    | 109.492481°    | 706' FEL | 39.995870°    | 109.492413°    | 39.995905°    | 109.491727°    | 493' FEL  |
| MORGAN STATE 921-36A4CS | 39°59'52.361"    | 109°29'35.277" | 39°59'52.487" | 109°29'32.807" | 677' FNL | 39°59'48.403" | 109°29'32.680" | 39°59'48.529" | 109°29'30.210" | 1077' FNL |
|                         | 39.997878°       | 109.493133°    | 39.997913°    | 109.492446°    | 696' FEL | 39.996779°    | 109.492411°    | 39.996814°    | 109.491725°    | 493' FEL  |
| MORGAN STATE 921-36A4BS | 39°59'52.381"    | 109°29'35.151" | 39°59'52.507" | 109°29'32.681" | 675' FNL | 39°59'51.674" | 109°29'32.674" | 39°59'51.800" | 109°29'30.204" | 746' FNL  |
|                         | 39.997884°       | 109.493098°    | 39.997919°    | 109.492411°    | 686' FEL | 39.997687°    | 109.492409°    | 39.997722°    | 109.491723°    | 493' FEL  |
| MORGAN STATE 8-36       | 39°59'52.623"    | 109°29'35.217" | 39°59'52.749" | 109°29'32.747" | 650' FNL |               |                |               |                |           |
|                         | 39.997951°       | 109.493116°    | 39.997986°    | 109.492430°    | 691' FEL |               |                |               |                |           |

## RELATIVE COORDINATES - From Surface Position to Bottom Hole

| WELL NAME               | NORTH    | EAST   | WELL NAME               | NORTH   | EAST   | WELL NAME               | NORTH   | EAST   | WELL NAME               | NORTH  | EAST   |
|-------------------------|----------|--------|-------------------------|---------|--------|-------------------------|---------|--------|-------------------------|--------|--------|
| MORGAN STATE 921-36H1CS | -1058.5' | 220.5' | MORGAN STATE 921-36H1BS | -729.6' | 211.3' | MORGAN STATE 921-36A4CS | -400.6' | 202.1' | MORGAN STATE 921-36A4BS | -71.7' | 192.8' |



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

**WELL PAD - MORGAN STATE 921-36A**

**WELL PAD INTERFERENCE PLAT**  
WELLS - MORGAN STATE 921-36H1CS,  
MORGAN STATE 921-36H1BS,  
MORGAN STATE 921-36A4CS &  
MORGAN STATE 921-36A4BS  
LOCATED IN SECTION 36, T9S, R21E,  
S.L.B.&M., UTAH COUNTY, UTAH.



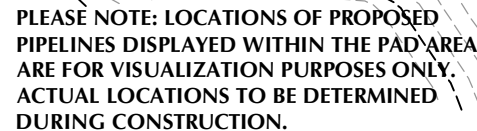
**CONSULTING, LLC**  
2155 North Main Street  
Sheridan WY 82801  
Phone 307-674-0609  
Fax 307-674-0182

**TIMBERLINE**

(435) 789-1365

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

|                            |                    |                                  |
|----------------------------|--------------------|----------------------------------|
| DATE SURVEYED:<br>10-18-11 | SURVEYED BY: J.W.  | SHEET NO:<br><b>5</b><br>5 OF 16 |
| DATE DRAWN:<br>10-28-11    | DRAWN BY: T.J.R.   |                                  |
| SCALE: 1" = 60'            | Date Last Revised: |                                  |



## WELL PAD - MORGAN STATE 921-36A DESIGN SUMMARY

EXISTING GRADE @ CENTER OF WELL PAD = 4923.8'  
FINISHED GRADE ELEVATION = 4923.2'  
CUT SLOPES = 1:1  
FILL SLOPES = 1.5:1  
TOTAL WELL PAD AREA = 3.06 ACRES  
TOTAL DISTURBANCE AREA = 5.73 ACRES  
SHRINKAGE FACTOR = 1.10  
SWELL FACTOR = 1.00

**Kerr-McGee Oil & Gas Onshore, LP**  
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WELL PAD - MORGAN STATE 921-36A

**WELL PAD - LOCATION LAYOUT**  
**MORGAN STATE 921-36H1CS,**  
**MORGAN STATE 921-36H1BS,**  
**MORGAN STATE 921-36A4CS &**  
**MORGAN STATE 921-36A4BS**  
**LOCATED IN SECTION 36, T9S, R21E,**  
**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 QUANTITIES

**TOTAL CUT FOR WELL PAD = 24,148 C.Y.**  
**TOTAL FILL FOR WELL PAD = 2,849 C.Y.**  
**TOPSOIL @ 6" DEPTH = 1,765 C.Y.**  
**EXCESS MATERIAL = 21,299 C.Y.**

## RESERVE PIT QUANTITIES

**TOTAL CUT FOR RESERVE PIT**  
**+/- 5,970 C.Y.**  
**RESERVE PIT CAPACITY (2' OF FREEBOARD)**  
**+/- 22,430 BARRELS**

**TIMBERLINE** (435) 789-1  
ENGINEERING & LAND SURVEYING, INC.  
209 NORTH 300 WEST - VERNAL, UTAH 84078

### WELL PAD LEGEND



EXISTING WELL LOCATION  
PROPOSED WELL LOCATION  
PROPOSED BOTTOM HOLE LOCATION  
- EXISTING CONTOURS (2' INTERVAL)  
- PROPOSED CONTOURS (2' INTERVAL)  
- PROPOSED PIPELINE  
- EXISTING PIPELINE



**HORIZONTAL**  1" = 60'

## 2' CONTOURS

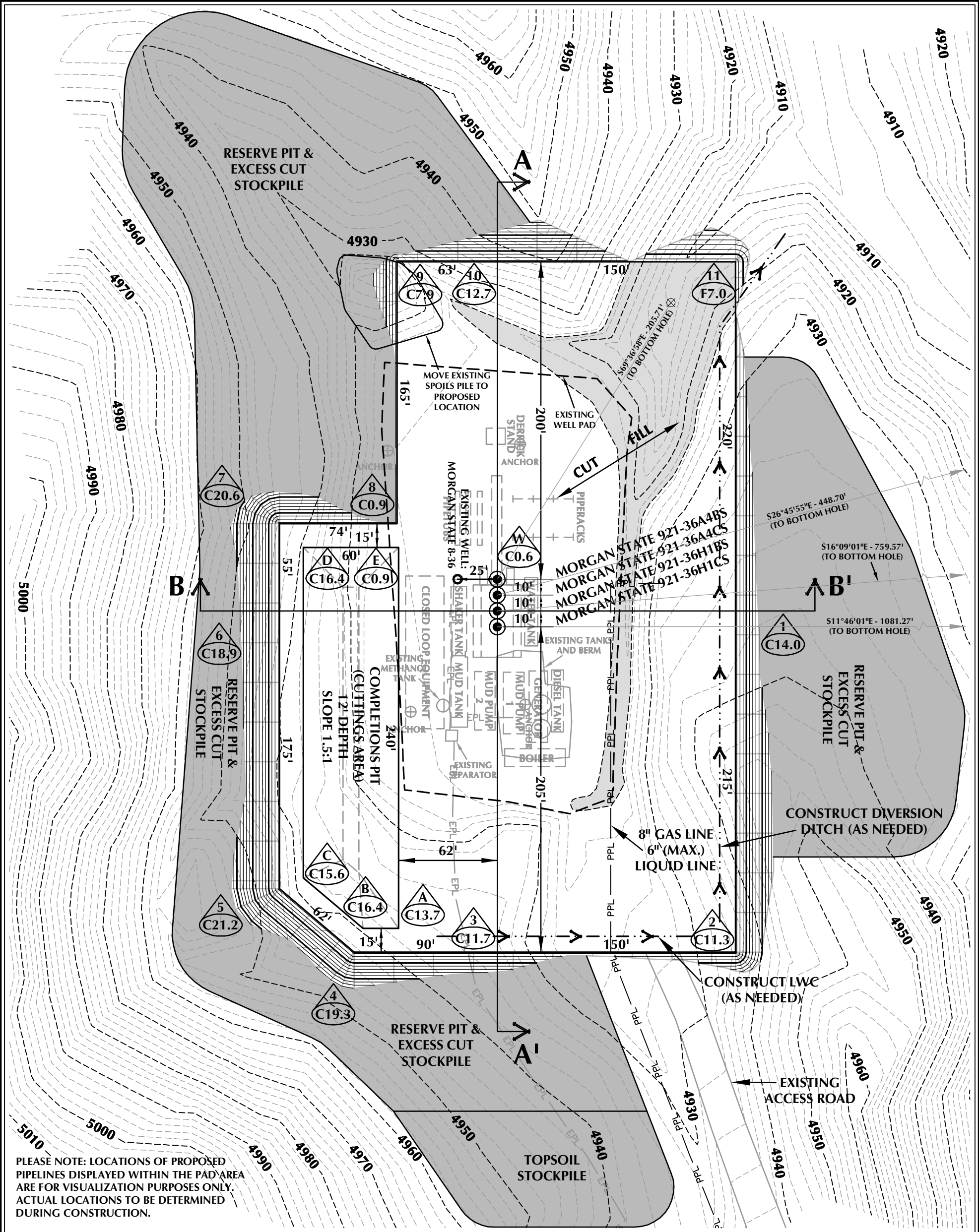
|               |                |           |
|---------------|----------------|-----------|
| SCALE: 1"=60' | DATE: 11/11/11 | SHEET NO: |
|---------------|----------------|-----------|

REVISÉ:

**SHEET NO:**

6

5 OF 16



WELL PAD - MORGAN STATE 921-36A (CLOSED LOOP) DESIGN SUMMARY

EXISTING GRADE @ CENTER OF WELL PAD = 4923.8'  
FINISHED GRADE ELEVATION = 4923.2'  
CUT SLOPES = 1:1  
FILL SLOPES = 1.5:1  
TOTAL WELL PAD AREA = 3.06 ACRES  
TOTAL DISTURBANCE AREA = 5.73 ACRES  
SHRINKAGE FACTOR = 1.10  
SWELL FACTOR = 1.00

Kerr-McGee Oil & Gas Onshore, LP  
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WELL PAD - MORGAN STATE 921-36A

WELL PAD - LOCATION LAYOUT  
MORGAN STATE 921-36H1CS,  
MORGAN STATE 921-36H1BS,  
MORGAN STATE 921-36A4CS &  
MORGAN STATE 921-36A4BS  
LOCATED IN SECTION 36, T9S, R21E,  
S.L.B.&M., UTAH COUNTY, UTAH



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

WELL PAD QUANTITIES

TOTAL CUT FOR WELL PAD = 24,148 C.Y.  
TOTAL FILL FOR WELL PAD = 2,849 C.Y.  
TOPSOIL @ 6" DEPTH = 1,765 C.Y.  
EXCESS MATERIAL = 21,299 C.Y.

COMPLETIONS PIT QUANTITIES

TOTAL CUT FOR COMPLETIONS PIT  
+/- 4,000 C.Y.  
COMPLETIONS PIT CAPACITY  
(2' OF FREEBOARD)  
+/- 14,630 BARRELS

WELL PAD LEGEND

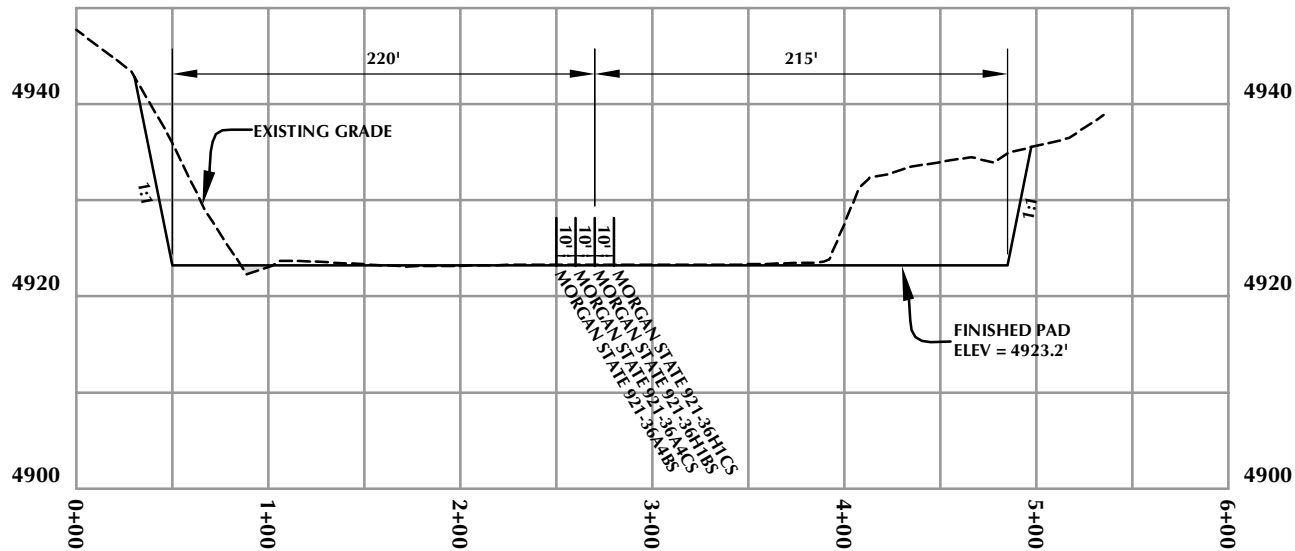
- EXISTING WELL LOCATION
- PROPOSED WELL LOCATION
- PROPOSED BOTTOM HOLE LOCATION
- EXISTING CONTOURS (2' INTERVAL)
- PROPOSED CONTOURS (2' INTERVAL)
- PPL - PROPOSED PIPELINE
- EPL - EXISTING PIPELINE



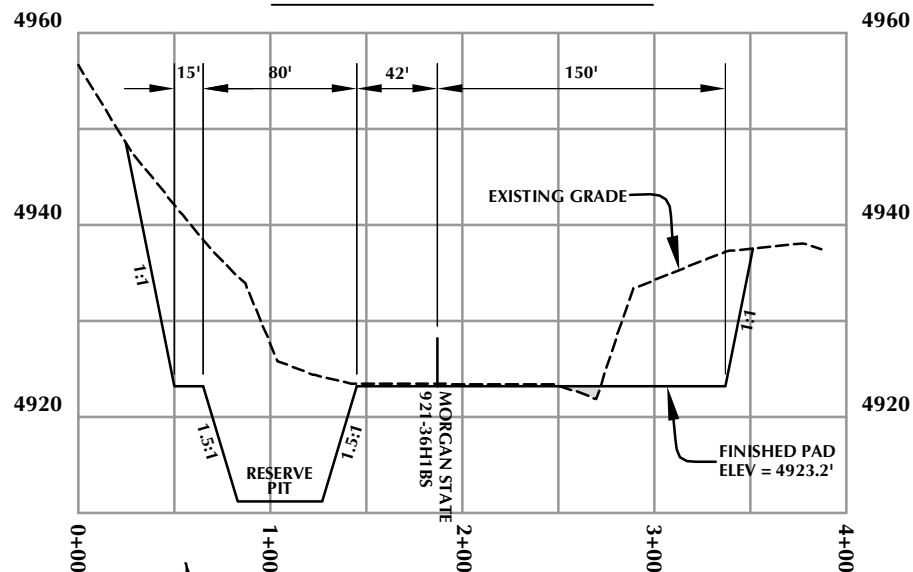
HORIZONTAL 0 30' 60' 1" = 60'  
2' CONTOURS

SCALE: 1"=60' DATE: 11/15/11 SHEET NO:

REVISED: 6B 6B OF 16



**CROSS SECTION A-A'**



**CROSS SECTION B-B'**

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**WELL PAD - MORGAN STATE 921-36A**

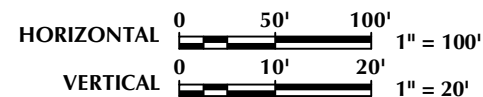
WELL PAD - CROSS SECTIONS  
MORGAN STATE 921-36H1CS,  
MORGAN STATE 921-36H1BS,  
MORGAN STATE 921-36A4CS &  
MORGAN STATE 921-36A4BS  
LOCATED IN SECTION 36, T9S, R21E,  
S.L.B.&M., UINTAH COUNTY, UTAH



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

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

(435) 789-1365



Scale: 1"=100'  
REVISED:

Date: 11/11/11

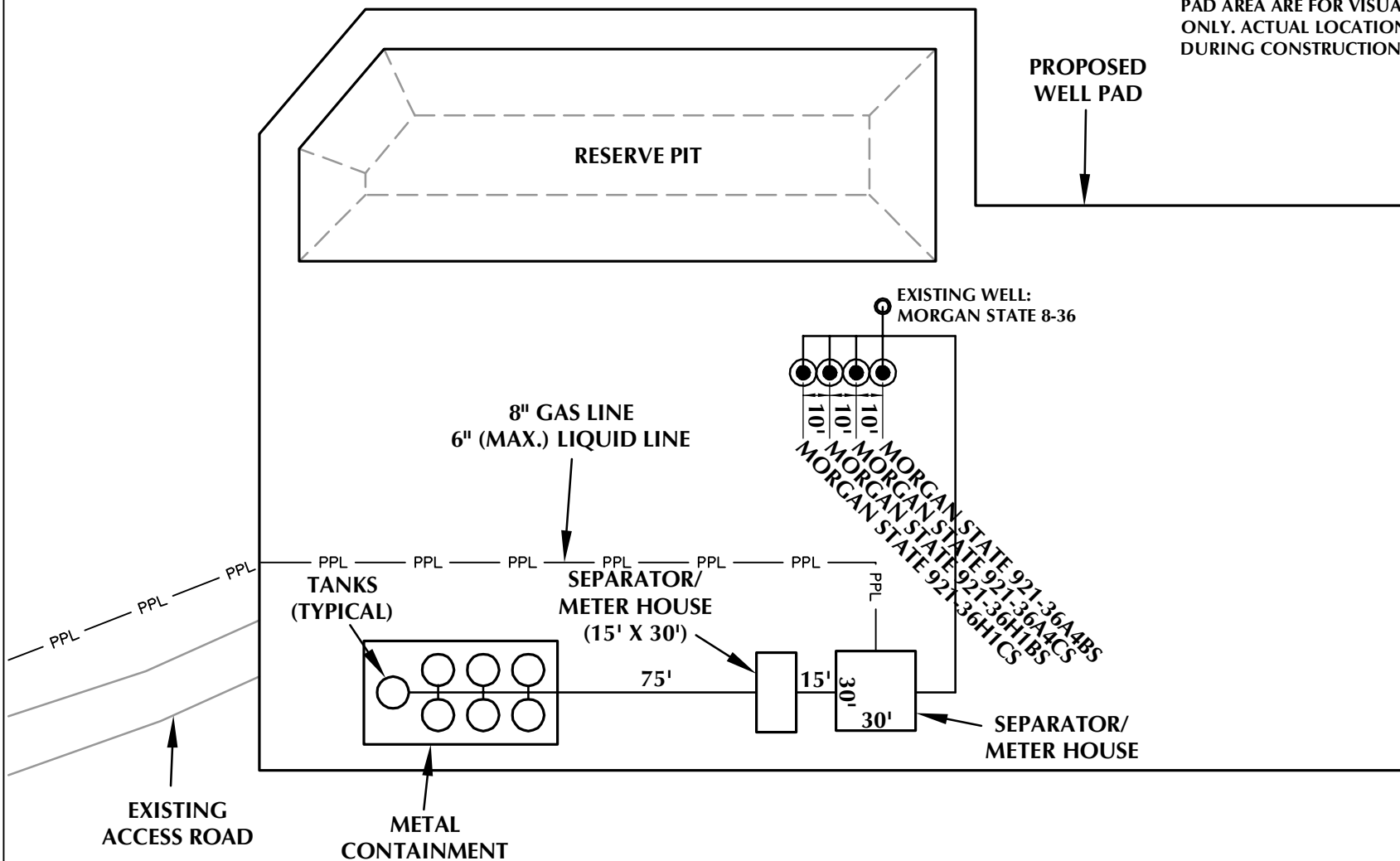
SHEET NO:

**7**

7 OF 16

RECEIVED: December 19, 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.



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**WELL PAD - MORGAN STATE 921-36A**

**WELL PAD - FACILITIES DIAGRAM**  
MORGAN STATE 921-36H1CS,  
MORGAN STATE 921-36H1BS,  
MORGAN STATE 921-36A4CS &  
MORGAN STATE 921-36A4BS  
LOCATED IN SECTION 36, T9S, R21E,  
S.L.B.&M., UINTAH COUNTY, UTAH



**CONSULTING, LLC**  
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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 0 30' 60' 1" = 60'

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Scale: 1"=60'

Date: 11/11/11

SHEET NO:

**8**

8 OF 16

RECEIVED: December 19, 2011

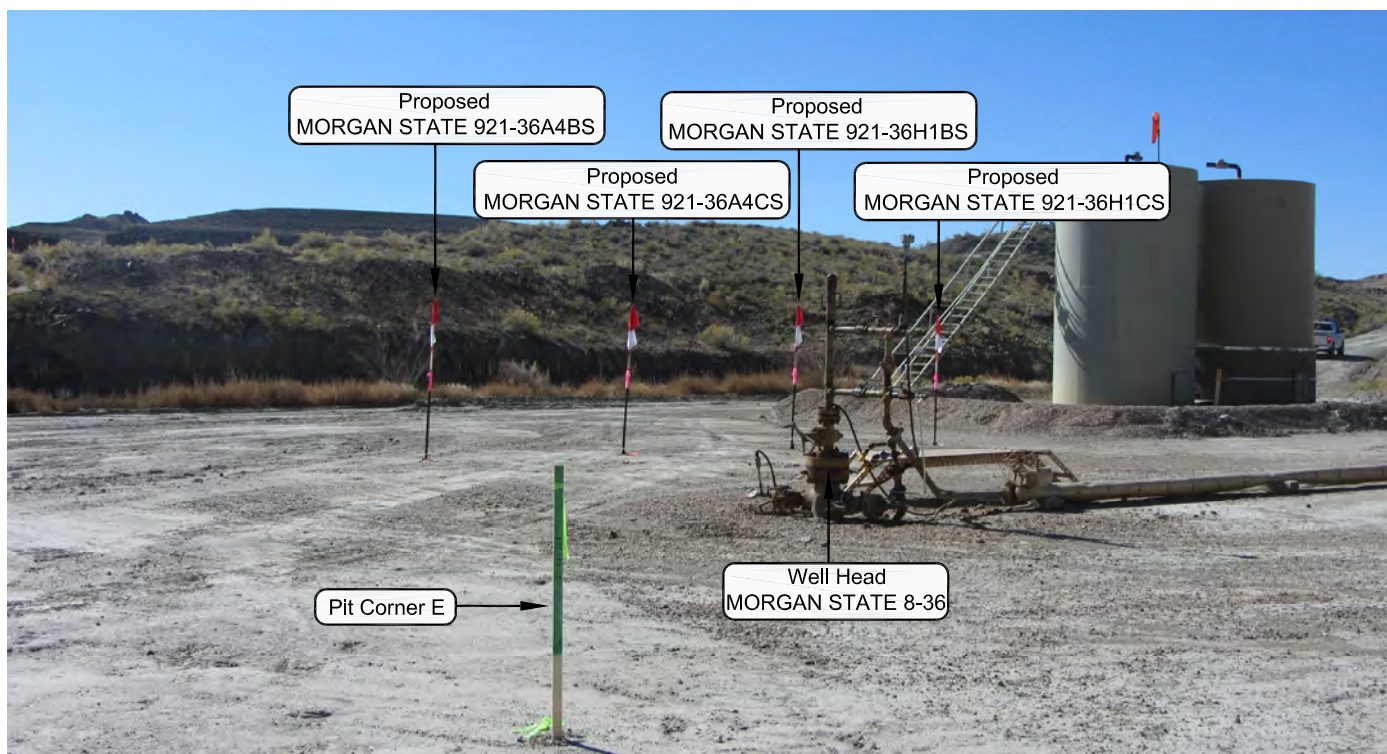


PHOTO VIEW: FROM PIT CORNER E TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO VIEW: FROM EXISTING ACCESS ROAD

CAMERA ANGLE: NORTHEASTERLY

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

**WELL PAD - MORGAN STATE 921-36A**

LOCATION PHOTOS  
MORGAN STATE 921-36H1CS,  
MORGAN STATE 921-36H1BS,  
MORGAN STATE 921-36A4CS &  
MORGAN STATE 921-36A4BS  
LOCATED IN SECTION 36, T9S, R21E,  
S.L.B.&M., Uintah County, Utah.



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

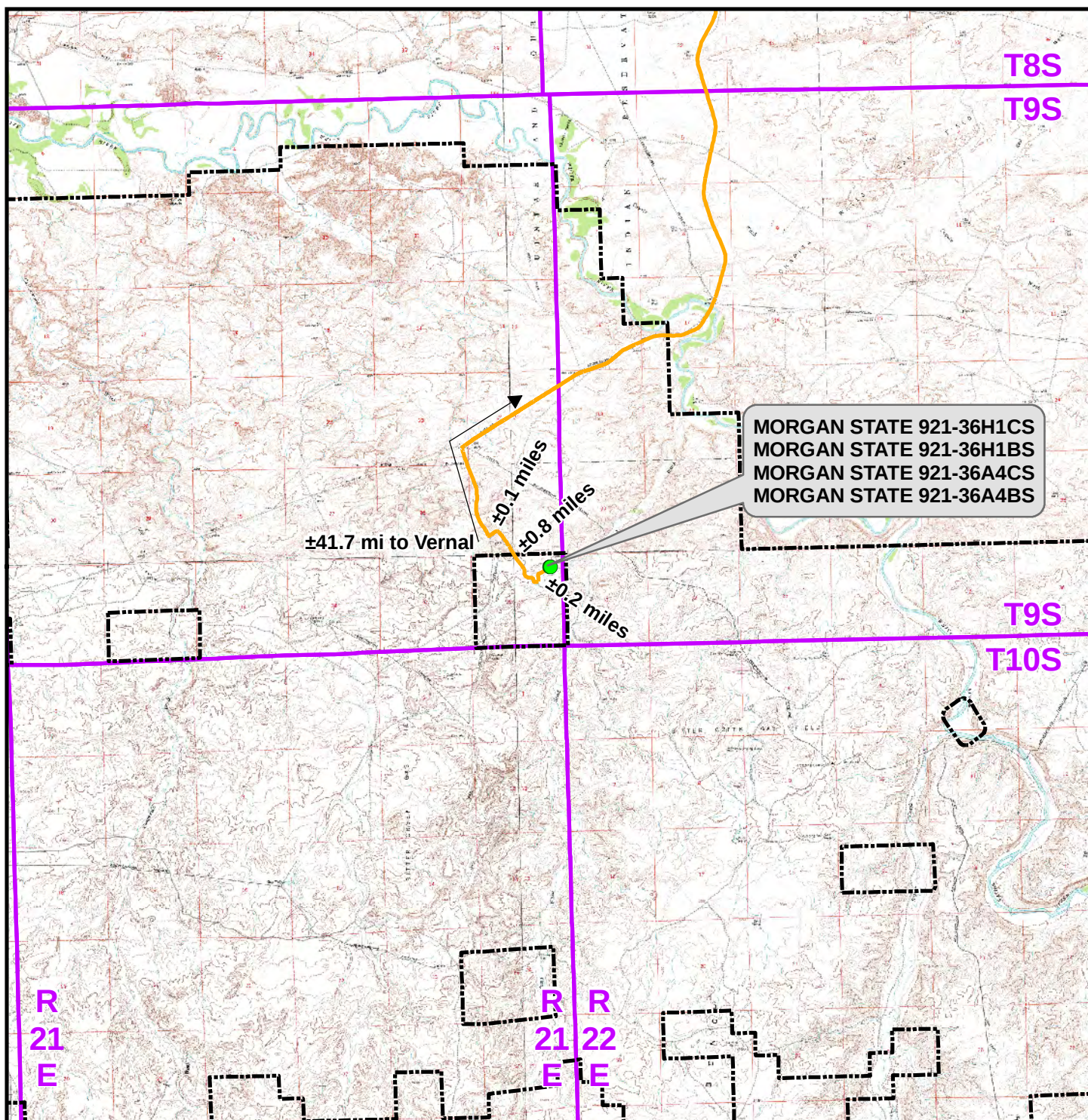
**TIMBERLINE**

(435) 789-1365

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

|                                |                       |                                      |
|--------------------------------|-----------------------|--------------------------------------|
| DATE PHOTOS TAKEN:<br>10-18-11 | PHOTOS TAKEN BY: J.W. | SHEET NO:<br><br><b>9</b><br>9 OF 16 |
| DATE DRAWN:<br>10-28-11        | DRAWN BY: T.J.R.      |                                      |
| Date Last Revised:             |                       |                                      |

**RECEIVED:** December 19, 2011

**Legend**Distance From Well Pad - MORGAN STATE 921-36A To Unit Boundary:  $\pm 675$ ft

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

**WELL PAD - MORGAN STATE 921-36A**

TOPO A  
 MORGAN STATE 921-36H1CS,  
 MORGAN STATE 921-36H1BS,  
 MORGAN STATE 921-36A4CS &  
 MORGAN STATE 921-36A4BS  
 LOCATED IN SECTION 36, T9S, R21E,  
 S.L.B.&M., UTAH COUNTY, UTAH

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

1099 18th Street  
 Denver, Colorado 80202



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



SCALE: 1:100,000

NAD83 USP Central

SHEET NO:

DRAWN: TL

DATE: 11 Nov 2011

**10**

REVISED:

DATE:

10 OF 16

 Well - Proposed  
  Well Pad  
  Road - Proposed  
  County Road

 Well - Existing  
  Road - Existing

 Bureau of Land Management
  State

 Indian Reservation
  Private

**TOPO B**  
**MORGAN STATE 921-36H1CS,**  
**MORGAN STATE 921-36H1BS,**  
**MORGAN STATE 921-36A4CS &**  
**MORGAN STATE 921-36A4BS**  
**LOCATED IN SECTION 36, T9S, R21E,**  
**L.B.&M., UINTAH COUNTY, UTAH**

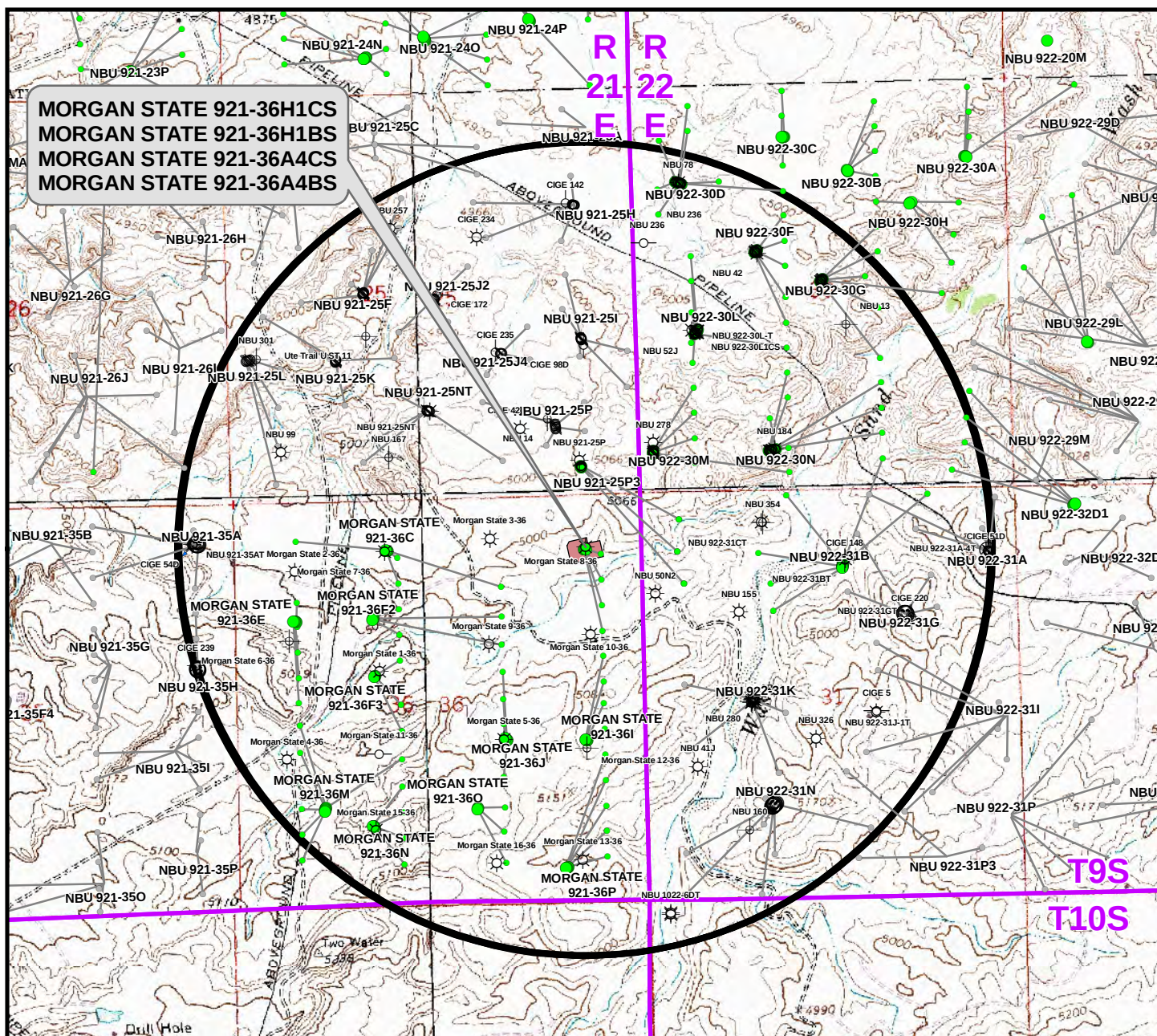
**1099 18th Street  
Denver, Colorado 80202**



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

DATE:

11 OF 16



Well locations derived from Utah Division of Oil, Gas and Mining (UDOGM) (oilgas.ogm.utah.gov). The estimated distances from proposed bore locations to the nearest existing bore locations are based on UDOGM data.

| Proposed Well           | Nearest Well Bore  | Footage |
|-------------------------|--------------------|---------|
| MORGAN STATE 921-36H1CS | Morgan State 10-36 | 167ft   |
| MORGAN STATE 921-36H1BS | Morgan State 10-36 | 417ft   |
| MORGAN STATE 921-36A4CS | Morgan State 8-36  | 472ft   |
| MORGAN STATE 921-36A4BS | Morgan State 8-36  | 220ft   |

### Legend

- Well - Proposed
- Bottom Hole - Proposed
- Bottom Hole - Existing
- Well Path
- Well Pad
- Well - 1 Mile Radius
- ☀ Producing
- ☺ Spudded
- APD Approved
- ⊗ Preliminary Location
- ⊕ Deferred
- ✕ Cancelled
- ⊖ Temporarily Abandoned
- ☀ Active Injector
- ⊕ Plugged & Abandoned
- ⊗ Location Abandoned
- ⊖ Shut-In

### WELL PAD - MORGAN STATE 921-36A

TOPO C  
MORGAN STATE 921-36H1CS,  
MORGAN STATE 921-36H1BS,  
MORGAN STATE 921-36A4CS &  
MORGAN STATE 921-36A4BS  
LOCATED IN SECTION 36, T9S, R21E,  
S.L.B.&M., Uintah County, Utah

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

1099 18th Street  
Denver, Colorado 80202



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

|                     |                   |           |
|---------------------|-------------------|-----------|
| SCALE: 1" = 2,000ft | NAD83 USP Central | SHEET NO: |
| DRAWN: TL           | DATE: 11 Nov 2011 | <b>12</b> |
| REVISED:            | DATE:             | 12 OF 16  |

| Proposed Liquid Pipeline                           | Length   | Proposed Gas Pipeline                       | Length   |
|----------------------------------------------------|----------|---------------------------------------------|----------|
| Buried 6" (Max.) (Meter House to Edge of Pad)      | ±285ft   | Buried 8" (Meter House to Edge of Pad)      | ±285ft   |
| Buried 6" (Max.) (Edge of Pad to 36C Intersection) | ±3,010ft | Buried 8" (Edge of Pad to 36C Intersection) | ±3,010ft |
| TOTAL PROPOSED BURIED LIQUID PIPELINE =            | ±3,295ft | TOTAL PROPOSED BURIED GAS PIPELINE =        | ±3,295ft |

 Well - Proposed   
  Gas Pipeline - Proposed   
  Liquid Pipeline - Proposed   
  Road - Proposed   
  Bureau of Land Management   
  State

 Well - Existing   
  Gas Pipeline - To Be Upgraded   
  Liquid Pipeline - Existing   
  Road - Existing   
  Indian Reservation   
  Private

 Well Pad   
  Gas Pipeline - Existing

**TOPO D**  
**MORGAN STATE 921-36H1CS,**  
**MORGAN STATE 921-36H1BS,**  
**MORGAN STATE 921-36A4CS &**  
**MORGAN STATE 921-36A4BS**  
**LOCATED IN SECTION 36, T9S, R21E,**  
**S.L.B.&M., UINTAH COUNTY, UTAH**

**1099 18th Street  
Denver, Colorado 80202**



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Sheridan, Wyoming 82801  
Phone 307-674-0609  
Fax 307-674-0182

|                     |                   |                                                                                |
|---------------------|-------------------|--------------------------------------------------------------------------------|
| SCALE: 1" = 2,000ft | NAD83 USP Central | SHEET NO:<br><div style="font-size: 2em; font-weight: bold;">13</div> 13 OF 16 |
| DRAWN: TL           | DATE: 11 Nov 2011 |                                                                                |
| REVISED:            | DATE:             |                                                                                |

| Proposed Liquid Pipeline                              | Length   | Proposed Gas Pipeline                          | Length   |
|-------------------------------------------------------|----------|------------------------------------------------|----------|
| =====                                                 |          | =====                                          |          |
| Buried 6" (Max.) (Meter House to Edge of Pad)         | ±285ft   | Buried 8" (Meter House to Edge of Pad)         | ±285ft   |
| Buried 6" (Max.) (Edge of Pad to<br>36C Intersection) | ±3,010ft | Buried 8" (Edge of Pad to<br>36C Intersection) | ±3,010ft |
| TOTAL PROPOSED BURIED LIQUID PIPELINE =               | ±3,295ft | TOTAL PROPOSED BURIED GAS PIPELINE =           | ±3,295ft |

 Well - Proposed   
  Well Pad - Proposed   
  Gas Pipeline - Proposed   
  Liquid Pipeline - Proposed   
  Road - Proposed   
  Bureau of Land Management

 Well - Existing   
  Well Pad - Existing   
  Gas Pipeline - To Be Upgraded   
  Liquid Pipeline - Existing   
  Road - Existing   
  Indian Reservation

 Gas Pipeline - Existing   
  State

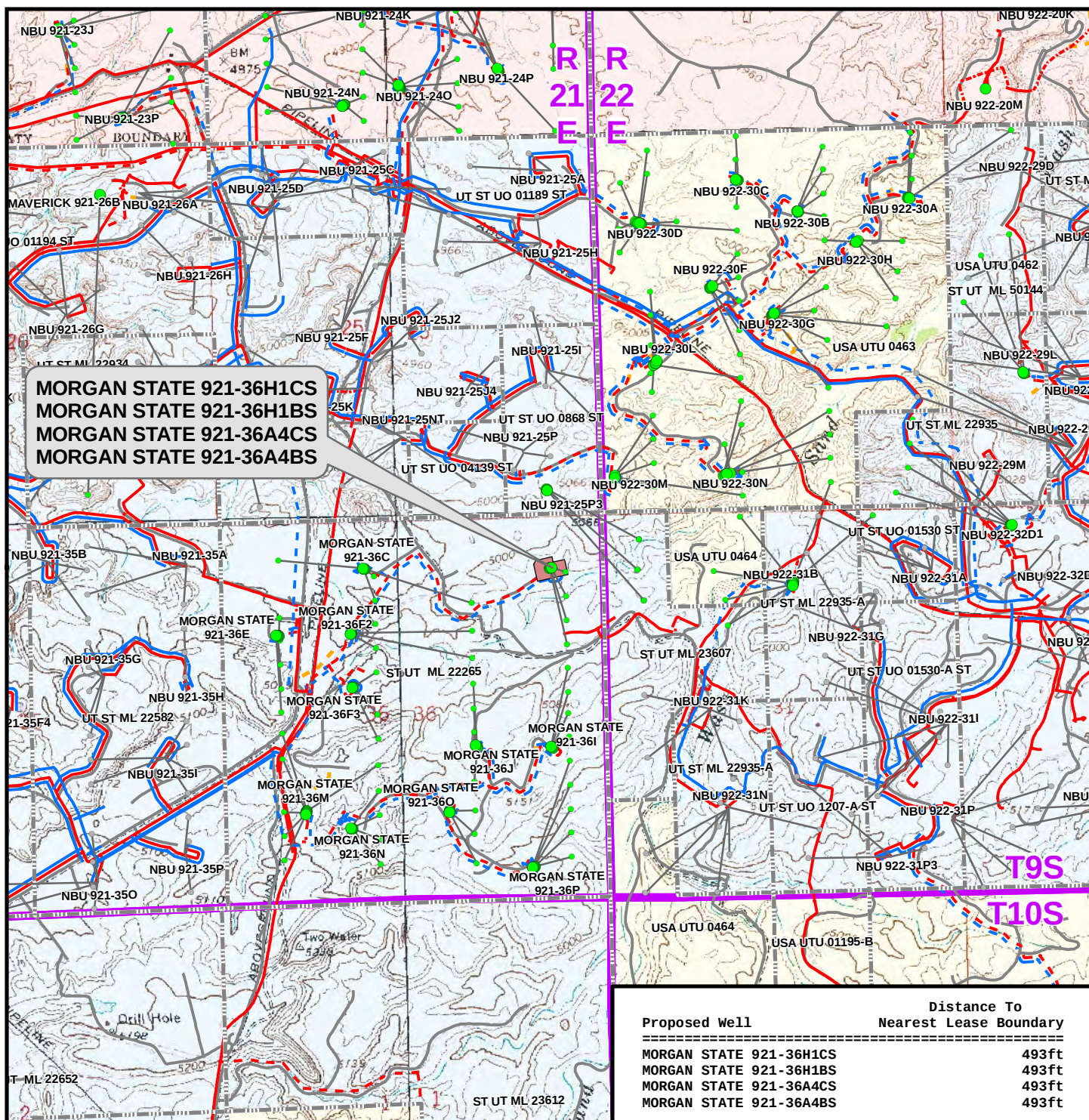
**TOPO D2 (PAD & PIPELINE DETAIL)  
MORGAN STATE 921-36H1CS,  
MORGAN STATE 921-36H1BS,  
MORGAN STATE 921-36A4CS &  
MORGAN STATE 921-36A4BS  
LOCATED IN SECTION 36, T9S, R21E,  
S.L.B.&M., UINTAH COUNTY, UTAH**

**1099 18th Street  
Denver, Colorado 80202**



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

|                   |                   |                                                                                |
|-------------------|-------------------|--------------------------------------------------------------------------------|
| SCALE: 1" = 500ft | NAD83 USP Central | SHEET NO:<br><div style="font-size: 2em; font-weight: bold;">14</div> 14 OF 16 |
| DRAWN: TL         | DATE: 11 Nov 2011 |                                                                                |
| 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

## WELL PAD - MORGAN STATE 921-36A

TOPO E  
 MORGAN STATE 921-36H1CS,  
 MORGAN STATE 921-36H1BS,  
 MORGAN STATE 921-36A4CS &  
 MORGAN STATE 921-36A4BS  
 LOCATED IN SECTION 36, T9S, R21E,  
 S.L.B.&M., Uintah County, Utah

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

1099 18th Street  
 Denver, Colorado 80202



**CONSULTING, LLC**

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

SCALE: 1" = 2,000ft

DRAWN: TL

REVISED:

NAD83 USP Central

DATE: 11 Nov 2011

DATE:

SHEET NO:

**15**

15 OF 16

**Kerr-McGee Oil & Gas Onshore, LP**  
**WELL PAD – MORGAN STATE 921-36A**  
**WELLS – MORGAN STATE 921-36H1CS, MORGAN STATE 921-36H1BS,**  
**MORGAN STATE 921-36A4CS & MORGAN STATE 921-36A4BS**  
**Section 36, T9S, R21E, 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 18.2 miles to a Class D County Road to the northeast. Exit left and proceed in a northeasterly direction along the Class D County Road approximately 0.1 miles to a second Class D County Road to the southeast. Exit right and proceed in a southeasterly direction along the second Class D County Road approximately 0.8 miles to a service road to the north. Exit left and proceed in a northerly, then northeasterly direction along the service road approximately 0.2 miles to the proposed well location.

Total distance from Vernal, Utah to the proposed well location is approximately 42.8 miles in a southerly direction.

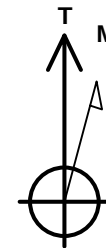
WELL DETAILS: MORGAN STATE 921-36H1CS

GL 4923 & KB 4 @ 4927.00ft (ASSUMED)

| +N/-S | +E/-W | Northing    | Easting    | Latitude         | Longitude         |
|-------|-------|-------------|------------|------------------|-------------------|
| 0.00  | 0.00  | 14528850.90 | 2062621.57 | 39° 59' 52.447 N | 109° 29' 33.058 W |

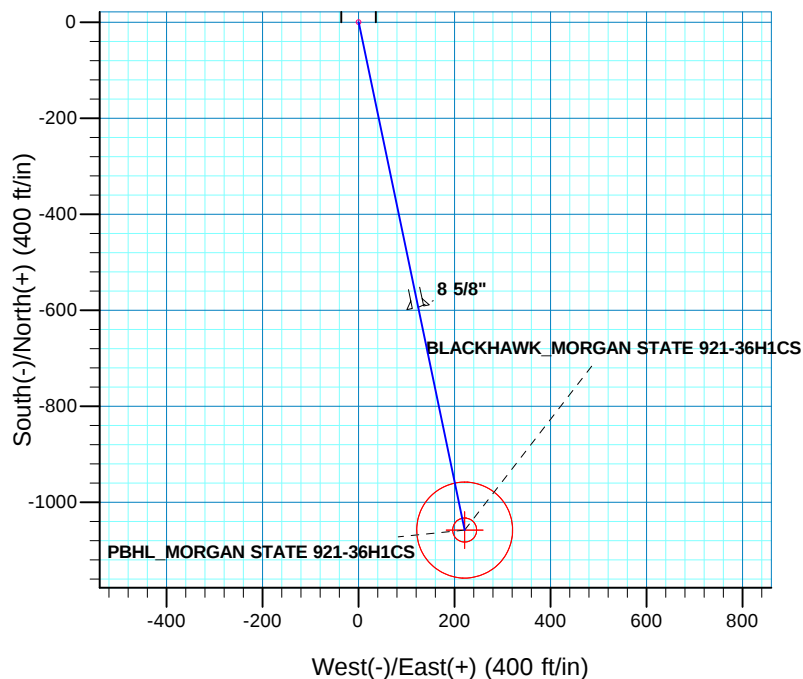
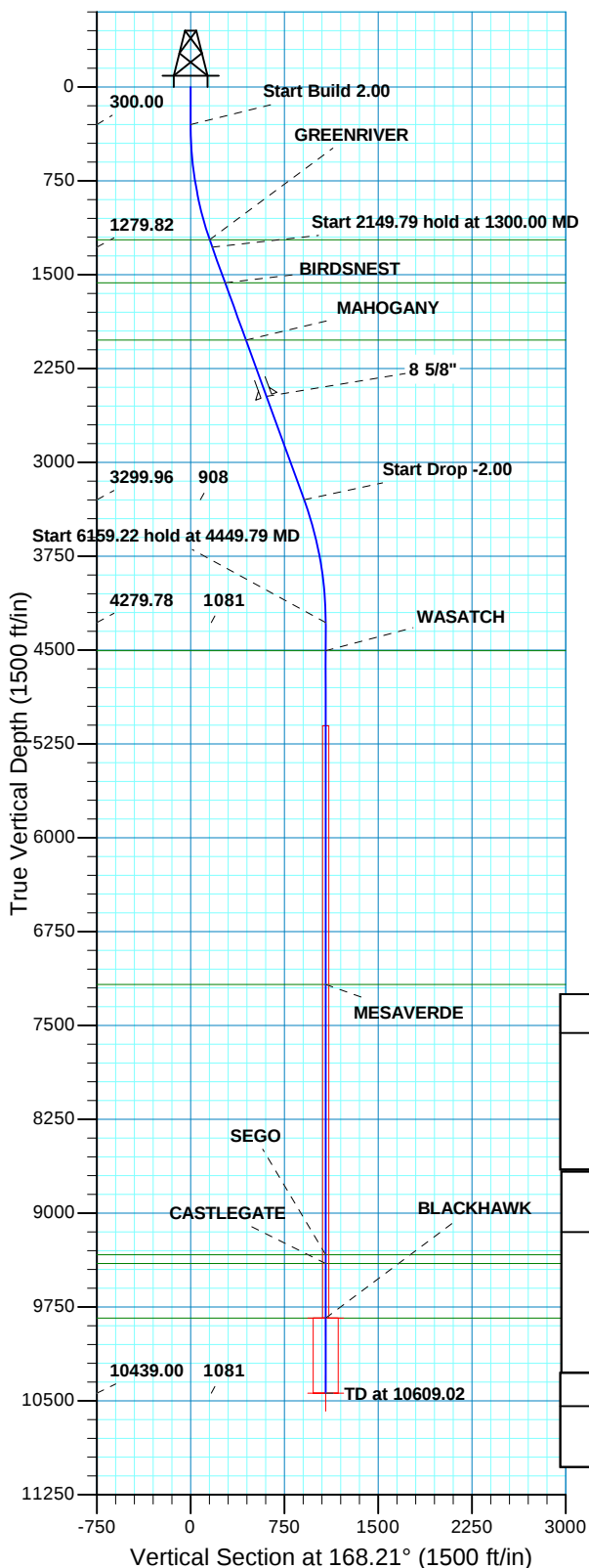
DESIGN TARGET DETAILS

| Name                      | TVD      | +N/-S    | +E/-W  | Northing    | Easting    | Latitude         | Longitude         | Shape                   |
|---------------------------|----------|----------|--------|-------------|------------|------------------|-------------------|-------------------------|
| BLACKHAWK                 | 9839.00  | -1058.03 | 220.75 | 14527796.76 | 2062860.18 | 39° 59' 41.989 N | 109° 29' 30.221 W | Circle (Radius: 25.00)  |
| - plan hits target center |          |          |        |             |            |                  |                   |                         |
| PBHL                      | 10439.00 | -1058.03 | 220.75 | 14527796.76 | 2062860.18 | 39° 59' 41.989 N | 109° 29' 30.221 W | Circle (Radius: 100.00) |
| - plan hits target center |          |          |        |             |            |                  |                   |                         |



Azimuths to True North  
Magnetic North: 11.01°

Magnetic Field  
Strength: 52283.6snT  
Dip Angle: 65.86°  
Date: 2011/11/30  
Model: IGRF2010



| SECTION DETAILS |       |        |          |          |        |      |        |         |                              |  |
|-----------------|-------|--------|----------|----------|--------|------|--------|---------|------------------------------|--|
| MD              | Inc   | Azi    | TVD      | +N/-S    | +E/-W  | Dleg | TFace  | VSect   | Target                       |  |
| 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    |                              |  |
| 1300.00         | 20.00 | 168.21 | 1279.82  | -169.13  | 35.29  | 2.00 | 168.21 | 172.77  |                              |  |
| 3449.79         | 20.00 | 168.21 | 3299.96  | -888.90  | 185.46 | 0.00 | 0.00   | 908.04  |                              |  |
| 4449.79         | 0.00  | 0.00   | 4279.78  | -1058.03 | 220.75 | 2.00 | 180.00 | 1080.81 |                              |  |
| 10609.02        | 0.00  | 0.00   | 10439.00 | -1058.03 | 220.75 | 0.00 | 0.00   | 1080.81 | PBHL_MORGAN STATE 921-36H1CS |  |

| PROJECT DETAILS: UTAH - UTM (feet), NAD27, Zone 12N             |  |  |  | FORMATION TOP DETAILS |          |            |
|-----------------------------------------------------------------|--|--|--|-----------------------|----------|------------|
| Geodetic System: Universal Transverse Mercator (US Survey Feet) |  |  |  | TVDPath               | MDPath   | Formation  |
| Datum: NAD 1927 (NADCON CONUS)                                  |  |  |  | 1221.00               | 1237.65  | GREENRIVER |
| Ellipsoid: Clarke 1866                                          |  |  |  | 1565.00               | 1603.49  | BIRDSNEST  |
| Zone: Zone 12N (114 W to 108 W)                                 |  |  |  | 2023.00               | 2090.88  | MAHOGANY   |
| Location: SECTION 36 T9S R21E                                   |  |  |  | 4505.00               | 4675.02  | WASATCH    |
| System Datum: Mean Sea Level                                    |  |  |  | 7174.00               | 7344.02  | MESAVERDE  |
|                                                                 |  |  |  | 9333.00               | 9503.02  | SEGO       |
|                                                                 |  |  |  | 9402.00               | 9572.02  | CASTLEGATE |
|                                                                 |  |  |  | 9839.00               | 10009.02 | BLACKHAWK  |

| CASING DETAILS |         |        |       |
|----------------|---------|--------|-------|
| TVD            | MD      | Name   | Size  |
| 2473.00        | 2569.76 | 8 5/8" | 8.625 |

RECEIVED:

Plan: PLAN #1 SURFACE (MORGAN STATE 921-36H1CS/OH)

Created By: RobertScott Date: 11:39, November 30 2011



# **US ROCKIES REGION PLANNING**

**UTAH - UTM (feet), NAD27, Zone 12N**

**MORGAN STATE 921-36A PAD**

**MORGAN STATE 921-36H1CS**

**OH**

**Plan: PLAN #1 SURFACE**

## **Standard Planning Report**

**30 November, 2011**





# SDI Planning Report



|                  |                                    |                                     |                                      |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| <b>Database:</b> | EDM5000-RobertS-Local              | <b>Local Co-ordinate Reference:</b> | Well MORGAN STATE 921-36H1CS         |
| <b>Company:</b>  | US ROCKIES REGION PLANNING         | <b>TVD Reference:</b>               | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Project:</b>  | UTAH - UTM (feet), NAD27, Zone 12N | <b>MD Reference:</b>                | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Site:</b>     | MORGAN STATE 921-36A PAD           | <b>North Reference:</b>             | True                                 |
| <b>Well:</b>     | MORGAN STATE 921-36H1CS            | <b>Survey Calculation Method:</b>   | Minimum Curvature                    |
| <b>Wellbore:</b> | OH                                 |                                     |                                      |
| <b>Design:</b>   | PLAN #1 SURFACE                    |                                     |                                      |

|                    |                                                |                      |                |
|--------------------|------------------------------------------------|----------------------|----------------|
| <b>Project</b>     | UTAH - UTM (feet), NAD27, Zone 12N             |                      |                |
| <b>Map System:</b> | Universal Transverse Mercator (US Survey Feet) | <b>System Datum:</b> | Mean Sea Level |
| <b>Geo Datum:</b>  | NAD 1927 (NADCON CONUS)                        |                      |                |
| <b>Map Zone:</b>   | Zone 12N (114 W to 108 W)                      |                      |                |

|                              |                                               |                     |                    |                                     |
|------------------------------|-----------------------------------------------|---------------------|--------------------|-------------------------------------|
| <b>Site</b>                  | MORGAN STATE 921-36A PAD, SECTION 36 T9S R21E |                     |                    |                                     |
| <b>Site Position:</b>        |                                               | <b>Northing:</b>    | 14,528,850.91 usft | <b>Latitude:</b> 39° 59' 52.447 N   |
| <b>From:</b>                 | Lat/Long                                      | <b>Easting:</b>     | 2,062,621.57 usft  | <b>Longitude:</b> 109° 29' 33.058 W |
| <b>Position Uncertainty:</b> | 0.00 ft                                       | <b>Slot Radius:</b> | 13.200 in          | <b>Grid Convergence:</b> 0.97 °     |

|                             |                                          |                            |                  |                                  |
|-----------------------------|------------------------------------------|----------------------------|------------------|----------------------------------|
| <b>Well</b>                 | MORGAN STATE 921-36H1CS, 681 FNL 715 FEL |                            |                  |                                  |
| <b>Well Position</b>        | <b>+N/-S</b>                             | 0.00 ft                    | <b>Northing:</b> | 14,528,850.91 usft               |
|                             | <b>+E/-W</b>                             | 0.00 ft                    | <b>Easting:</b>  | 2,062,621.57 usft                |
| <b>Position Uncertainty</b> | 0.00 ft                                  | <b>Wellhead Elevation:</b> |                  | <b>Ground Level:</b> 4,923.00 ft |

|                  |                   |                    |                        |                      |                            |
|------------------|-------------------|--------------------|------------------------|----------------------|----------------------------|
| <b>Wellbore</b>  | OH                |                    |                        |                      |                            |
| <b>Magnetics</b> | <b>Model Name</b> | <b>Sample Date</b> | <b>Declination (°)</b> | <b>Dip Angle (°)</b> | <b>Field Strength (nT)</b> |
|                  | IGRF2010          | 2011/11/30         | 11.01                  | 65.86                | 52,284                     |

|                          |                              |                   |                      |                      |
|--------------------------|------------------------------|-------------------|----------------------|----------------------|
| <b>Design</b>            | PLAN #1 SURFACE              |                   |                      |                      |
| <b>Audit Notes:</b>      |                              |                   |                      |                      |
| <b>Version:</b>          | <b>Phase:</b>                | PLAN              | <b>Tie On Depth:</b> | 0.00                 |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (ft)</b> | <b>+N/-S (ft)</b> | <b>+E/-W (ft)</b>    | <b>Direction (°)</b> |
|                          | 0.00                         | 0.00              | 0.00                 | 168.21               |

| <b>Plan Sections</b> |                 |             |                     |            |            |                       |                      |                     |         |                 |
|----------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|----------------------|---------------------|---------|-----------------|
| Measured Depth (ft)  | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target          |
| 0.00                 | 0.00            | 0.00        | 0.00                | 0.00       | 0.00       | 0.00                  | 0.00                 | 0.00                | 0.00    |                 |
| 300.00               | 0.00            | 0.00        | 300.00              | 0.00       | 0.00       | 0.00                  | 0.00                 | 0.00                | 0.00    |                 |
| 1,300.00             | 20.00           | 168.21      | 1,279.82            | -169.13    | 35.29      | 2.00                  | 2.00                 | 0.00                | 168.21  |                 |
| 3,449.79             | 20.00           | 168.21      | 3,299.96            | -888.90    | 185.46     | 0.00                  | 0.00                 | 0.00                | 0.00    |                 |
| 4,449.79             | 0.00            | 0.00        | 4,279.78            | -1,058.03  | 220.75     | 2.00                  | -2.00                | 0.00                | 180.00  |                 |
| 10,609.02            | 0.00            | 0.00        | 10,439.00           | -1,058.03  | 220.75     | 0.00                  | 0.00                 | 0.00                | 0.00    | PBHL_MORGAN ST/ |



|                  |                                    |                                     |                                      |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| <b>Database:</b> | EDM5000-RobertS-Local              | <b>Local Co-ordinate Reference:</b> | Well MORGAN STATE 921-36H1CS         |
| <b>Company:</b>  | US ROCKIES REGION PLANNING         | <b>TVD Reference:</b>               | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Project:</b>  | UTAH - UTM (feet), NAD27, Zone 12N | <b>MD Reference:</b>                | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Site:</b>     | MORGAN STATE 921-36A PAD           | <b>North Reference:</b>             | True                                 |
| <b>Well:</b>     | MORGAN STATE 921-36H1CS            | <b>Survey Calculation Method:</b>   | Minimum Curvature                    |
| <b>Wellbore:</b> | OH                                 |                                     |                                      |
| <b>Design:</b>   | PLAN #1 SURFACE                    |                                     |                                      |

| 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                |
| <b>Start Build 2.00</b>                 |                 |             |                     |            |            |                       |                       |                      |                     |
| 400.00                                  | 2.00            | 168.21      | 399.98              | -1.71      | 0.36       | 1.75                  | 2.00                  | 2.00                 | 0.00                |
| 500.00                                  | 4.00            | 168.21      | 499.84              | -6.83      | 1.43       | 6.98                  | 2.00                  | 2.00                 | 0.00                |
| 600.00                                  | 6.00            | 168.21      | 599.45              | -15.36     | 3.21       | 15.69                 | 2.00                  | 2.00                 | 0.00                |
| 700.00                                  | 8.00            | 168.21      | 698.70              | -27.29     | 5.69       | 27.88                 | 2.00                  | 2.00                 | 0.00                |
| 800.00                                  | 10.00           | 168.21      | 797.47              | -42.61     | 8.89       | 43.52                 | 2.00                  | 2.00                 | 0.00                |
| 900.00                                  | 12.00           | 168.21      | 895.62              | -61.28     | 12.79      | 62.60                 | 2.00                  | 2.00                 | 0.00                |
| 1,000.00                                | 14.00           | 168.21      | 993.06              | -83.30     | 17.38      | 85.10                 | 2.00                  | 2.00                 | 0.00                |
| 1,100.00                                | 16.00           | 168.21      | 1,089.64            | -108.64    | 22.67      | 110.98                | 2.00                  | 2.00                 | 0.00                |
| 1,200.00                                | 18.00           | 168.21      | 1,185.27            | -137.26    | 28.64      | 140.21                | 2.00                  | 2.00                 | 0.00                |
| 1,237.65                                | 18.75           | 168.21      | 1,221.00            | -148.88    | 31.06      | 152.08                | 2.00                  | 2.00                 | 0.00                |
| <b>GREENRIVER</b>                       |                 |             |                     |            |            |                       |                       |                      |                     |
| 1,300.00                                | 20.00           | 168.21      | 1,279.82            | -169.13    | 35.29      | 172.77                | 2.00                  | 2.00                 | 0.00                |
| <b>Start 2149.79 hold at 1300.00 MD</b> |                 |             |                     |            |            |                       |                       |                      |                     |
| 1,400.00                                | 20.00           | 168.21      | 1,373.78            | -202.61    | 42.27      | 206.97                | 0.00                  | 0.00                 | 0.00                |
| 1,500.00                                | 20.00           | 168.21      | 1,467.75            | -236.09    | 49.26      | 241.17                | 0.00                  | 0.00                 | 0.00                |
| 1,600.00                                | 20.00           | 168.21      | 1,561.72            | -269.57    | 56.24      | 275.37                | 0.00                  | 0.00                 | 0.00                |
| 1,603.49                                | 20.00           | 168.21      | 1,565.00            | -270.74    | 56.49      | 276.57                | 0.00                  | 0.00                 | 0.00                |
| <b>BIRDSNEST</b>                        |                 |             |                     |            |            |                       |                       |                      |                     |
| 1,700.00                                | 20.00           | 168.21      | 1,655.69            | -303.05    | 63.23      | 309.58                | 0.00                  | 0.00                 | 0.00                |
| 1,800.00                                | 20.00           | 168.21      | 1,749.66            | -336.53    | 70.21      | 343.78                | 0.00                  | 0.00                 | 0.00                |
| 1,900.00                                | 20.00           | 168.21      | 1,843.63            | -370.01    | 77.20      | 377.98                | 0.00                  | 0.00                 | 0.00                |
| 2,000.00                                | 20.00           | 168.21      | 1,937.60            | -403.49    | 84.18      | 412.18                | 0.00                  | 0.00                 | 0.00                |
| 2,090.88                                | 20.00           | 168.21      | 2,023.00            | -433.92    | 90.53      | 443.26                | 0.00                  | 0.00                 | 0.00                |
| <b>MAHOGANY</b>                         |                 |             |                     |            |            |                       |                       |                      |                     |
| 2,100.00                                | 20.00           | 168.21      | 2,031.57            | -436.97    | 91.17      | 446.38                | 0.00                  | 0.00                 | 0.00                |
| 2,200.00                                | 20.00           | 168.21      | 2,125.54            | -470.46    | 98.16      | 480.59                | 0.00                  | 0.00                 | 0.00                |
| 2,300.00                                | 20.00           | 168.21      | 2,219.51            | -503.94    | 105.14     | 514.79                | 0.00                  | 0.00                 | 0.00                |
| 2,400.00                                | 20.00           | 168.21      | 2,313.48            | -537.42    | 112.13     | 548.99                | 0.00                  | 0.00                 | 0.00                |
| 2,500.00                                | 20.00           | 168.21      | 2,407.45            | -570.90    | 119.11     | 583.19                | 0.00                  | 0.00                 | 0.00                |
| 2,569.76                                | 20.00           | 168.21      | 2,473.00            | -594.26    | 123.99     | 607.05                | 0.00                  | 0.00                 | 0.00                |
| <b>8 5/8"</b>                           |                 |             |                     |            |            |                       |                       |                      |                     |
| 2,600.00                                | 20.00           | 168.21      | 2,501.42            | -604.38    | 126.10     | 617.39                | 0.00                  | 0.00                 | 0.00                |
| 2,700.00                                | 20.00           | 168.21      | 2,595.39            | -637.86    | 133.08     | 651.60                | 0.00                  | 0.00                 | 0.00                |
| 2,800.00                                | 20.00           | 168.21      | 2,689.35            | -671.34    | 140.07     | 685.80                | 0.00                  | 0.00                 | 0.00                |
| 2,900.00                                | 20.00           | 168.21      | 2,783.32            | -704.82    | 147.05     | 720.00                | 0.00                  | 0.00                 | 0.00                |
| 3,000.00                                | 20.00           | 168.21      | 2,877.29            | -738.30    | 154.04     | 754.20                | 0.00                  | 0.00                 | 0.00                |
| 3,100.00                                | 20.00           | 168.21      | 2,971.26            | -771.79    | 161.02     | 788.40                | 0.00                  | 0.00                 | 0.00                |
| 3,200.00                                | 20.00           | 168.21      | 3,065.23            | -805.27    | 168.01     | 822.61                | 0.00                  | 0.00                 | 0.00                |
| 3,300.00                                | 20.00           | 168.21      | 3,159.20            | -838.75    | 175.00     | 856.81                | 0.00                  | 0.00                 | 0.00                |
| 3,400.00                                | 20.00           | 168.21      | 3,253.17            | -872.23    | 181.98     | 891.01                | 0.00                  | 0.00                 | 0.00                |
| 3,449.79                                | 20.00           | 168.21      | 3,299.96            | -888.90    | 185.46     | 908.04                | 0.00                  | 0.00                 | 0.00                |
| <b>Start Drop -2.00</b>                 |                 |             |                     |            |            |                       |                       |                      |                     |
| 3,500.00                                | 19.00           | 168.21      | 3,347.29            | -905.30    | 188.88     | 924.80                | 2.00                  | -2.00                | 0.00                |
| 3,600.00                                | 17.00           | 168.21      | 3,442.39            | -935.55    | 195.19     | 955.69                | 2.00                  | -2.00                | 0.00                |
| 3,700.00                                | 15.00           | 168.21      | 3,538.51            | -962.52    | 200.82     | 983.25                | 2.00                  | -2.00                | 0.00                |
| 3,800.00                                | 13.00           | 168.21      | 3,635.54            | -986.19    | 205.76     | 1,007.43              | 2.00                  | -2.00                | 0.00                |
| 3,900.00                                | 11.00           | 168.21      | 3,733.35            | -1,006.54  | 210.00     | 1,028.21              | 2.00                  | -2.00                | 0.00                |
| 4,000.00                                | 9.00            | 168.21      | 3,831.83            | -1,023.53  | 213.55     | 1,045.57              | 2.00                  | -2.00                | 0.00                |



|                  |                                    |                                     |                                      |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| <b>Database:</b> | EDM5000-RobertS-Local              | <b>Local Co-ordinate Reference:</b> | Well MORGAN STATE 921-36H1CS         |
| <b>Company:</b>  | US ROCKIES REGION PLANNING         | <b>TVD Reference:</b>               | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Project:</b>  | UTAH - UTM (feet), NAD27, Zone 12N | <b>MD Reference:</b>                | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Site:</b>     | MORGAN STATE 921-36A PAD           | <b>North Reference:</b>             | True                                 |
| <b>Well:</b>     | MORGAN STATE 921-36H1CS            | <b>Survey Calculation Method:</b>   | Minimum Curvature                    |
| <b>Wellbore:</b> | OH                                 |                                     |                                      |
| <b>Design:</b>   | PLAN #1 SURFACE                    |                                     |                                      |

| 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) |
| 4,100.00                         | 7.00            | 168.21      | 3,930.85            | -1,037.15  | 216.39     | 1,059.48              | 2.00                  | -2.00                | 0.00                |
| 4,200.00                         | 5.00            | 168.21      | 4,030.30            | -1,047.37  | 218.52     | 1,069.93              | 2.00                  | -2.00                | 0.00                |
| 4,300.00                         | 3.00            | 168.21      | 4,130.05            | -1,054.19  | 219.95     | 1,076.89              | 2.00                  | -2.00                | 0.00                |
| 4,400.00                         | 1.00            | 168.21      | 4,229.99            | -1,057.60  | 220.66     | 1,080.38              | 2.00                  | -2.00                | 0.00                |
| 4,449.79                         | 0.00            | 0.00        | 4,279.78            | -1,058.03  | 220.75     | 1,080.81              | 2.00                  | -2.00                | 0.00                |
| Start 6159.22 hold at 4449.79 MD |                 |             |                     |            |            |                       |                       |                      |                     |
| 4,500.00                         | 0.00            | 0.00        | 4,329.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 4,600.00                         | 0.00            | 0.00        | 4,429.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 4,675.02                         | 0.00            | 0.00        | 4,505.00            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| WASATCH                          |                 |             |                     |            |            |                       |                       |                      |                     |
| 4,700.00                         | 0.00            | 0.00        | 4,529.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 4,800.00                         | 0.00            | 0.00        | 4,629.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 4,900.00                         | 0.00            | 0.00        | 4,729.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,000.00                         | 0.00            | 0.00        | 4,829.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,100.00                         | 0.00            | 0.00        | 4,929.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,200.00                         | 0.00            | 0.00        | 5,029.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,300.00                         | 0.00            | 0.00        | 5,129.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,400.00                         | 0.00            | 0.00        | 5,229.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,500.00                         | 0.00            | 0.00        | 5,329.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,600.00                         | 0.00            | 0.00        | 5,429.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,700.00                         | 0.00            | 0.00        | 5,529.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,800.00                         | 0.00            | 0.00        | 5,629.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 5,900.00                         | 0.00            | 0.00        | 5,729.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,000.00                         | 0.00            | 0.00        | 5,829.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,100.00                         | 0.00            | 0.00        | 5,929.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,200.00                         | 0.00            | 0.00        | 6,029.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,300.00                         | 0.00            | 0.00        | 6,129.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,400.00                         | 0.00            | 0.00        | 6,229.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,500.00                         | 0.00            | 0.00        | 6,329.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,600.00                         | 0.00            | 0.00        | 6,429.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,700.00                         | 0.00            | 0.00        | 6,529.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,800.00                         | 0.00            | 0.00        | 6,629.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 6,900.00                         | 0.00            | 0.00        | 6,729.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,000.00                         | 0.00            | 0.00        | 6,829.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,100.00                         | 0.00            | 0.00        | 6,929.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,200.00                         | 0.00            | 0.00        | 7,029.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,300.00                         | 0.00            | 0.00        | 7,129.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,344.02                         | 0.00            | 0.00        | 7,174.00            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| MESAVERDE                        |                 |             |                     |            |            |                       |                       |                      |                     |
| 7,400.00                         | 0.00            | 0.00        | 7,229.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,500.00                         | 0.00            | 0.00        | 7,329.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,600.00                         | 0.00            | 0.00        | 7,429.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,700.00                         | 0.00            | 0.00        | 7,529.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,800.00                         | 0.00            | 0.00        | 7,629.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 7,900.00                         | 0.00            | 0.00        | 7,729.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 8,000.00                         | 0.00            | 0.00        | 7,829.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 8,100.00                         | 0.00            | 0.00        | 7,929.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 8,200.00                         | 0.00            | 0.00        | 8,029.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 8,300.00                         | 0.00            | 0.00        | 8,129.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 8,400.00                         | 0.00            | 0.00        | 8,229.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 8,500.00                         | 0.00            | 0.00        | 8,329.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 8,600.00                         | 0.00            | 0.00        | 8,429.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 8,700.00                         | 0.00            | 0.00        | 8,529.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |



|                  |                                    |                                     |                                      |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| <b>Database:</b> | EDM5000-RobertS-Local              | <b>Local Co-ordinate Reference:</b> | Well MORGAN STATE 921-36H1CS         |
| <b>Company:</b>  | US ROCKIES REGION PLANNING         | <b>TVD Reference:</b>               | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Project:</b>  | UTAH - UTM (feet), NAD27, Zone 12N | <b>MD Reference:</b>                | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Site:</b>     | MORGAN STATE 921-36A PAD           | <b>North Reference:</b>             | True                                 |
| <b>Well:</b>     | MORGAN STATE 921-36H1CS            | <b>Survey Calculation Method:</b>   | Minimum Curvature                    |
| <b>Wellbore:</b> | OH                                 |                                     |                                      |
| <b>Design:</b>   | PLAN #1 SURFACE                    |                                     |                                      |

| 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) |
| 8,800.00                                             | 0.00            | 0.00        | 8,629.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 8,900.00                                             | 0.00            | 0.00        | 8,729.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,000.00                                             | 0.00            | 0.00        | 8,829.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,100.00                                             | 0.00            | 0.00        | 8,929.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,200.00                                             | 0.00            | 0.00        | 9,029.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,300.00                                             | 0.00            | 0.00        | 9,129.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,400.00                                             | 0.00            | 0.00        | 9,229.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,500.00                                             | 0.00            | 0.00        | 9,329.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,503.02                                             | 0.00            | 0.00        | 9,333.00            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| <b>SEGO</b>                                          |                 |             |                     |            |            |                       |                       |                      |                     |
| 9,572.02                                             | 0.00            | 0.00        | 9,402.00            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| <b>CASTLEGATE</b>                                    |                 |             |                     |            |            |                       |                       |                      |                     |
| 9,600.00                                             | 0.00            | 0.00        | 9,429.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,700.00                                             | 0.00            | 0.00        | 9,529.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,800.00                                             | 0.00            | 0.00        | 9,629.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 9,900.00                                             | 0.00            | 0.00        | 9,729.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 10,000.00                                            | 0.00            | 0.00        | 9,829.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 10,009.02                                            | 0.00            | 0.00        | 9,839.00            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| <b>BLACKHAWK - BLACKHAWK_MORGAN STATE 921-36H1CS</b> |                 |             |                     |            |            |                       |                       |                      |                     |
| 10,100.00                                            | 0.00            | 0.00        | 9,929.98            | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 10,200.00                                            | 0.00            | 0.00        | 10,029.98           | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 10,300.00                                            | 0.00            | 0.00        | 10,129.98           | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 10,400.00                                            | 0.00            | 0.00        | 10,229.98           | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 10,500.00                                            | 0.00            | 0.00        | 10,329.98           | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 10,600.00                                            | 0.00            | 0.00        | 10,429.98           | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| 10,609.02                                            | 0.00            | 0.00        | 10,439.00           | -1,058.03  | 220.75     | 1,080.81              | 0.00                  | 0.00                 | 0.00                |
| <b>TD at 10609.02 - PBHL_MORGAN STATE 921-36H1CS</b> |                 |             |                     |            |            |                       |                       |                      |                     |

| Design Targets            |               |              |           |            |            |                 |                |                  |                   |
|---------------------------|---------------|--------------|-----------|------------|------------|-----------------|----------------|------------------|-------------------|
| Target Name               | Dip Angle (°) | Dip Dir. (°) | TVD (ft)  | +N/-S (ft) | +E/-W (ft) | Northing (usft) | Easting (usft) | Latitude         | Longitude         |
| - hit/miss target         |               |              |           |            |            |                 |                |                  |                   |
| - Shape                   |               |              |           |            |            |                 |                |                  |                   |
| BLACKHAWK_MORGAN          | 0.00          | 0.00         | 9,839.00  | -1,058.03  | 220.75     | 14,527,796.77   | 2,062,860.18   | 39° 59' 41.989 N | 109° 29' 30.221 W |
| - plan hits target center |               |              |           |            |            |                 |                |                  |                   |
| - Circle (radius 25.00)   |               |              |           |            |            |                 |                |                  |                   |
| PBHL_MORGAN STATE         | 0.00          | 0.00         | 10,439.00 | -1,058.03  | 220.75     | 14,527,796.77   | 2,062,860.18   | 39° 59' 41.989 N | 109° 29' 30.221 W |
| - plan hits target center |               |              |           |            |            |                 |                |                  |                   |
| - Circle (radius 100.00)  |               |              |           |            |            |                 |                |                  |                   |

| Casing Points       |                     |        |                      |                    |  |
|---------------------|---------------------|--------|----------------------|--------------------|--|
| Measured Depth (ft) | Vertical Depth (ft) | Name   | Casing Diameter (in) | Hole Diameter (in) |  |
| 2,569.76            | 2,473.00            | 8 5/8" | 8.625                | 11.000             |  |



|                  |                                    |                                     |                                      |
|------------------|------------------------------------|-------------------------------------|--------------------------------------|
| <b>Database:</b> | EDM5000-RobertS-Local              | <b>Local Co-ordinate Reference:</b> | Well MORGAN STATE 921-36H1CS         |
| <b>Company:</b>  | US ROCKIES REGION PLANNING         | <b>TVD Reference:</b>               | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Project:</b>  | UTAH - UTM (feet), NAD27, Zone 12N | <b>MD Reference:</b>                | GL 4923 & KB 4 @ 4927.00ft (ASSUMED) |
| <b>Site:</b>     | MORGAN STATE 921-36A PAD           | <b>North Reference:</b>             | True                                 |
| <b>Well:</b>     | MORGAN STATE 921-36H1CS            | <b>Survey Calculation Method:</b>   | Minimum Curvature                    |
| <b>Wellbore:</b> | OH                                 |                                     |                                      |
| <b>Design:</b>   | PLAN #1 SURFACE                    |                                     |                                      |

| Formations          |                     |            |           |         |                   |
|---------------------|---------------------|------------|-----------|---------|-------------------|
| Measured Depth (ft) | Vertical Depth (ft) | Name       | Lithology | Dip (°) | Dip Direction (°) |
| 1,237.65            | 1,221.00            | GREENRIVER |           |         |                   |
| 1,603.49            | 1,565.00            | BIRDSNEST  |           |         |                   |
| 2,090.88            | 2,023.00            | MAHOGANY   |           |         |                   |
| 4,675.02            | 4,505.00            | WASATCH    |           |         |                   |
| 7,344.02            | 7,174.00            | MESAVERDE  |           |         |                   |
| 9,503.02            | 9,333.00            | SEGO       |           |         |                   |
| 9,572.02            | 9,402.00            | CASTLEGATE |           |         |                   |
| 10,009.02           | 9,839.00            | BLACKHAWK  |           |         |                   |

| 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                 |
| 1,300.00            | 1,279.82            | -169.13           | 35.29      | Start 2149.79 hold at 1300.00 MD |
| 3,449.79            | 3,299.96            | -888.90           | 185.46     | Start Drop -2.00                 |
| 4,449.79            | 4,279.78            | -1,058.03         | 220.75     | Start 6159.22 hold at 4449.79 MD |
| 10,609.02           | 10,439.00           | -1,058.03         | 220.75     | TD at 10609.02                   |

**MORGAN STATE 921-36A4BS**

|          |                   |      |     |
|----------|-------------------|------|-----|
| Surface: | 675 FNL / 686 FEL | NENE | Lot |
| BHL:     | 746 FNL / 493 FEL | NENE | Lot |

**MORGAN STATE 921-36A4CS**

|          |                    |      |     |
|----------|--------------------|------|-----|
| Surface: | 677 FNL / 696 FEL  | NENE | Lot |
| BHL:     | 1077 FNL / 493 FEL | NENE | Lot |

**MORGAN STATE 921-36H1BS**

|          |                    |      |     |
|----------|--------------------|------|-----|
| Surface: | 679 FNL / 706 FEL  | NENE | Lot |
| BHL:     | 1408 FNL / 493 FEL | SENE | Lot |

**MORGAN STATE 921-36H1CS**

|          |                    |      |     |
|----------|--------------------|------|-----|
| Surface: | 681 FNL / 715 FEL  | NENE | Lot |
| BHL:     | 1739 FNL / 493 FEL | SENE | Lot |

**Pad: MORGAN STATE 921-36A PAD**

Section 36 T9S R21E

Mineral Lease: ML-22265

Uintah County, Utah

Operator: Kerr-McGee Oil &amp; 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.)

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:**

No new access road is proposed. (see Topo Map B). 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 Morgan State 8-36. The Morgan State 8-36 well location is a vertical producing well according to Utah Division of Oil, Gas and Mining (UDOGM) records as of December 5, 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  $\pm 3,295'$  and the individual segments are broken up as follows:

$\pm 285'$  (0.05 miles) –New 8" buried gas pipeline from the meter to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.

$\pm 3,010'$  (0.6 miles) –New 8" buried gas pipeline from the edge of pad to the 921-36C intersection. Please refer to Topo D2 - Pad and Pipeline Detail.

The total liquid gathering pipeline distance from the separator to the tie in point is  $\pm 3,295'$  and the individual segments are broken up as follows:

$\pm 285'$  (0.05 miles) –New 6" buried liquid pipeline from the separator to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.

$\pm 3,010'$  (0.6 miles) –New 6" buried liquid pipeline from the edge of pad to the 921-36C intersection. 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

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.

Unless otherwise approved, no oil or other oil based drill additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water, biodegradable polymer soap, bentonite clay, and /or non-toxic additives will be used in the 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 release into the pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternative 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 the 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)

Any additional pits necessary for subsequent operations, such as temporary flare pits, or workover pits, will contained within the originally approved well pad and disturbance boundaries. Such temporary pits will be backfilled and reclaimed within 180 days of completion of the work.

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 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

Morgan State 921-36A4BS/ 921-36A4CS/ 921-36H1BS/ 921-36H1CS

Surface Use Plan of Operations  
8 of 8**M. Lessee's or Operators' Representative & Certification:**

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

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

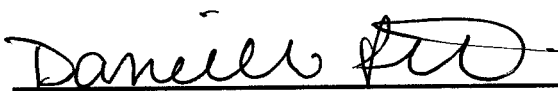
Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

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

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

Bond coverage 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.

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

December 19, 2011  
\_\_\_\_\_  
Date



Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
DENVER, CO 80217-3779

December 9, 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  
Morgan State 921-36H1CS  
T9S-R21E  
Section 36: NENE (Surface), SENE (Bottom Hole)  
Surface: 681' FNL, 715' FEL  
Bottom Hole: 1739' FNL, 493' 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 Directional Drilling.

- 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 roads 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.

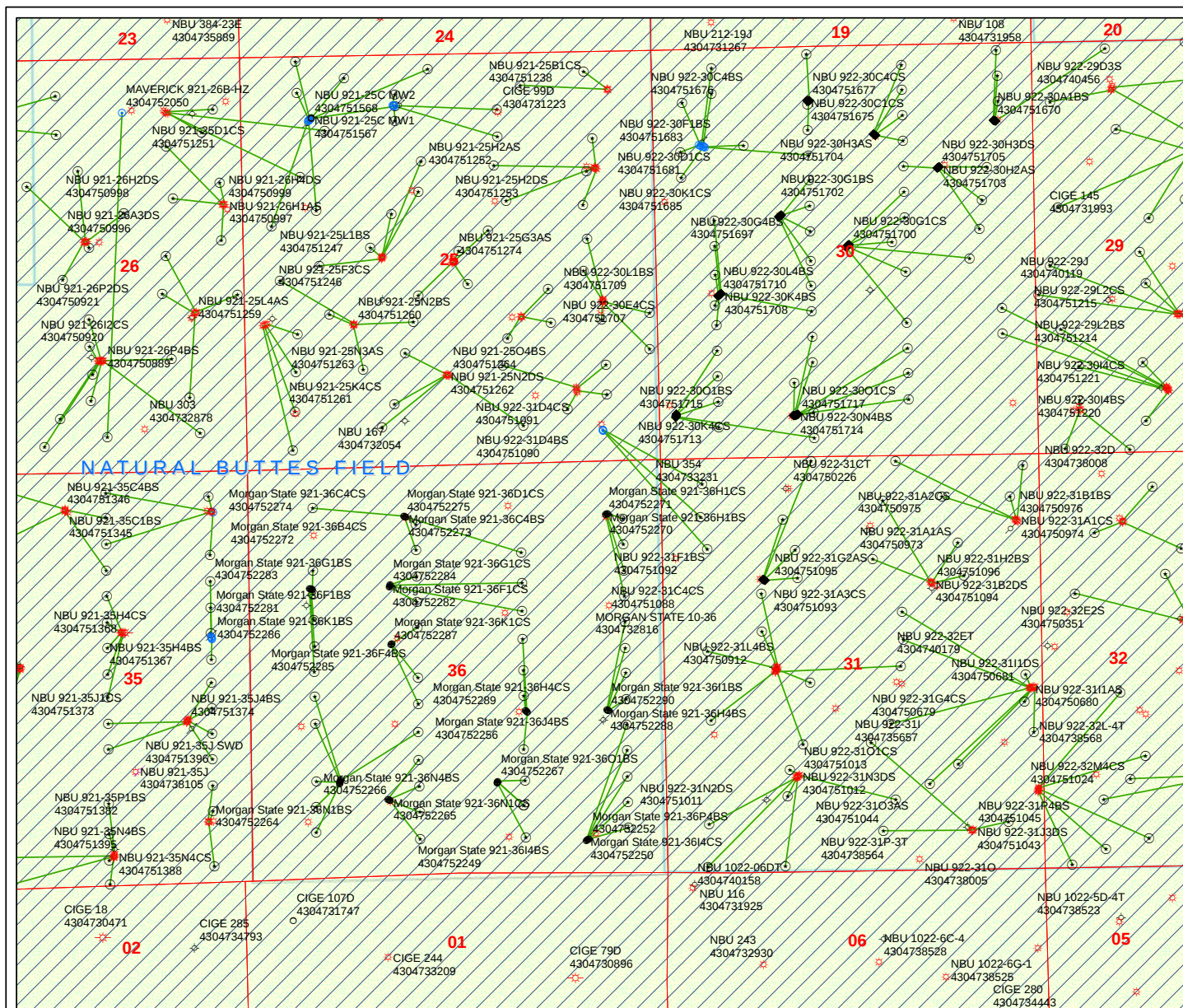
Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

A handwritten signature in blue ink that reads 'Joe Matney'.

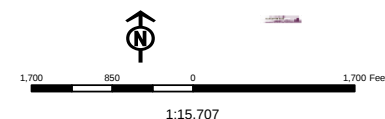
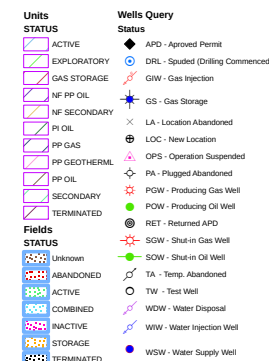
Joe Matney  
Sr. Staff Landman

RECEIVED: December 19, 2011



**API Number: 4304752271**  
**Well Name: Morgan State 921-36H1CS**  
**Township T0.9 . Range R2.1 . Section 36**  
**Meridian: SLBM**  
**Operator: KERR-MCGEE OIL & GAS ONSHORE, L.P.**

Map Prepared:  
 Map Produced by Diana Mason



|                                          |                                                            |       |  |  |
|------------------------------------------|------------------------------------------------------------|-------|--|--|
| Well Name                                | KERR-MCGEE OIL & GAS ONSHORE, L.P. Morgan State 921-36H1CS |       |  |  |
| String                                   | Surf                                                       | Prod  |  |  |
| Casing Size(")                           | 8.625                                                      | 4.500 |  |  |
| Setting Depth (TVD)                      | 2379                                                       | 10439 |  |  |
| Previous Shoe Setting Depth (TVD)        | 0                                                          | 2379  |  |  |
| Max Mud Weight (ppg)                     | 8.4                                                        | 13.0  |  |  |
| BOPE Proposed (psi)                      | 500                                                        | 5000  |  |  |
| Casing Internal Yield (psi)              | 3390                                                       | 10690 |  |  |
| Operators Max Anticipated Pressure (psi) | 6890                                                       | 12.7  |  |  |

|                                               |                                                    |       |                                                         |                          |
|-----------------------------------------------|----------------------------------------------------|-------|---------------------------------------------------------|--------------------------|
| Calculations                                  | Surf String                                        | 8.625 | "                                                       |                          |
| Max BHP (psi)                                 | .052*Setting Depth*MW=                             | 1039  |                                                         |                          |
|                                               |                                                    |       | BOPE Adequate For Drilling And Setting Casing at Depth? |                          |
| MASP (Gas) (psi)                              | Max BHP-(0.12*Setting Depth)=                      | 754   | NO                                                      | air drill                |
| MASP (Gas/Mud) (psi)                          | Max BHP-(0.22*Setting Depth)=                      | 516   | NO                                                      | Reasonable depth in area |
|                                               |                                                    |       | *Can Full Expected Pressure Be Held At Previous Shoe?   |                          |
| Pressure At Previous Shoe                     | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | 516   | NO                                                      |                          |
| Required Casing/BOPE Test Pressure=           |                                                    | 2373  | psi                                                     |                          |
| *Max Pressure Allowed @ Previous Casing Shoe= |                                                    | 0     | psi *Assumes 1psi/ft frac gradient                      |                          |

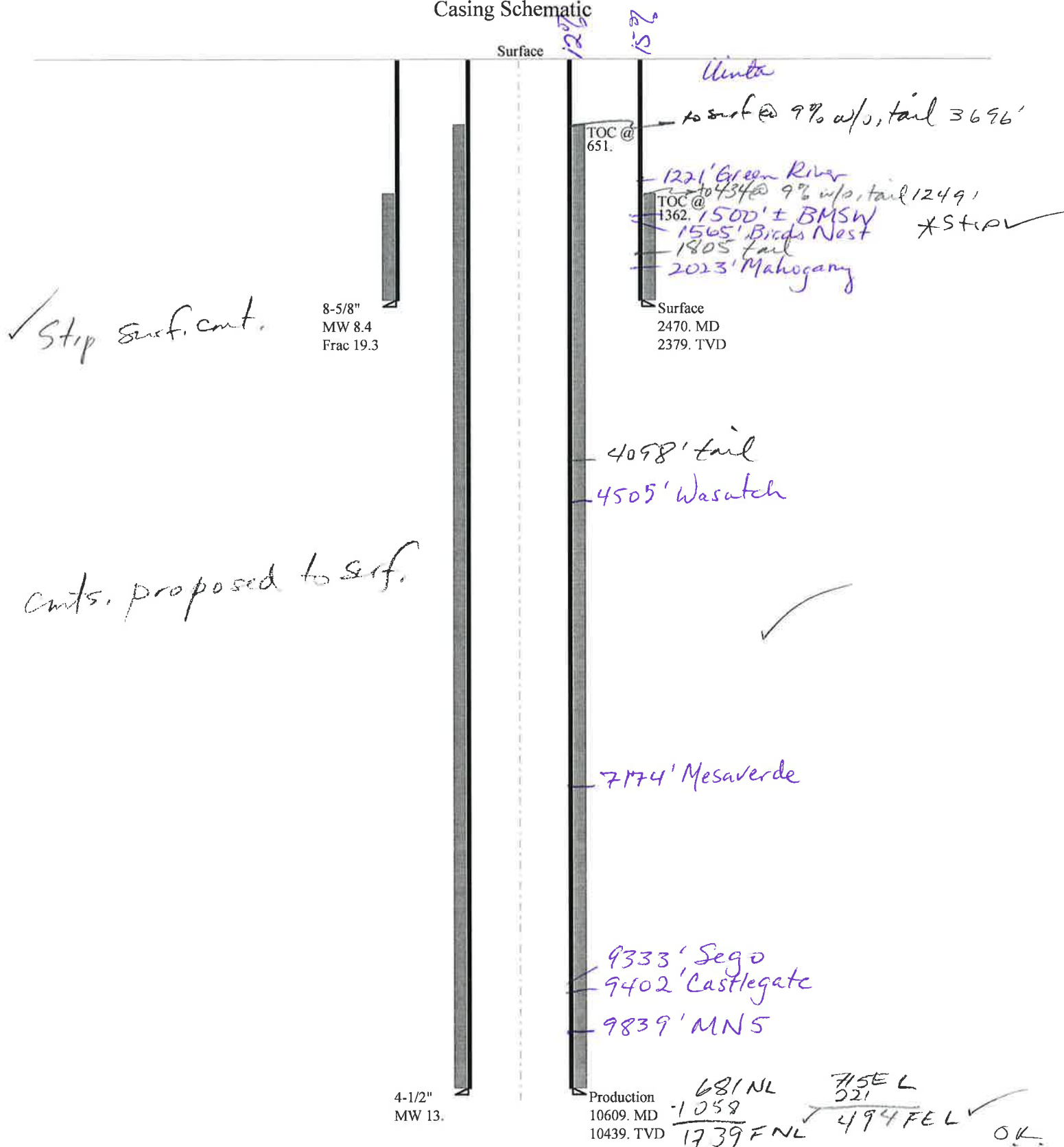
|                                               |                                                    |       |                                                         |            |
|-----------------------------------------------|----------------------------------------------------|-------|---------------------------------------------------------|------------|
| Calculations                                  | Prod String                                        | 4.500 | "                                                       |            |
| Max BHP (psi)                                 | .052*Setting Depth*MW=                             | 7057  |                                                         |            |
|                                               |                                                    |       | BOPE Adequate For Drilling And Setting Casing at Depth? |            |
| MASP (Gas) (psi)                              | Max BHP-(0.12*Setting Depth)=                      | 5804  | NO                                                      |            |
| MASP (Gas/Mud) (psi)                          | Max BHP-(0.22*Setting Depth)=                      | 4760  | YES                                                     | OK         |
|                                               |                                                    |       | *Can Full Expected Pressure Be Held At Previous Shoe?   |            |
| Pressure At Previous Shoe                     | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= | 5284  | NO                                                      | Reasonable |
| Required Casing/BOPE Test Pressure=           |                                                    | 5000  | psi                                                     |            |
| *Max Pressure Allowed @ Previous Casing Shoe= |                                                    | 2379  | 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                                                      |  |
| MASP (Gas/Mud) (psi)                          | Max BHP-(0.22*Setting Depth)=                      |  | NO                                                      |  |
|                                               |                                                    |  | *Can Full Expected Pressure Be Held At Previous Shoe?   |  |
| Pressure At Previous Shoe                     | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= |  | NO                                                      |  |
| 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                                                      |  |
| MASP (Gas/Mud) (psi)                          | Max BHP-(0.22*Setting Depth)=                      |  | NO                                                      |  |
|                                               |                                                    |  | *Can Full Expected Pressure Be Held At Previous Shoe?   |  |
| Pressure At Previous Shoe                     | Max BHP-.22*(Setting Depth - Previous Shoe Depth)= |  | NO                                                      |  |
| Required Casing/BOPE Test Pressure=           |                                                    |  | psi                                                     |  |
| *Max Pressure Allowed @ Previous Casing Shoe= |                                                    |  | psi *Assumes 1psi/ft frac gradient                      |  |

# 43047522710000 Morgan State 921-36H1CS

## Casing Schematic



SE NE Sec 36-9S-21E

|              |                                               |             |              |
|--------------|-----------------------------------------------|-------------|--------------|
| Well name:   | <b>43047522710000 Morgan State 921-36H1CS</b> |             |              |
| Operator:    | <b>KERR-MCGEE OIL &amp; GAS ONSHORE, L.P.</b> |             |              |
| String type: | Surface                                       | Project ID: | 43-047-52271 |
| Location:    | UINTAH                                        | COUNTY      |              |

**Design parameters:****Collapse**

Mud weight: 8.400 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: 107 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 100 ft

Cement top: 1,362 ft

**Burst**

Max anticipated surface pressure: 2,094 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 2,379 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: 2,151 ft

**Directional Info - Build & Drop**

Kick-off point 300 ft  
Departure at shoe: 573 ft  
Maximum dogleg: 2 °/100ft  
Inclination at shoe: 20 °

**Re subsequent strings:**

Next setting depth: 10,439 ft  
Next mud weight: 13.000 ppg  
Next setting BHP: 7,050 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 2,379 ft  
Injection pressure: 2,379 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       | 2470                | 8.625                   | 24.00                   | J-55             | ST&C                 | 2379                 | 2470                | 7.972                   | 12716                 |
| 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       | 1038                | 1370                    | 1.320                   | 2379             | 2950                 | 1.24                 | 57.1                | 244                     | 4.27 J                |

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

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

Date: March 1,2012  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 2379 ft, a mud weight of 8.4 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:   | <b>43047522710000 Morgan State 921-36H1CS</b> |                             |
| Operator:    | <b>KERR-MCGEE OIL &amp; GAS ONSHORE, L.P.</b> |                             |
| String type: | Production                                    | Project ID:<br>43-047-52271 |
| Location:    | UINTAH COUNTY                                 |                             |

**Design parameters:****Collapse**

Mud weight: 13.000 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: 220 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 100 ft

Cement top: 651 ft

**Burst**

Max anticipated surface pressure: 4,753 psi  
Internal gradient: 0.220 psi/ft  
Calculated BHP 7,050 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)

**Directional Info - Build & Drop**

Kick-off point 300 ft  
Departure at shoe: 1081 ft  
Maximum dogleg: 2 °/100ft  
Inclination at shoe: 0 °

Tension is based on air weight.  
Neutral point: 8,580 ft

Estimated cost: 159,024 (\$)

| 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 (\$) |
|---------|---------------------|-----------|-------------------------|---------|------------|----------------------|---------------------|---------------------|----------------|
| 2       | 5000                | 4.5       | 11.60                   | HCP-110 | DQX        | 4830                 | 5000                | 3.875               | 132000         |
| 1       | 5609                | 4.5       | 11.60                   | HCP-110 | LT&C       | 10439                | 10609               | 3.875               | 27024          |

| 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 |
|---------|---------------------|-------------------------|------------------------|------------------|----------------------|---------------------|---------------------|-------------------------|-----------------------|
| 2       | 3262                | 8124                    | 2.491                  | 5816             | 10690                | 1.84                | 121.1               | 367.2                   | 3.03 B                |
| 1       | 7050                | 8650                    | 1.227                  | 7050             | 10690                | 1.52                | 65.1                | 279                     | 4.29 J                |

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

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

Date: March 1, 2012  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 10439 ft, a mud weight of 13 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.

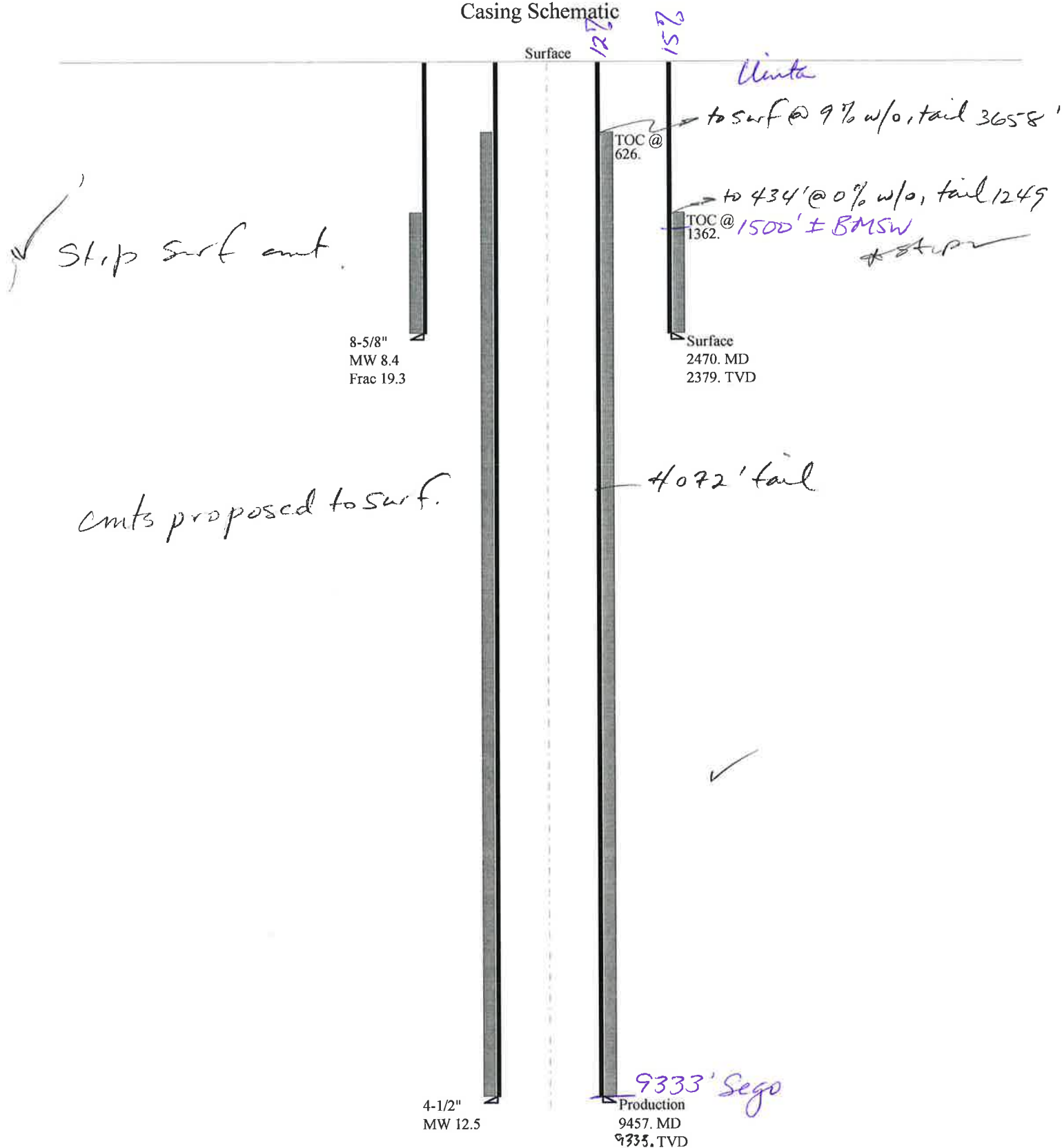
Burst strength is not adjusted for tension.

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

*Engineering responsibility for use of this design will be that of the purchaser.*

# 43047522710000 Morgan State 921-36H1CS

## Casing Schematic



|              |                                               |                             |
|--------------|-----------------------------------------------|-----------------------------|
| Well name:   | <b>43047522710000 Morgan State 921-36H1CS</b> |                             |
| Operator:    | <b>KERR-MCGEE OIL &amp; GAS ONSHORE, L.P.</b> |                             |
| String type: | Surface                                       | Project ID:<br>43-047-52271 |
| Location:    | UINTAH COUNTY                                 |                             |

**Design parameters:****Collapse**

Mud weight: 8.400 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: 107 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 100 ft

Cement top: 1,362 ft

**Burst**

Max anticipated surface pressure: 2,094 psi  
Internal gradient: 0.120 psi/ft  
Calculated BHP 2,379 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: 2,156 ft

**Directional Info - Build & Drop**

Kick-off point 300 ft  
Departure at shoe: 573 ft  
Maximum dogleg: 2 °/100ft  
Inclination at shoe: 20 °

**Re subsequent strings:**

Next setting depth: 9,287 ft  
Next mud weight: 12.500 ppg  
Next setting BHP: 6,031 psi  
Fracture mud wt: 19.250 ppg  
Fracture depth: 2,379 ft  
Injection pressure: 2,379 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       | 2470                | 8.625     | 28.00                   | I-55  | LT&C       | 2379                 | 2470                | 7.892               | 97812          |

| 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       | 1038                | 1880                    | 1.811                  | 2379             | 3390                 | 1.42                | 66.6                | 348                     | 5.22 J                |

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

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

Date: March 1, 2012  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 2379 ft, a mud weight of 8.4 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

*Engineering responsibility for use of this design will be that of the purchaser.*

|              |                                               |                             |
|--------------|-----------------------------------------------|-----------------------------|
| Well name:   | <b>43047522710000 Morgan State 921-36H1CS</b> |                             |
| Operator:    | <b>KERR-MCGEE OIL &amp; GAS ONSHORE, L.P.</b> |                             |
| String type: | Production                                    | Project ID:<br>43-047-52271 |
| Location:    | UINTAH COUNTY                                 |                             |

**Design parameters:****Collapse**

Mud weight: 12.500 ppg  
Internal fluid density: 1.000 ppg

**Minimum design factors:****Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
Surface temperature: 74 °F  
Bottom hole temperature: 204 °F  
Temperature gradient: 1.40 °F/100ft  
Minimum section length: 100 ft

Cement top: 626 ft

**Burst**

Max anticipated surface pressure: 3,987 psi  
Internal gradient: 0.220 psi/ft  
Calculated BHP 6,031 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: 7,722 ft

**Directional Info - Build & Drop**

Kick-off point 300 ft  
Departure at shoe: 1081 ft  
Maximum dogleg: 2 °/100ft  
Inclination at shoe: 0 °

Estimated cost: 190,832 (\$)

| 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 (\$) |
|---------|---------------------|-----------|-------------------------|-------|------------|----------------------|---------------------|---------------------|----------------|
| 2       | 5000                | 4.5       | 11.60                   | I-80  | DQX        | 4830                 | 5000                | 3.875               | 132000         |
| 1       | 4457                | 4.5       | 11.60                   | I-80  | LT&C       | 9287                 | 9457                | 3.875               | 58832          |

| 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 |
|---------|---------------------|-------------------------|------------------------|------------------|----------------------|---------------------|---------------------|-------------------------|-----------------------|
| 2       | 2885                | 5918                    | 2.051                  | 5050             | 7780                 | 1.54                | 107.7               | 267                     | 2.48 J                |
| 1       | 5548                | 6360                    | 1.146                  | 6031             | 7780                 | 1.29                | 51.7                | 212                     | 4.10 J                |

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

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

Date: March 1, 2012  
Salt Lake City, Utah

**Remarks:**

Collapse is based on a vertical depth of 9287 ft, a mud weight of 12.5 ppg. An internal gradient of .052 psi/ft was used for collapse from TD. 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

*Engineering responsibility for use of this design will be that of the purchaser.*

**From:** Jim Davis  
**To:** APD APPROVAL  
**CC:** Danielle Piernot; Julie Jacobson  
**Date:** 4/2/2012 1:51 PM  
**Subject:** Morgan State 921-36A Morgan State 921-36I pad wells

The following wells have been approved by SITLA including arch and paleo clearance.

Morgan State 921-36A4BS (4304752268)  
Morgan State 921-36A4CS (4304752269)  
Morgan State 921-36H1BS (4304752270)  
Morgan State 921-36H1CS (4304752271)  
Morgan State 921-36I1CS (4304752251)  
Morgan State 921-36H4BS (4304752288)  
Morgan State 921-36H4CS (4304752289)  
Morgan State 921-36I1BS (4304752290)

Thanks.  
-Jim

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

# **ON-SITE PREDRILL EVALUATION**

## **Utah Division of Oil, Gas and Mining**

**Operator** KERR-MCGEE OIL & GAS ONSHORE, L.P.  
**Well Name** Morgan State 921-36H1CS  
**API Number** 43047522710000      **APD No** 5055      **Field/Unit** NATURAL BUTTES  
**Location: 1/4,1/4** NENE      **Sec** 36      **Tw** 9.0S      **Rng** 21.0E      681 FNL 715 FEL  
**GPS Coord (UTM)** 628631 4428610      **Surface Owner**

### **Participants**

Sheila Wopsock, Charles Chase, Danielle Piernot, Doyle Holmes, (Anadarko). John Slaugh, Mitch Batty, (Timberline). Jim Davis (SITLA). Alex Hansen (DWR). Chris Jensen and David Hackford, (DOGM).

### **Regional/Local Setting & Topography**

This site is on an existing location, and very little new construction will be necessary.

This location is within the Natural Buttes Unit but this section is not part of the Natural Buttes Unit. It is approximately 14 road miles southeast of Ouray, Utah. The general area is at the head of a long unnamed wash east of Cottonwood Wash. Both washes enter the White River in the same general area, approximately six miles to the north. The area is characterized by rolling hills, which are frequently divided by somewhat gentle draws that drain northerly. This unnamed wash is an ephemeral drainage. No springs, seeps or streams exist in the area. An occasional pond constructed to supply water for cattle and antelope exists. The washes are sometimes rimmed with steep side hills, which have exposed sandstone bedrock cliffs along the rims.

Four new directional wells will be drilled from this location which currently has one well, the Morgan State 8-36. The decision to PA or TA this existing well hasn't been made at this time.

### **Surface Use Plan**

#### **Current Surface Use**

Grazing  
Wildlfe Habitat  
Existing Well Pad

| <b>New Road<br/>Miles</b> | <b>Well Pad</b>                    | <b>Src Const Material</b> | <b>Surface Formation</b> |
|---------------------------|------------------------------------|---------------------------|--------------------------|
| 0                         | <b>Width</b> 287 <b>Length</b> 435 | 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. Principal species present are cheatgrass, black sagebrush, stipa, mesquite grass.

Sheep, antelope, coyote, raptors, small mammals and birds.

### Soil Type and Characteristics

Rocky sandy clay loam.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diversion Required? N

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

|                                          |                  |                           |
|------------------------------------------|------------------|---------------------------|
| <b>Distance to Groundwater (feet)</b>    | >200             | 0                         |
| <b>Distance to Surface Water (feet)</b>  | >1000            | 0                         |
| <b>Dist. Nearest Municipal Well (ft)</b> | >5280            | 0                         |
| <b>Distance to Other Wells (feet)</b>    |                  | 20                        |
| <b>Native Soil Type</b>                  | Mod permeability | 10                        |
| <b>Fluid Type</b>                        | Fresh Water      | 5                         |
| <b>Drill Cuttings</b>                    | Normal Rock      | 0                         |
| <b>Annual Precipitation (inches)</b>     |                  | 0                         |
| <b>Affected Populations</b>              |                  |                           |
| <b>Presence Nearby Utility Conduits</b>  | Not Present      | 0                         |
| <b>Final Score</b>                       |                  | 35    1 Sensitivity Level |

#### Characteristics / Requirements

The reserve pit is planned in an area of cut on the northwest corner of the location. Dimensions are 240' x 80' x 12' deep with two feet of freeboard. Kerr McGee has agreed to line this pit with a 30 mil synthetic liner and a layer of felt sub-liner.

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

### Other Observations / Comments

David Hackford  
Evaluator

1/11/2012  
Date / Time

# Application for Permit to Drill Statement of Basis

## Utah Division of Oil, Gas and Mining

4/10/2012

|                  |                                                                      |               |                          |                   |            |
|------------------|----------------------------------------------------------------------|---------------|--------------------------|-------------------|------------|
| <b>APD No</b>    | <b>API WellNo</b>                                                    | <b>Status</b> | <b>Well Type</b>         | <b>Surf Owner</b> | <b>CBM</b> |
| 5055             | 43047522710000                                                       | SITLA         | GW                       | S                 | No         |
| <b>Operator</b>  | KERR-MCGEE OIL & GAS ONSHORE, L.P.                                   |               | <b>Surface Owner-APD</b> |                   |            |
| <b>Well Name</b> | Morgan State 921-36H1CS                                              |               | <b>Unit</b>              |                   |            |
| <b>Field</b>     | NATURAL BUTTES                                                       |               | <b>Type of Work</b>      | DRILL             |            |
| <b>Location</b>  | NENE 36 9S 21E S 681 FNL 715 FEL GPS Coord<br>(UTM) 628636E 4428618N |               |                          |                   |            |

### Geologic Statement of Basis

Kerr McGee proposes to set 2,470' 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 1,500'. A search of Division of Water Rights records shows one water well within a 10,000 foot radius of the center of Section 36. The well is listed as 2,640 feet deep and used for drilling water. 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. The proposed casing and cement should adequately protect. Any usable ground water.

Brad Hill  
APD Evaluator

2/7/2012  
Date / Time

### Surface Statement of Basis

The general area is in the central 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 six miles. 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 42.8 miles to the northwest. Access from Vernal is by following Utah State, Uintah County and oilfield development roads.

Four wells will be directionally drilled from this location. They are the Morgan State 921-36H1CS, Morgan State 921-36H1BS, Morgan State 921-36A4CS and the Morgan State 921-36A4BS. The existing location currently has one well. This well is the Morgan State 8-36. The decision to PA or TA this well has not been made at this time. No drainage concerns exist, and no diversions will be needed. The pad as modified should be stable and sufficient for five wells, and is the best site for a location in the immediate area.

New construction will consist of approximately 100 feet on the south, 100 feet on the west, 75 feet on the north, and 100 feet on the east side of the existing location.

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

**RECEIVED: April 10, 2012**

David Hackford  
Onsite Evaluator

1/11/2012  
Date / Time

**Conditions of Approval / Application for Permit to Drill**

| Category | Condition                                                                                                                                 |
|----------|-------------------------------------------------------------------------------------------------------------------------------------------|
| Pits     | A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit. |
| Pits     | The reserve pit should be located on the northwest side of the location.                                                                  |

## WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 12/19/2011

API NO. ASSIGNED: 43047522710000

WELL NAME: Morgan State 921-36H1CS

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

PHONE NUMBER: 720 929-6156

CONTACT: Danielle Piernot

PROPOSED LOCATION: NENE 36 090S 210E

Permit Tech Review: ☒

SURFACE: 0681 FNL 0715 FEL

Engineering Review: ☒

BOTTOM: 1739 FNL 0493 FEL

Geology Review: ☒

COUNTY: UINTAH

LATITUDE: 39.99795

LONGITUDE: -109.49309

UTM SURF EASTINGS: 628636.00

NORTHINGS: 4428618.00

FIELD NAME: NATURAL BUTTES

LEASE TYPE: 3 - State

LEASE NUMBER: ML 22265

PROPOSED PRODUCING FORMATION(S): BLACKHAWK

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:

☐ R649-3-2. General☐ R649-3-3. Exception☒ Drilling Unit

Board Cause No: Cause 173-24

Effective Date: 10/5/2009

Siting: 460' Fr Exterior Lease Boundary

☒ R649-3-11. Directional Drill

Comments: Presite Completed

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

RECEIVED: April 10, 2012



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:** Morgan State 921-36H1CS

**API Well Number:** 43047522710000

**Lease Number:** ML 22265

**Surface Owner:** STATE

**Approval Date:** 4/10/2012

### 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 173-24. The expected producing formation or pool is the BLACKHAWK 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. 173-24, 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:

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

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.

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:**

A handwritten signature in black ink, appearing to read "J. Rogers", written over a faint horizontal line.

For John Rogers  
Associate Director, Oil & Gas

## BLM - Vernal Field Office - Notification Form

Operator KERR-McGEE OIL & GAS Rig Name/# BUCKET RIG  
Submitted By CARA MAHLER Phone Number 720.929.6029  
Well Name/Number MORGAN STATE 921-36H1CS  
Qtr/Qtr NENE Section 36 Township 9S Range 21E  
Lease Serial Number ML 22265  
API Number 4304752271

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

Date/Time 07/30/2012 16:00 HRS AM ☐ PM ☐

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

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

Date/Time 08/13/2012 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 LOVEL YOUNG AT 435.781.7051

|                                                                                                                                                                                                                                                                                                            |                                                                            |                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------------------------|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING                                                                                                                                                                                                                |                                                                            | <b>FORM 9</b>                                              |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.         |                                                                            | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>ML 22265 |
| <b>1. TYPE OF WELL</b><br>Gas Well                                                                                                                                                                                                                                                                         |                                                                            | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.                                                                                                                                                                                                                                          |                                                                            | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779                                                                                                                                                                                                      |                                                                            | <b>8. WELL NAME and NUMBER:</b><br>Morgan State 921-36H1CS |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0681 FNL 0715 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NENE Section: 36 Township: 09.0S Range: 21.0E Meridian: S                                                                                                |                                                                            | <b>9. API NUMBER:</b><br>43047522710000                    |
| <b>PHONE NUMBER:</b><br>720 929-6514                                                                                                                                                                                                                                                                       |                                                                            | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UINTAH                                                                                                                                                                                                                                                                                   |                                                                            | <b>STATE:</b><br>UTAH                                      |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA                                                                                                                                                                                                                            |                                                                            |                                                            |
| <b>TYPE OF SUBMISSION</b>                                                                                                                                                                                                                                                                                  | <b>TYPE OF ACTION</b>                                                      |                                                            |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:                                                                                                                                                                                                                             | <input type="checkbox"/> ACIDIZE                                           |                                                            |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:                                                                                                                                                                                                                                     | <input type="checkbox"/> ALTER CASING                                      |                                                            |
| <input checked="" type="checkbox"/> SPUD REPORT<br>Date of Spud:<br>7/31/2012                                                                                                                                                                                                                              | <input type="checkbox"/> CASING REPAIR                                     |                                                            |
| <input type="checkbox"/> DRILLING REPORT<br>Report Date:                                                                                                                                                                                                                                                   | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS                          |                                                            |
|                                                                                                                                                                                                                                                                                                            | <input type="checkbox"/> CHANGE WELL STATUS                                |                                                            |
|                                                                                                                                                                                                                                                                                                            | <input type="checkbox"/> CHANGE WELL NAME                                  |                                                            |
|                                                                                                                                                                                                                                                                                                            | <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 style="width: 100px;" type="text"/> |                                                            |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.<br>MIRU TRIPLE A BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'.<br>RAN 14" 36.7# SCHEDULE 10 CONDUCTOR PIPE. CMT W/28 SX READY MIX. SPUD WELL LOCATION ON 7/31/2012 AT 10:00 HRS. |                                                                            |                                                            |
| Accepted by the<br>Utah Division of<br>Oil, Gas and Mining<br><b>FOR RECORD ONLY</b><br>August 14, 2012                                                                                                                                                                                                    |                                                                            |                                                            |
| <b>NAME (PLEASE PRINT)</b><br>Cara Mahler                                                                                                                                                                                                                                                                  | <b>PHONE NUMBER</b><br>720 929-6029                                        | <b>TITLE</b><br>Regulatory Analyst I                       |
| <b>SIGNATURE</b><br>N/A                                                                                                                                                                                                                                                                                    | <b>DATE</b><br>8/9/2012                                                    |                                                            |

**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) 929-6029

**Well 1**

| API Number                                                                                                                                                              | Well Name               |                   | QQ        | Sec | Twp | Rng                              | County |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304752271                                                                                                                                                              | MORGAN STATE 921-36H1CS |                   | NENE      | 36  | 9S  | 21E                              | UINTAH |
| Action Code                                                                                                                                                             | Current Entity Number   | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |        |
| A                                                                                                                                                                       | 99999                   | 186666            | 7/31/2012 |     |     | 8/20/2012                        |        |
| <b>Comments:</b> MIRU BUCKET RIG. <span style="float: right;">MVRD</span><br>SPUD WELL LOCATION ON 7/31/2012 AT 10:00 HRS. <span style="float: right;">BHL: Sene</span> |                         |                   |           |     |     |                                  |        |

**Well 2**

| API Number                                                                                                                                                              | Well Name               |                   | QQ        | Sec | Twp | Rng                              | County |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304752270                                                                                                                                                              | MORGAN STATE 921-36H1BS |                   | NENE      | 36  | 9S  | 21E                              | UINTAH |
| Action Code                                                                                                                                                             | Current Entity Number   | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |        |
| A                                                                                                                                                                       | 99999                   | 186667            | 7/31/2012 |     |     | 8/20/2012                        |        |
| <b>Comments:</b> MIRU BUCKET RIG. <span style="float: right;">MVRD</span><br>SPUD WELL LOCATION ON 7/31/2012 AT 12:30 HRS. <span style="float: right;">BHL: Sene</span> |                         |                   |           |     |     |                                  |        |

**Well 3**

| API Number                                                                                                                                                              | Well Name               |                   | QQ        | Sec | Twp | Rng                              | County |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 4304752269                                                                                                                                                              | MORGAN STATE 921-36A4CS |                   | NENE      | 36  | 9S  | 21E                              | UINTAH |
| Action Code                                                                                                                                                             | Current Entity Number   | New Entity Number | Spud Date |     |     | Entity Assignment Effective Date |        |
| A                                                                                                                                                                       | 99999                   | 186668            | 7/31/2012 |     |     | 8/20/2012                        |        |
| <b>Comments:</b> MIRU BUCKET RIG. <span style="float: right;">MVRD</span><br>SPUD WELL LOCATION ON 7/31/2012 AT 15:00 HRS. <span style="float: right;">BHL: nene</span> |                         |                   |           |     |     |                                  |        |

**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)

CARA MAHLER

Name (Please Print)

Signature

REGULATORY ANALYST

Title

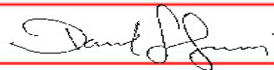
8/9/2012

Date

**RECEIVED**  
**AUG 15 2012**  
Div. of Oil, Gas & Mining

|                                                                                                                                                                                                                                                                                                    |                                                                            |                                                            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------------------------|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING                                                                                                                                                                                                        |                                                                            | <b>FORM 9</b>                                              |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |                                                                            | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>ML 22265 |
| <b>1. TYPE OF WELL</b><br>Gas Well                                                                                                                                                                                                                                                                 |                                                                            | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.                                                                                                                                                                                                                                  |                                                                            | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779                                                                                                                                                                                              |                                                                            | <b>8. WELL NAME and NUMBER:</b><br>MORGAN STATE 921-36H1CS |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0681 FNL 0715 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NENE Section: 36 Township: 09.0S Range: 21.0E Meridian: S                                                                                        |                                                                            | <b>9. API NUMBER:</b><br>43047522710000                    |
| <b>PHONE NUMBER:</b><br>720 929-6510                                                                                                                                                                                                                                                               |                                                                            | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UINTAH                                                                                                                                                                                                                                                                           |                                                                            | <b>STATE:</b><br>UTAH                                      |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA                                                                                                                                                                                                                    |                                                                            |                                                            |
| <b>TYPE OF SUBMISSION</b>                                                                                                                                                                                                                                                                          | <b>TYPE OF ACTION</b>                                                      |                                                            |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:                                                                                                                                                                                                                     | <input type="checkbox"/> ACIDIZE                                           |                                                            |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:                                                                                                                                                                                                                             | <input type="checkbox"/> ALTER CASING                                      |                                                            |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:                                                                                                                                                                                                                                              | <input type="checkbox"/> CASING REPAIR                                     |                                                            |
| <input checked="" type="checkbox"/> DRILLING REPORT<br>Report Date:<br>10/2/2012                                                                                                                                                                                                                   | <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"/> 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 style="width: 100px;" type="text"/> |                                                            |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.<br>No Activity for the month of September 2012. Well TD at 2,589.                                                                                                         |                                                                            |                                                            |
| Accepted by the<br>Utah Division of<br>Oil, Gas and Mining<br><b>FOR RECORD ONLY</b><br>October 03, 2012                                                                                                                                                                                           |                                                                            |                                                            |
| <b>NAME (PLEASE PRINT)</b><br>Lindsey Frazier                                                                                                                                                                                                                                                      | <b>PHONE NUMBER</b><br>720 929-6857                                        | <b>TITLE</b><br>Regulatory Analyst II                      |
| <b>SIGNATURE</b><br>N/A                                                                                                                                                                                                                                                                            | <b>DATE</b><br>10/2/2012                                                   |                                                            |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                            |                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------------------------|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                            | <b>FORM 9</b>                                              |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.                                                                                                                                                                                                                                                                                                                                                                                            |                                                                            | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>ML 22265 |
| <b>1. TYPE OF WELL</b><br>Gas Well                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                            | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                            | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                            | <b>8. WELL NAME and NUMBER:</b><br>MORGAN STATE 921-36H1CS |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0681 FNL 0715 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NENE Section: 36 Township: 09.0S Range: 21.0E Meridian: S                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                            | <b>9. API NUMBER:</b><br>43047522710000                    |
| <b>PHONE NUMBER:</b><br>720 929-6510                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                            | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UINTAH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                            | <b>STATE:</b><br>UTAH                                      |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                            |                                                            |
| <b>TYPE OF SUBMISSION</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>TYPE OF ACTION</b>                                                      |                                                            |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> ACIDIZE                                           |                                                            |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <input type="checkbox"/> ALTER CASING                                      |                                                            |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <input type="checkbox"/> CASING REPAIR                                     |                                                            |
| <input checked="" type="checkbox"/> DRILLING REPORT<br>Report Date:<br>10/18/2012                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS                          |                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <input type="checkbox"/> CHANGE WELL STATUS                                |                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <input type="checkbox"/> CHANGE WELL NAME                                  |                                                            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <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 style="width: 100px;" type="text"/> |                                                            |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.<br><br><div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">           FINISHED DRILLING TO 10,605.00' ON 10/16/2012. CEMENTED PRODUCTION CASING. RELEASED H&amp;P 298 RIG ON 10/18/2012. DETAILS OF CASING AND CEMENT WILL BE INCLUDED WITH THE WELL COMPLETION REPORT. WELL IS WAITING ON FINAL COMPLETION ACTIVITIES.         </div> <div style="width: 35%; text-align: center;"> <b>Accepted by the<br/>Utah Division of<br/>Oil, Gas and Mining<br/>FOR RECORD ONLY</b><br/>           October 22, 2012         </div> </div> |                                                                            |                                                            |
| <b>NAME (PLEASE PRINT)</b><br>Lindsey Frazier                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>PHONE NUMBER</b><br>720 929-6857                                        | <b>TITLE</b><br>Regulatory Analyst II                      |
| <b>SIGNATURE</b><br>N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>DATE</b><br>10/22/2012                                                  |                                                            |

|                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>FORM 9</b>                                              |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>ML 22265 |
| <b>1. TYPE OF WELL</b><br>Gas Well                                                                                                                                                                                                                                                                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779                                                                                                                                                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>8. WELL NAME and NUMBER:</b><br>MORGAN STATE 921-36H1CS |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0681 FNL 0715 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NENE Section: 36 Township: 09.0S Range: 21.0E Meridian: S                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>9. API NUMBER:</b><br>43047522710000                    |
| <b>5. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UTAH                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>STATE:</b><br>UTAH                                      |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                            |
| <b>TYPE OF SUBMISSION</b>                                                                                                                                                                                                                                                                                                                                        | <b>TYPE OF ACTION</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                            |
| <input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b><br>Approximate date work will start:<br><b>8/24/2012</b><br><br><input type="checkbox"/> <b>SUBSEQUENT REPORT</b><br>Date of Work Completion:<br><br><input type="checkbox"/> <b>SPUD REPORT</b><br>Date of Spud:<br><br><input type="checkbox"/> <b>DRILLING REPORT</b><br>Report Date:             | <div style="display: flex; flex-wrap: wrap;"> <div style="width: 33%;"> <input type="checkbox"/> ACIDIZE<br/> <input type="checkbox"/> CHANGE TO PREVIOUS PLANS<br/> <input type="checkbox"/> CHANGE WELL STATUS<br/> <input type="checkbox"/> DEEPEN<br/> <input type="checkbox"/> OPERATOR CHANGE<br/> <input type="checkbox"/> PRODUCTION START OR RESUME<br/> <input type="checkbox"/> REPERFORATE CURRENT FORMATION<br/> <input type="checkbox"/> TUBING REPAIR<br/> <input type="checkbox"/> WATER SHUTOFF<br/> <input type="checkbox"/> WILDCAT WELL DETERMINATION         </div> <div style="width: 33%;"> <input type="checkbox"/> ALTER CASING<br/> <input type="checkbox"/> CHANGE TUBING<br/> <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS<br/> <input type="checkbox"/> FRACTURE TREAT<br/> <input type="checkbox"/> PLUG AND ABANDON<br/> <input type="checkbox"/> RECLAMATION OF WELL SITE<br/> <input type="checkbox"/> SIDETRACK TO REPAIR WELL<br/> <input type="checkbox"/> VENT OR FLARE<br/> <input type="checkbox"/> SI TA STATUS EXTENSION<br/> <input checked="" type="checkbox"/> OTHER         </div> <div style="width: 33%;"> <input type="checkbox"/> CASING REPAIR<br/> <input type="checkbox"/> CHANGE WELL NAME<br/> <input type="checkbox"/> CONVERT WELL TYPE<br/> <input type="checkbox"/> NEW CONSTRUCTION<br/> <input type="checkbox"/> PLUG BACK<br/> <input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION<br/> <input type="checkbox"/> TEMPORARY ABANDON<br/> <input type="checkbox"/> WATER DISPOSAL<br/> <input type="checkbox"/> APD EXTENSION         </div> </div> |                                                            |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.<br>The operator proposes drill cutting options for the Morgan State 921-36A Pad which includes: Morgan State 921-36H1CS, Morgan State 921-36H1BS, Morgan State 921-36A4CS, and Morgan State 921-36A4BS. Please see attached. Thank you. |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                            |
| <b>Approved by the<br/>Utah Division of<br/>Oil, Gas and Mining</b><br><br><b>Date:</b> <u>October 26, 2012</u><br><br><b>By:</b> <u></u>                                                                                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                            |
| <b>NAME (PLEASE PRINT)</b><br>Cara Mahler                                                                                                                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>PHONE NUMBER</b><br>720 929-6029                        |
| <b>SIGNATURE</b><br>N/A                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | <b>TITLE</b><br>Regulatory Analyst I                       |
| <b>DATE</b><br>8/24/2012                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                            |



**The Utah Division of Oil, Gas, and Mining**

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

**Sundry Conditions of Approval Well Number 43047522710000**

**Cuttings are to be stored on location and used for future reclamation. Transport of cuttings to a commercial landfarm is not allowed. This is a one- time approval for the four Morgan State wells based on the analytical results for the cuttings.**

As part of Kerr-McGee's (KMG) on-going efforts to minimize surface impacts and reduce pad sizes in the Greater Natural Buttes, KMG is pursuing additional alternatives to more efficiently manage drilling and completion operations. As drilling operations progress further towards closed loop operations, larger pad locations and utilizing pits becomes less of a need.

Two additional options KMG would like to implement for managing drill cuttings, are hauling drill cuttings to an approved Utah Department of Oil, Gas and Mining Commercial Landfarm Disposal Facility, and incorporation of drill cuttings into the pad location during interim reclamation practices. In order to accomplish this all cuttings will be either be stock piled on location for use during interim reclamation or they will be stored in above ground containers prior to transport to an approved Utah Department of Oil, Gas and Mining Commercial Landfarm Disposal Facility.

|                                                                                                                                                                                                                                                                                                    |                                                                            |                                                            |
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| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING                                                                                                                                                                                                        |                                                                            | <b>FORM 9</b>                                              |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |                                                                            | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>ML 22265 |
| <b>1. TYPE OF WELL</b><br>Gas Well                                                                                                                                                                                                                                                                 |                                                                            | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.                                                                                                                                                                                                                                  |                                                                            | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779                                                                                                                                                                                              |                                                                            | <b>8. WELL NAME and NUMBER:</b><br>MORGAN STATE 921-36H1CS |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0681 FNL 0715 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NENE Section: 36 Township: 09.0S Range: 21.0E Meridian: S                                                                                        |                                                                            | <b>9. API NUMBER:</b><br>43047522710000                    |
| <b>PHONE NUMBER:</b><br>720 929-6510                                                                                                                                                                                                                                                               |                                                                            | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UTAH                                                                                                                                                                                                                                                                             |                                                                            | <b>STATE:</b><br>UTAH                                      |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA                                                                                                                                                                                                                    |                                                                            |                                                            |
| <b>TYPE OF SUBMISSION</b>                                                                                                                                                                                                                                                                          | <b>TYPE OF ACTION</b>                                                      |                                                            |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:                                                                                                                                                                                                                     | <input type="checkbox"/> ACIDIZE                                           |                                                            |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:                                                                                                                                                                                                                             | <input type="checkbox"/> ALTER CASING                                      |                                                            |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:                                                                                                                                                                                                                                              | <input type="checkbox"/> CASING REPAIR                                     |                                                            |
| <input checked="" type="checkbox"/> DRILLING REPORT<br>Report Date:<br>12/3/2012                                                                                                                                                                                                                   | <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"/> 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 style="width: 100px;" type="text"/> |                                                            |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.<br>No Activity for the month of November 2012. Well TD at 10,605.                                                                                                         |                                                                            |                                                            |
| Accepted by the<br>Utah Division of<br>Oil, Gas and Mining<br><b>FOR RECORD ONLY</b><br>December 04, 2012                                                                                                                                                                                          |                                                                            |                                                            |
| <b>NAME (PLEASE PRINT)</b><br>Jaime Scharnowske                                                                                                                                                                                                                                                    | <b>PHONE NUMBER</b><br>720 929-6304                                        | <b>TITLE</b><br>Regularatory Analyst                       |
| <b>SIGNATURE</b><br>N/A                                                                                                                                                                                                                                                                            | <b>DATE</b><br>12/3/2012                                                   |                                                            |

|                                                                                                                                                                                                                                                                                                    |                                                                            |                                                            |
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| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING                                                                                                                                                                                                        |                                                                            | <b>FORM 9</b>                                              |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. |                                                                            | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>ML 22265 |
| <b>1. TYPE OF WELL</b><br>Gas Well                                                                                                                                                                                                                                                                 |                                                                            | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.                                                                                                                                                                                                                                  |                                                                            | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779                                                                                                                                                                                              |                                                                            | <b>8. WELL NAME and NUMBER:</b><br>MORGAN STATE 921-36H1CS |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0681 FNL 0715 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NENE Section: 36 Township: 09.0S Range: 21.0E Meridian: S                                                                                        |                                                                            | <b>9. API NUMBER:</b><br>43047522710000                    |
| <b>PHONE NUMBER:</b><br>720 929-6514                                                                                                                                                                                                                                                               |                                                                            | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UINTAH                                                                                                                                                                                                                                                                           |                                                                            | <b>STATE:</b><br>UTAH                                      |
| <b>11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>                                                                                                                                                                                                             |                                                                            |                                                            |
| <b>TYPE OF SUBMISSION</b>                                                                                                                                                                                                                                                                          | <b>TYPE OF ACTION</b>                                                      |                                                            |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:                                                                                                                                                                                                                     | <input type="checkbox"/> ACIDIZE                                           |                                                            |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:                                                                                                                                                                                                                             | <input type="checkbox"/> ALTER CASING                                      |                                                            |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:                                                                                                                                                                                                                                              | <input type="checkbox"/> CASING REPAIR                                     |                                                            |
| <input checked="" type="checkbox"/> DRILLING REPORT<br>Report Date:<br>1/3/2013                                                                                                                                                                                                                    | <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"/> 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 style="width: 100px;" type="text"/> |                                                            |
| <b>12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.</b><br><br>Started completing the well. Well TD at 10,605                                                                                                              |                                                                            |                                                            |
| Accepted by the<br>Utah Division of<br>Oil, Gas and Mining<br><b>FOR RECORD ONLY</b><br>January 07, 2013                                                                                                                                                                                           |                                                                            |                                                            |
| <b>NAME (PLEASE PRINT)</b><br>Lindsey Frazier                                                                                                                                                                                                                                                      | <b>PHONE NUMBER</b><br>720 929-6857                                        | <b>TITLE</b><br>Regulatory Analyst II                      |
| <b>SIGNATURE</b><br>N/A                                                                                                                                                                                                                                                                            | <b>DATE</b><br>1/3/2013                                                    |                                                            |

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| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING                                                                                                                                                                                                        |                                                                            | <b>FORM 9</b>                                              |
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| <b>1. TYPE OF WELL</b><br>Gas Well                                                                                                                                                                                                                                                                 |                                                                            | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.                                                                                                                                                                                                                                  |                                                                            | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779                                                                                                                                                                                              |                                                                            | <b>8. WELL NAME and NUMBER:</b><br>MORGAN STATE 921-36H1CS |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0681 FNL 0715 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NENE Section: 36 Township: 09.0S Range: 21.0E Meridian: S                                                                                        |                                                                            | <b>9. API NUMBER:</b><br>43047522710000                    |
| <b>PHONE NUMBER:</b><br>720 929-6510                                                                                                                                                                                                                                                               |                                                                            | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UINTAH                                                                                                                                                                                                                                                                           |                                                                            | <b>STATE:</b><br>UTAH                                      |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA                                                                                                                                                                                                                    |                                                                            |                                                            |
| <b>TYPE OF SUBMISSION</b>                                                                                                                                                                                                                                                                          | <b>TYPE OF ACTION</b>                                                      |                                                            |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:                                                                                                                                                                                                                     | <input type="checkbox"/> ACIDIZE                                           |                                                            |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:                                                                                                                                                                                                                             | <input type="checkbox"/> ALTER CASING                                      |                                                            |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:                                                                                                                                                                                                                                              | <input type="checkbox"/> CASING REPAIR                                     |                                                            |
| <input checked="" type="checkbox"/> DRILLING REPORT<br>Report Date:<br>2/4/2013                                                                                                                                                                                                                    | <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"/> 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 style="width: 100px;" type="text"/> |                                                            |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.<br><br>Started completing the well. Well TD at 10,605                                                                                                                     |                                                                            |                                                            |
| Accepted by the<br>Utah Division of<br>Oil, Gas and Mining<br><b>FOR RECORD ONLY</b><br>February 13, 2013                                                                                                                                                                                          |                                                                            |                                                            |
| <b>NAME (PLEASE PRINT)</b><br>Laura Abrams                                                                                                                                                                                                                                                         | <b>PHONE NUMBER</b><br>720 929-6356                                        | <b>TITLE</b><br>Regulatory Analyst II                      |
| <b>SIGNATURE</b><br>N/A                                                                                                                                                                                                                                                                            | <b>DATE</b><br>2/4/2013                                                    |                                                            |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                            |                                                            |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------------------------|
| <b>STATE OF UTAH</b><br>DEPARTMENT OF NATURAL RESOURCES<br>DIVISION OF OIL, GAS, AND MINING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                                                                            | <b>FORM 9</b>                                              |
| <b>SUNDRY NOTICES AND REPORTS ON WELLS</b><br><br>Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.                                                                                                                                                                                                                                                                            |                                                                            | <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b><br>ML 22265 |
| <b>1. TYPE OF WELL</b><br>Gas Well                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |                                                                            | <b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>               |
| <b>2. NAME OF OPERATOR:</b><br>KERR-MCGEE OIL & GAS ONSHORE, L.P.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                            | <b>7. UNIT or CA AGREEMENT NAME:</b>                       |
| <b>3. ADDRESS OF OPERATOR:</b><br>P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                            | <b>8. WELL NAME and NUMBER:</b><br>MORGAN STATE 921-36H1CS |
| <b>4. LOCATION OF WELL</b><br><b>FOOTAGES AT SURFACE:</b><br>0681 FNL 0715 FEL<br><b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b><br>Qtr/Qtr: NENE Section: 36 Township: 09.0S Range: 21.0E Meridian: S                                                                                                                                                                                                                                                                                                                                                                   |                                                                            | <b>9. API NUMBER:</b><br>43047522710000                    |
| <b>PHONE NUMBER:</b><br>720 929-6510                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                                                                            | <b>9. FIELD and POOL or WILDCAT:</b><br>NATURAL BUTTES     |
| <b>COUNTY:</b><br>UTAH                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                            | <b>STATE:</b><br>UTAH                                      |
| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                                                            |                                                            |
| <b>TYPE OF SUBMISSION</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>TYPE OF ACTION</b>                                                      |                                                            |
| <input type="checkbox"/> NOTICE OF INTENT<br>Approximate date work will start:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <input type="checkbox"/> ACIDIZE                                           |                                                            |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>Date of Work Completion:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | <input type="checkbox"/> ALTER CASING                                      |                                                            |
| <input type="checkbox"/> SPUD REPORT<br>Date of Spud:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <input type="checkbox"/> CASING REPAIR                                     |                                                            |
| <input checked="" type="checkbox"/> DRILLING REPORT<br>Report Date:<br>2/22/2013                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | <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"/> 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 checked="" 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 style="width: 100px;" type="text"/> |                                                            |
| 12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.<br><br><div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>The subject well was placed on production on 02/22/2013. The Chronological Well History will be submitted with the well completion report.</p> </div> <div style="width: 35%; text-align: center;"> <p><b>Accepted by the<br/>Utah Division of<br/>Oil, Gas and Mining</b></p> <p><b>FOR RECORD ONLY</b></p> <p>February 25, 2013</p> </div> </div> |                                                                            |                                                            |
| <b>NAME (PLEASE PRINT)</b><br>Lindsey Frazier                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <b>PHONE NUMBER</b><br>720 929-6857                                        | <b>TITLE</b><br>Regulatory Analyst II                      |
| <b>SIGNATURE</b><br>N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | <b>DATE</b><br>2/25/2013                                                   |                                                            |

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

RECEIVED

MAR 27 2013

AMENDED REPORT ☐  
(highlight changes)

FORM 8

DIV. OF OIL, GAS & MINING

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

|                                                                                                                                                                                                                                                |                                                            |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|----------------|-------------------------|----------------------------|---------------------|------------------------------------------|-----------------------------------|
| 1a. TYPE OF WELL:<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> DRY <input type="checkbox"/> OTHER <input type="checkbox"/>                                                                                |                                                            | 7. UNIT or CA AGREEMENT NAME                                                                                                                                                                                                                                                                                              |           |                |                         |                            |                     |                                          |                                   |
| b. TYPE OF WORK:<br>NEW WELL <input checked="" type="checkbox"/> HORIZ. LATS. <input type="checkbox"/> DEEP-EN <input type="checkbox"/> RE-ENTRY <input type="checkbox"/> DIFF. RESVR. <input type="checkbox"/> OTHER <input type="checkbox"/> |                                                            | 8. WELL NAME and NUMBER:<br>MORGAN STATE 921-36H1CS                                                                                                                                                                                                                                                                       |           |                |                         |                            |                     |                                          |                                   |
| 2. NAME OF OPERATOR:<br>KERR MCGEE OIL & GAS ONSHORE, L.P.                                                                                                                                                                                     |                                                            | 9. API NUMBER:<br>4304752271                                                                                                                                                                                                                                                                                              |           |                |                         |                            |                     |                                          |                                   |
| 3. ADDRESS OF OPERATOR:<br>P.O.BOX 173779 CITY DENVER STATE CO ZIP 80217                                                                                                                                                                       |                                                            | PHONE NUMBER:<br>(720) 929-6000                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
| 4. LOCATION OF WELL (FOOTAGES)<br>AT SURFACE: NENE 681 FNL 715 FEL S36,T9S,R21E<br>AT TOP PRODUCING INTERVAL REPORTED BELOW: SENE 1720 FNL 504 FEL S36,T9S,R21E<br>AT TOTAL DEPTH: SENE 1764 FNL 481 FEL S36,T9S,R21E                          |                                                            | 10 FIELD AND POOL, OR WILDCAT<br>NATURAL BUTTES                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
| 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:<br>NENE 36 9S 21E S                                                                                                                                                                           |                                                            | 12. COUNTY<br>UINTAH                                                                                                                                                                                                                                                                                                      |           |                |                         |                            |                     |                                          |                                   |
| 13. STATE<br>UTAH                                                                                                                                                                                                                              |                                                            | 17. ELEVATIONS (DF, RKB, RT, GL):<br>4949 RKB                                                                                                                                                                                                                                                                             |           |                |                         |                            |                     |                                          |                                   |
| 14. DATE SPUNDED:<br>7/31/2012                                                                                                                                                                                                                 |                                                            | 15. DATE T.D. REACHED:<br>10/16/2012                                                                                                                                                                                                                                                                                      |           |                |                         |                            |                     |                                          |                                   |
| 16. DATE COMPLETED:<br>2/22/2013                                                                                                                                                                                                               |                                                            | ABANDONED <input type="checkbox"/> READY TO PRODUCE <input checked="" type="checkbox"/>                                                                                                                                                                                                                                   |           |                |                         |                            |                     |                                          |                                   |
| 18. TOTAL DEPTH: MD 10,605<br>TVD 10,448                                                                                                                                                                                                       |                                                            | 19. PLUG BACK T.D.: MD 10,549<br>TVD 10,392                                                                                                                                                                                                                                                                               |           |                |                         |                            |                     |                                          |                                   |
| 20. IF MULTIPLE COMPLETIONS, HOW MANY? *                                                                                                                                                                                                       |                                                            | 21. DEPTH BRIDGE MD<br>PLUG SET: TVD                                                                                                                                                                                                                                                                                      |           |                |                         |                            |                     |                                          |                                   |
| 22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)<br>CBL/GR/CCL/TEMP                                                                                                                                                       |                                                            | 23.<br>WAS WELL CORED? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit analysis)<br>WAS DST RUN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> (Submit report)<br>DIRECTIONAL SURVEY? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/> (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         | 2,581          |                         | 600                        |                     | 0                                        |                                   |
| 7 7/8"                                                                                                                                                                                                                                         | 4 1/2" P-110                                               | 11.6#                                                                                                                                                                                                                                                                                                                     | 0         | 10,596         |                         | 1,846                      |                     | 1900                                     |                                   |
|                                                                                                                                                                                                                                                |                                                            |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
|                                                                                                                                                                                                                                                |                                                            |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
|                                                                                                                                                                                                                                                |                                                            |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
| 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"                                                                                                                                                                                                                                         | 10,073                                                     |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
| 26. PRODUCING INTERVALS                                                                                                                                                                                                                        |                                                            |                                                                                                                                                                                                                                                                                                                           |           |                | 27. PERFORATION RECORD  |                            |                     |                                          |                                   |
| FORMATION NAME                                                                                                                                                                                                                                 | TOP (MD)                                                   | BOTTOM (MD)                                                                                                                                                                                                                                                                                                               | TOP (TVD) | BOTTOM (TVD)   | INTERVAL (Top/Bot - MD) | SIZE                       | NO. HOLES           | PERFORATION STATUS                       |                                   |
| (A) MESAVERDE                                                                                                                                                                                                                                  | 7,534                                                      | 10,415                                                                                                                                                                                                                                                                                                                    |           |                | 7,534 10,415            | 0.36                       | 240                 | 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                                |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
| 7534-10,415                                                                                                                                                                                                                                    | PUMP 14,362 BBLs SLICK H2O & 309,961 LBS 30/50 OTTAWA SAND |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
|                                                                                                                                                                                                                                                | 10 STAGES                                                  |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |
| 29. ENCLOSED ATTACHMENTS:                                                                                                                                                                                                                      |                                                            |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     | 30. WELL STATUS:                         |                                   |
| <input type="checkbox"/> ELECTRICAL/MECHANICAL LOGS <input type="checkbox"/> GEOLOGIC REPORT <input type="checkbox"/> DST REPORT <input checked="" type="checkbox"/> DIRECTIONAL SURVEY                                                        |                                                            |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     | PROD                                     |                                   |
| <input type="checkbox"/> SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION <input type="checkbox"/> CORE ANALYSIS <input type="checkbox"/> OTHER: _____                                                                                       |                                                            |                                                                                                                                                                                                                                                                                                                           |           |                |                         |                            |                     |                                          |                                   |

## 31. INITIAL PRODUCTION

## INTERVAL A (As shown in Item #26)

|                                   |  |                      |  |                      |  |             |  |           |  |               |                         |                              |                     |                 |                             |                     |                 |                   |                     |                          |                   |  |                          |  |
|-----------------------------------|--|----------------------|--|----------------------|--|-------------|--|-----------|--|---------------|-------------------------|------------------------------|---------------------|-----------------|-----------------------------|---------------------|-----------------|-------------------|---------------------|--------------------------|-------------------|--|--------------------------|--|
| DATE FIRST PRODUCED:<br>2/22/2013 |  |                      |  |                      |  |             |  |           |  |               | TEST DATE:<br>3/15/2013 |                              | HOURS TESTED:<br>24 |                 | TEST PRODUCTION<br>RATES: → |                     | OIL – BBL:<br>0 |                   | GAS – MCF:<br>3,088 |                          | WATER – BBL:<br>0 |  | PROD. METHOD:<br>FLOWING |  |
| CHOKE SIZE:<br>20/64              |  | TBG. PRESS.<br>1,830 |  | CSG. PRESS.<br>2,376 |  | API GRAVITY |  | BTU – GAS |  | GAS/OIL RATIO |                         | 24 HR PRODUCTION<br>RATES: → |                     | OIL – BBL:<br>0 |                             | GAS – MCF:<br>3,088 |                 | WATER – BBL:<br>0 |                     | INTERVAL STATUS:<br>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.)

SOLD

## 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<br>(MD) | Bottom<br>(MD) | Descriptions, Contents, etc. | Name        | Top<br>(Measured Depth) |
|-----------|-------------|----------------|------------------------------|-------------|-------------------------|
|           |             |                |                              | GREEN RIVER | 1,313                   |
|           |             |                |                              | BIRD'S NEST | 1,642                   |
|           |             |                |                              | MAHOGANY    | 2,133                   |
|           |             |                |                              | WASATCH     | 4,692                   |
|           |             |                |                              | MESAVERDE   | 7,334                   |

## 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 5115'; LTC csg was run from 5115' to 10,596'. 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) LINDSEY FRAZIER

TITLE REGULATORY ANALYST

SIGNATURE

DATE 3/19/2013

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: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No: PROPETRO 11/11, H&P 298/298

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/18/2012

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date      | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                         |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8/11/2012 | 14:00 - 20:00     | 6.00             | MIRU   | 01   | A           | P   |                   | 1.5 MILE RIG MOVE / MOVE CAMPS, RIG AND PRO PETRO TRAILERSAND CLOSED LOOP SYSTEM. STALLION HAD 3 SEMI-TRUCKS, 2 PICK UPS, 5 HANDS, PRO PETRO HAD 4 SEMI-TRUCKS AND 1 RIG. 5 HANDS. JD FIELD SERVICE HAD 2 SEMI-TRUCKS AND 2 HANDS |
|           | 20:00 - 0:00      | 4.00             | MIRU   | 01   | B           | P   |                   | M.S. 921-36H1CS ( WELL 1 OF 4 ) INSTALL DIVERTOR HEAD AND BLUEY LINE. RIG UP NOV CLOSED LOOP SYSTEM. SPOT IN RIG. SPOT IN CATWALK AND PIPE RACKS. RIG UP PUMP. PRIME PUMP. INSPECT RIG. SAFETY MEETING                            |
| 8/12/2012 | 0:00 - 1:30       | 1.50             | DRLSUR | 21   | B           | Z   |                   | WAIT ON DRILL SUB FROM VERNAL AFTER INSPECTION                                                                                                                                                                                    |
|           | 1:30 - 3:00       | 1.50             | DRLSUR | 06   | A           | P   |                   | PICKED UP TOOLS AFTER INSPECTION                                                                                                                                                                                                  |
|           | 3:00 - 3:30       | 0.50             | DRLSUR | 02   | D           | P   |                   | DRL/ 44' - 120' ( 76' @ 156' ROP )                                                                                                                                                                                                |
|           | 3:30 - 4:00       | 0.50             | DRLSUR | 21   | D           | Z   |                   | CHANGE OUT SCREENS ON SHAKERS                                                                                                                                                                                                     |
|           | 4:00 - 5:30       | 1.50             | DRLSUR | 02   | D           | P   |                   | DRL F/120' - T/210' ( 90' @ 60" ROP )<br>RPM 45 PWERHEAD 67 MUD MOTOR<br>UP/DWN/ROT 20/20/20<br>PSI ON/OFF 600/400<br>M.W. 8.4# VIS 27<br>491 GPM PUMP RATE / NO AIR<br>NOV-ONLINE                                                |
|           | 5:30 - 8:00       | 2.50             | DRLSUR | 06   | A           | P   |                   | TOOH WITH #1 BHA / TIH WITH #2 BHA                                                                                                                                                                                                |
|           | 8:00 - 12:00      | 4.00             | DRLSUR | 02   | D           | P   |                   | DRL F/210' - T/760' ( 550' @ 137.5' ROP )<br>RPM 45 POWERHEAD 67 MUD MOTOR<br>UP/DWN/ROT 60/50/55 5K DRAG<br>PSI ON/OFF 850/620<br>M.W. 8.4# VIS 27<br>491 GPM PUMP RATE / NO AIR<br>NOV-ONLINE                                   |
|           | 12:00 - 20:00     | 8.00             | DRLSUR | 02   | D           | P   |                   | 2.0' HIGH 1.5' LEFT OF LINE<br>DRL F/760' - T/1320 ( 560' @ 70' ROP )<br>RPM 45 POWERHEAD 67 MUD MOTOR<br>UP/DWN/ROT 68/56/63 5K DRAG<br>PSI ON/OFF 1000/800<br>M.W. 8.4# VIS 27<br>491 GPM PUMP RATE / NO AIR<br>NOV-ONLINE      |
|           | 20:00 - 0:00      | 4.00             | DRLSUR | 08   | B           | Z   |                   | .7' HIGH 9' RIGHT OF LINE<br>SLID 264' / 25.5%<br>*** MUD PUMP LOST OIL PRESSURE ON GEAR END                                                                                                                                      |
| 8/13/2012 | 0:00 - 2:30       | 2.50             | DRLSUR | 21   | D           | Z   |                   | ***WAITING ON #2 MUD PUMP, COMING OUT OF VERNAL                                                                                                                                                                                   |

**US ROCKIES REGION**  
**Operation Summary Report**

|                                                        |  |                                |                                                      |                                          |  |
|--------------------------------------------------------|--|--------------------------------|------------------------------------------------------|------------------------------------------|--|
| Well: MORGAN STATE 921-36H1CS RED                      |  |                                | Spud Date: 8/12/2012                                 |                                          |  |
| Project: UTAH-UINTAH                                   |  | Site: MORGAN STATE 921-36A PAD |                                                      | Rig Name No: PROPETRO 11/11, H&P 298/298 |  |
| Event: DRILLING                                        |  | Start Date: 7/19/2012          |                                                      | End Date: 10/18/2012                     |  |
| Active Datum: RKB @4,949.00usft (above Mean Sea Level) |  |                                | UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0 |                                          |  |

| Date      | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|           | 2:30 - 5:30       | 3.00             | DRLSUR | 02   | D           |     |                   | DRL F/1320' - T/1660' ( 340' @ 113' ROP ) W.O.B 18 - 20K<br>RPM 45 POWERHEAD 67 MUD MOTOR<br>UP/DWN/ROT 74/57/65<br>PSI ON/OFF 820/610<br>M.W. 8.4# VIS 27<br>397 GPM PUMP RATE / 2420 CFM AIR<br>.56 HIGH 9.47' RIGHT<br>SLID 404' / 27.7%<br>LOST CIRCULATION @ 1570'                                  |
|           | 5:30 - 13:00      | 7.50             | DRLSUR | 08   | B           | Z   |                   | TOOH 10 JOINTS, WORK ON PACKING ON #2 MUD PUMP, WORK ON OILER ON #1 MUD PUMP, TIH 10 JOINTS TAG @ 1660'                                                                                                                                                                                                  |
|           | 13:00 - 16:00     | 3.00             | DRLSUR | 02   | D           |     |                   | DRL F/1660' - T/1900' ( 240' @ 80' ROP ) W.O.B 18 - 20K<br>RPM 45 POWERHEAD 67 MUD MOTOR<br>UP/DWN/ROT 82/60/72 10K DRAG<br>PSI ON/OFF 1050/850<br>M.W. 8.4# VIS 27<br>491 GPM PUMP RATE / 2420 CFM AIR<br>4.21' HIGH 2.71' RIGHT                                                                        |
|           | 16:00 - 0:00      | 8.00             | DRLSUR | 02   | D           |     |                   | DRL F/1900' - T/2410' ( 510' @ 63.75' ROP ) W.O.B 18 - 20K<br>RPM 45 POWERHEAD 67 MUD MOTOR<br>UP/DWN/ROT 82/61/73 9K DRAG<br>PSI ON/OFF 1300/1120<br>M.W. 8.4# VIS 27<br>491 GPM PUMP RATE / 2420 CFM AIR<br>TORQUE ON/OFF 3000/2000<br>2.42' HIGH 3.39' RIGHT OF LINE<br>SLID 534' / 22.5%             |
| 8/14/2012 | 0:00 - 3:00       | 3.00             | DRLSUR | 02   | D           | P   |                   | DRL F/2410' - T/2590' ( 180' @ 60' ROP ) W.O.B 18 - 20K<br>RPM 45 POWERHEAD 67 MUD MOTOR<br>UP/DWN/ROT 94/63/70 24K DRAG<br>PSI ON/OFF 1500/1300<br>M.W. 8.5# VIS 27<br>491 GPM PUMP RATE / 2420 CFM AIR<br>TORQUE ON/OFF 3000/1900<br>NOV-ONLINE<br>1.66' LOW 4.33' RIGHT OF LINE<br>SLID 549' / 21.54% |
|           | 3:00 - 5:00       | 2.00             | DRLSUR | 05   | C           | P   |                   | CIRCULATE FOR CASING                                                                                                                                                                                                                                                                                     |
|           | 5:00 - 7:00       | 2.00             | DRLSUR | 06   | A           | P   |                   | LDDS,BHA & DIRECTIONAL TOOLS TO 1270'                                                                                                                                                                                                                                                                    |
|           | 7:00 - 9:00       | 2.00             | DRLSUR | 21   | E           | X   |                   | TAKE GAS KICK, TIH 10 JOINTS, PUMP 8.4# WATER, WAITING ON 12.5# MUD FROM SST-54                                                                                                                                                                                                                          |
|           | 9:00 - 9:30       | 0.50             | DRLSUR | 05   | B           | P   |                   | SPOT MUD                                                                                                                                                                                                                                                                                                 |
|           | 9:30 - 12:30      | 3.00             | DRLSUR | 06   | A           | P   |                   | LDDS,BHA & DIRECTIONAL TOOLS                                                                                                                                                                                                                                                                             |
|           | 12:30 - 13:30     | 1.00             | DRLSUR | 12   | A           | P   |                   | MOVE PIPE RACKS AND CATWALK. PULL DIVERTER HEAD. RIG UP TO RUN CSG. MOVE CSG INTO POSITION TO P/U. LOAD TRUCKS WITH DRILL PIPE FOR INSPECTION.                                                                                                                                                           |
|           | 13:30 - 15:00     | 1.50             | DRLSUR | 12   | C           | P   |                   | TIH 58 JOINTS 8 5/8", 28#, J55 CASING SHOE IS AT 2554.7' BAFFLE IS AT 2510.1'                                                                                                                                                                                                                            |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No: PROPETRO 11/11, H&P 298/298

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/18/2012

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/38/0/0/26/PM/N/681/E/0/715/0/0

| Date       | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------------|-------------------|------------------|--------|------|-------------|-----|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | 15:00 - 15:30     | 0.50             | DRLSUR | 12   | B           | P   |                   | HOLD SAFETY MEETING PUMP ON CASING RUN 200' OF 1". RIG DOWN RIG MOVE OFF WELL, RIG UP CEMENT TRUCKS, AND CEMENT HEAD.                                                                                                                                                                                                                                                                                                                                           |
|            | 15:30 - 16:30     | 1.00             | CSGSUR | 12   | E           | P   |                   | MAKE UP HEAD AND LOAD PLUG. PRESSURE TEST LINES TO 2000PSI. PUMP 130BBLS AHEAD 8.4# H2O. PUMP 20BBLS 8.4# GEL H2O AHEAD, PUMP 300 SXS (61.4BBLS) 15.8# 1.15 YIELD TAIL (2% CALC, 1/4#/SK OF FLOCECE) DROP PLUG ON THE FLY AND DISPLACE WITH 156BBLS OF 8.4# H2O. FINAL LIFT PRESSURE WAS 390PSI, BUMP PRESSURE WAS 700PSI HELD FOR 5 MINS. FLOAT HELD. NO RETURNS THRU OUT JOB. PUMP 150 SK 15.8 (30.7BBLS) CEMENT, W/4% CALCIUM DOWN 1". NO CEMENT TO SURFACE. |
|            | 17:00 - 18:30     | 1.50             | CSGSUR | 13   | A           | P   |                   | WOC PUMP 150SXS (30.7 BBLs) CEMENT DOWN BACKSIDE. (CMT TO SURFACE).<br>RELEASE RIG @ 18:30                                                                                                                                                                                                                                                                                                                                                                      |
| 10/9/2012  | 0:00 - 6:00       | 6.00             | RDMO   | 01   | E           | P   |                   | RIG DOWN ON MORGAN STATE 921-36G4CS                                                                                                                                                                                                                                                                                                                                                                                                                             |
|            | 6:00 - 19:00      | 13.00            | MIRU3  | 01   | A           | P   |                   | MOVE RIG AND EQUIPMENT WITH JONES TRUCKING AND J&C CRANE TO MORGAN STATE 921-36A PAD. UTILIZED 7 JONES TRUCKS, 2 FORKLIFTS, AND 1 CRANE. H&P 12 MEN, SFTN ,RIG 90% MOVED 35% RIGGED UP                                                                                                                                                                                                                                                                          |
| 10/10/2012 | 19:00 - 0:00      | 5.00             | MIRU3  | 21   | C           | P   |                   | WAIT ON DAYLIGHT TO CONTINUE RIG UP                                                                                                                                                                                                                                                                                                                                                                                                                             |
|            | 0:00 - 6:00       | 6.00             | MIRU3  | 21   | C           | P   |                   | WAIT ON DAYLIGHT TO CONTINUE MIRU                                                                                                                                                                                                                                                                                                                                                                                                                               |
|            | 6:00 - 0:00       | 18.00            | MIRU3  | 01   | B           | P   |                   | MIRU / 7 JONES TRUCKS, 2 FORKLIFTS, 13 PEOPLE / J&C 1 CRANE- 4 PEOPLE H&P 15 PEOPLE,DRK IN AIR @ 15:30 , CRANE OFF LOCATION 17:00 HRS , JONES TRUCKING OFF LOCATION 18:00 HRS - 3/4 MILE RIG MOVE/ 99% OFF OLD LOCATION                                                                                                                                                                                                                                         |
| 10/11/2012 | 0:00 - 6:00       | 6.00             | MIRU3  | 01   | B           | P   |                   | CONTINUE TO RIG UP                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|            | 6:00 - 13:00      | 7.00             | PRPSPD | 14   | A           | P   |                   | CONTINUE TO RIG UP ROTARY TOOLS                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|            | 13:00 - 16:00     | 3.00             | PRPSPD | 14   | A           | P   |                   | NIPPLE UP BOP'S & EQUIPMENT                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|            | 16:00 - 17:00     | 1.00             | PRPSPD | 14   | B           | P   |                   | NIPPLE UP MI SWACO PRESSURE CONTROL EQUIPMENT                                                                                                                                                                                                                                                                                                                                                                                                                   |
|            | 17:00 - 22:00     | 5.00             | PRPSPD | 15   | A           | P   |                   | RIG UP DRILLING BAILS & MU TEST ASSY                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 10/12/2012 | 22:00 - 23:30     | 1.50             | PRPSPD | 14   | B           | P   |                   | TEST BOP'S & EQUIPMENT AS PER PROGRAM 250/5000 PSI - ANNULAR 250 / 2500 PSI                                                                                                                                                                                                                                                                                                                                                                                     |
|            | 23:30 - 0:00      | 0.50             | PRPSPD | 15   | A           | P   |                   | INSTALL WEAR BUSHING & SMITH BEARING ASSY                                                                                                                                                                                                                                                                                                                                                                                                                       |
|            | 0:00 - 1:00       | 1.00             | PRPSPD | 15   | A           | P   |                   | TEST MI SWACO PRESSURE CONTROL EQUIPMENT                                                                                                                                                                                                                                                                                                                                                                                                                        |
|            | 1:00 - 1:30       | 0.50             | PRPSPD | 07   | A           | P   |                   | CONTINUE TO PRESSURE TEST MI SWACO PRESSURE CONTROL EQUIPMENT                                                                                                                                                                                                                                                                                                                                                                                                   |
|            | 1:30 - 2:30       | 1.00             | PRPSPD | 06   | A           | P   |                   | SERVICE RIG                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|            | 2:30 - 5:00       | 2.50             | PRPSPD | 06   | A           | P   |                   | PU & MU BHA # 1 ORIENTATE ,SCRIBE & TEST SAME                                                                                                                                                                                                                                                                                                                                                                                                                   |
|            | 5:00 - 6:00       | 1.00             | PRPSPD | 07   | B           | P   |                   | TIH TO 2,494' / SET BACK 4 STDS DRILL PIPE                                                                                                                                                                                                                                                                                                                                                                                                                      |
|            | 6:00 - 7:00       | 1.00             | DRLPRC | 02   | F           | P   |                   | LEVEL DERRICK / INSTALL ROTATING HEAD / PRE SPUD INSPECTION                                                                                                                                                                                                                                                                                                                                                                                                     |
|            |                   |                  |        |      |             |     |                   | DRILL CEMENT & SHOE TRACK FROM 2,494' TO 2,570' CLEAN OUT RATHOLE TO 2,605'                                                                                                                                                                                                                                                                                                                                                                                     |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No: PROPETRO 11/11, H&P 298/298

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/18/2012

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------|-------------------|------------------|--------|------|-------------|-----|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | 7:00 - 15:30      | 8.50             | DRLPRC | 02   | B           | P   |                   | DRILL /SLIDE / SURVEY/ F/ 2,605'-3,855' = 1,250'<br>@147 FPH<br>WOB 18,000-24,000<br>TOP DRIVE RPM 40-75<br>MUD MOTOR RPM 90<br>PUMPS 124 SPM= 558GPM<br>PUMP PRESSURE ON/OFF BTM 2,050 /1,840<br>TORQUE ON/OFF BTM 9,000/ 5,000<br>PICK UP WT 118,000<br>SLACK OFF WT 105,000<br>ROT WT 90,000<br>SLIDE 208' IN 125 MIN 16.64 % OF FOOTAGE<br>DRILLED, 2.08 %OF HRS DRILLED<br>MUD WT 8.4 VIS 27,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/<br>3-4% SAWDUST<br>NOV-D WATER<br>SWACO OFF LINE<br>SURFACE GAS FROM 2,700' - 10 TO 30' FLARE<br>SERVICE RIG @ 3,855' |
|      | 15:30 - 16:00     | 0.50             | DRLPRC | 07   | A           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|      | 16:00 - 0:00      | 8.00             | DRLPRC | 02   | B           | P   |                   | DRILL /SLIDE / SURVEY/ F/ 3,855'- 5,155' = 1,300'<br>@162.5 FPH<br>WOB 20,000-24,000<br>TOP DRIVE RPM 50-75<br>MUD MOTOR RPM 90<br>PUMPS 124 SPM= 558GPM<br>PUMP PRESSURE ON/OFF BTM 2,150 /1,970<br>TORQUE ON/OFF BTM 10,000/ 8,000<br>PICK UP WT 160,000<br>SLACK OFF WT 110,000<br>ROT WT 120,000<br>SLIDE 50' IN 50 MIN 10.42 % OF FOOTAGE DRILLED,<br>4.08 %OF HRS DRILLED<br>MUD WT 8.7 VIS 27,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/<br>3-4% SAWDUST<br>NOV-D WATER<br>SWACO OFF LINE<br>5-10' FLARE                                                    |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No: PROPETRO 11/11, H&P 298/298

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/18/2012

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date       | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------------|-------------------|------------------|--------|------|-------------|-----|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10/13/2012 | 0:00 - 6:00       | 6.00             | DRLPRC | 02   | B           | P   |                   | DRILL /SLIDE / SURVEY/ F/ 5,155'- 6,070' = 915'<br>@152.5 FPH<br>WOB 22,000-24,000<br>TOP DRIVE RPM 50-75<br>MUD MOTOR RPM 90<br>PUMPS 124 SPM= 558GPM<br>PUMP PRESSURE ON/OFF BTM 2,150 /1,970<br>TORQUE ON/OFF BTM 10,000/ 8,000<br>PICK UP WT 171,000<br>SLACK OFF WT 118,000<br>ROT WT 132,000<br>SLIDE 10' IN 15 MIN 1.44 % OF FOOTAGE DRILLED,<br>.25 %OF HRS DRILLED<br>MUD WT 8.7 VIS 27,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/<br>3-4% SAWDUST<br>NOV-D WATER<br>SWACO OFF LINE<br>5-10' FLARE                                        |
|            | 6:00 - 16:00      | 10.00            | DRLPRV | 02   | B           | P   |                   | DRILL /SLIDE / SURVEY/ F/ 6,070'- 7,068' = 998'<br>@99.8FPH<br>WOB 22,000-24,000<br>TOP DRIVE RPM 50-75<br>MUD MOTOR RPM 90<br>PUMPS 124 SPM= 558GPM<br>PUMP PRESSURE ON/OFF BTM 2,150 /1,970<br>TORQUE ON/OFF BTM 12,000/ 10,000<br>PICK UP WT 180,000<br>SLACK OFF WT 130,000<br>ROT WT 158,000<br>SLIDE 74' IN 135 MIN 3.75 % OF FOOTAGE DRILLED,<br>13.72 %OF HRS DRILLED<br>MUD WT 8.8 VIS 28,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/<br>3-4% SAWDUST<br>NOV-D WATER<br>SWACO OFF LINE<br>5-10' FLARE<br>FLUID LOST 110 BBL<br>SERVICE RIG |
|            | 16:00 - 16:30     | 0.50             | DRLPRV | 07   | A           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No: PROPETRO 11/11, H&P 298/298

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/18/2012

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWM: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date       | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------|-------------------|------------------|--------|------|-------------|-----|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|            | 16:30 - 0:00      | 7.50             | DRLPRV | 02   | B           | P   |                   | DRILL /SLIDE / SURVEY/ F7,068'- 7,720' = 652' @86.93FPH<br>WOB 22,000-28,000<br>TOP DRIVE RPM 50-75<br>MUD MOTOR RPM 90<br>PUMPS 124 SPM= 558GPM<br>PUMP PRESSURE ON/OFF BTM 2,300 /2,050<br>TORQUE ON/OFF BTM 17,000/ 16,000<br>PICK UP WT 215,000<br>SLACK OFF WT 140,000<br>ROT WT 170,000<br>SLIDE 10' IN 20 MIN 1.53 % OF FOOTAGE DRILLED, 4.76 %OF HRS DRILLED<br>MUD WT 8.7 VIS 28,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/ 4-8% LCM<br>NOV-D WATER<br>SWACO OFF LINE<br>5-10' FLARE<br>FLUID LOST 150 BBL   |
| 10/14/2012 | 0:00 - 6:30       | 6.50             | DRLPRV | 02   | B           | P   |                   | DRILL /SLIDE / SURVEY/ F7,720'- 8,297' = 557' @ 88.77 FPH<br>WOB 23,000-28,000<br>TOP DRIVE RPM 50-75<br>MUD MOTOR RPM 90<br>PUMPS 124 SPM= 558GPM<br>PUMP PRESSURE ON/OFF BTM 2,300 /2,050<br>TORQUE ON/OFF BTM 17,000/ 16,000<br>PICK UP WT 215,000<br>SLACK OFF WT 148,000<br>ROT WT 175,000<br>SLIDE 10' IN 25 MIN 2.49 % OF FOOTAGE DRILLED, 6.94 %OF HRS DRILLED<br>MUD WT 8.6 VIS 28,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/ 4-8% LCM<br>NOV-D WATER<br>SWACO OFF LINE<br>5-10' FLARE<br>FLUID LOST 100 BBL |
|            | 6:30 - 7:00       | 0.50             | DRLPRV | 22   | L           | Z   |                   | ***TROUBLE SHOOT MWD- NO SIGNAL ***                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No: PROPETRO 11/11, H&P 298/298

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/18/2012

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------|-------------------|------------------|--------|------|-------------|-----|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | 7:00 - 17:00      | 10.00            | DRLPRV | 02   | B           | P   |                   | DRILL /SLIDE / SURVEY/ F/ 8,297'- 8,864' = 567' @<br>56.7 FPH<br>WOB 24,000-28,000<br>TOP DRIVE RPM 50-75<br>MUD MOTOR RPM 90<br>PUMPS 124 SPM= 558GPM<br>PUMP PRESSURE ON/OFF BTM 2,410 /2,300<br>TORQUE ON/OFF BTM 17,000/ 16,000<br>PICK UP WT 223,000<br>SLACK OFF WT 158,000<br>ROT WT 187,000<br>SLIDE 80' IN 140 MIN 5.64 % OF FOOTAGE DRILLED,<br>13.81%OF HRS DRILLED<br>MUD WT 8.6 VIS 28,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/<br>4-8% LCM<br>NOV-D WATER<br>SWACO ON LINE 150 TO 300 PSI ON ANNULUS<br>5-10' FLARE<br>NO FLUID LOSS |
|      | 17:00 - 17:30     | 0.50             | DRLPRV | 07   | A           | P   |                   | SERVICE RIG @ 8,864'                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|      | 17:30 - 0:00      | 6.50             | DRLPRV | 02   | B           | P   |                   | DRILL /SLIDE / SURVEY/ F/ 8,864'- 9,242' = 378' @<br>58.15 FPH<br>WOB 24,000-28,000<br>TOP DRIVE RPM 55-75<br>MUD MOTOR RPM 79<br>PUMPS 110 SPM= 495GPM<br>PUMP PRESSURE ON/OFF BTM 2,100 /1,850<br>TORQUE ON/OFF BTM 19,000/ 18,000<br>PICK UP WT 235,000<br>SLACK OFF WT 158,000<br>ROT WT 192,000<br>SLIDE 26' IN 60 MIN 6.88 % OF FOOTAGE DRILLED,<br>14.25%OF HRS DRILLED<br>MUD WT 8.7 VIS 28,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/<br>4-8% LCM<br>NOV-D WATER<br>SWACO ON LINE 150 TO 300 PSI ON ANNULUS<br>5-15' FLARE<br>NO FLUID LOSS |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No: PROPETRO 11/11, H&P 298/298

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/18/2012

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date       | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|------------|-------------------|------------------|--------|------|-------------|-----|-------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10/15/2012 | 0:00 - 17:00      | 17.00            | DRLPRV | 02   | B           | P   |                   | DRILL / SURVEY/ F/ 9,242'- 9,998' = 756' @ 44.47 FPH<br>WOB 24,000-28,000<br>TOP DRIVE RPM 55-75<br>MUD MOTOR RPM 79<br>PUMPS 110 SPM= 495GPM<br>PUMP PRESSURE ON/OFF BTM 2300/2100<br>TORQUE ON/OFF BTM 20,000/ 18,000<br>PICK UP WT 268,000<br>SLACK OFF WT 155,000<br>ROT WT 206,000<br>MUD WT 8.7 VIS 28,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/<br>4-8% LCM<br>NOV-D WATER<br>SWACO ON LINE 150 TO 300 PSI ON ANNULUS<br>10-20' FLARE<br>NO FLUID LOSS |
|            | 17:00 - 17:30     | 0.50             | DRLPRV | 07   | A           | P   |                   | SERVICE RIG @ 9,998'                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|            | 17:30 - 0:00      | 6.50             | DRLPRV | 02   | B           | P   |                   | DRILL / SURVEY/ F/ 9,998- 10,250' = 252' @ 38.76 FPH<br>WOB 24,000-28,000<br>TOP DRIVE RPM 55-75<br>MUD MOTOR RPM 79<br>PUMPS 110 SPM= 495GPM<br>PUMP PRESSURE ON/OFF BTM 2300/2100<br>TORQUE ON/OFF BTM 20,000/ 18,000<br>PICK UP WT 280,000<br>SLACK OFF WT 155,000<br>ROT WT 207,000<br>MUD WT 8.7 VIS 28,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/<br>4-8% LCM<br>NOV-D WATER<br>SWACO ON LINE 150 TO 300 PSI ON ANNULUS<br>10-20' FLARE<br>NO FLUID LOSS |

**US ROCKIES REGION**  
**Operation Summary Report**

|                                                        |                                                      |                                          |  |
|--------------------------------------------------------|------------------------------------------------------|------------------------------------------|--|
| Well: MORGAN STATE 921-36H1CS RED                      |                                                      | Spud Date: 8/12/2012                     |  |
| Project: UTAH-UINTAH                                   | Site: MORGAN STATE 921-36A PAD                       | Rig Name No: PROPETRO 11/11, H&P 298/298 |  |
| Event: DRILLING                                        | Start Date: 7/19/2012                                | End Date: 10/18/2012                     |  |
| Active Datum: RKB @4,949.00usft (above Mean Sea Level) | UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0 |                                          |  |

| Date       | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------|-------------------|------------------|--------|------|-------------|-----|-------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10/16/2012 | 0:00 - 9:30       | 9.50             | DRLPRV | 02   | B           | P   |                   | DRILL / SURVEY/ F/ 10,250'- 10,563' = 313' @ 32.95 FPH<br>WOB 26,000-28,000<br>TOP DRIVE RPM 55-75<br>MUD MOTOR RPM 79<br>PUMPS 110 SPM= 495GPM<br>PUMP PRESSURE ON/OFF BTM 2300/2100<br>TORQUE ON/OFF BTM 20,000/ 18,000<br>PICK UP WT 280,000<br>SLACK OFF WT 155,000<br>ROT WT 207,000<br>MUD WT 8.7 VIS 28,<br>PUMPING 5-10 BBL SWEEPS EVERY STAND,W/<br>4-8% LCM<br>NOTE PCL (FIBER OPTIC ) SHUTTING DOWN RIG<br>FOR A FEW MINUTES SEVERAL TIMES<br>START DISPLACING WELL BORE @ 10,400' WITH<br>10.5 PPG WITH NO PROBLEMS INCREASE MUD WT<br>IN .3 PPG INCREAMENTS TO 11.2<br>LOST TOTAL RETURNS<br>100 BBL LOSS<br>MI SWACO ON & OFF LINE<br>5 TO 15' FLARE<br>ATTEMPT TO TAKE MI OFF LINE 30 BBL GAIN<br>NO RETURNS ATTEMPT TO PULL OFF BTM PIPE<br>STUCK ,NO ROTATION NO RETURNS HOLE PACKED<br>OFF, CONTINUE TO WORK PIPE AT MANY<br>DIFFERENT PARAMETERS MAX OP 424K WT<br>INDICATOR READING / PIPE FREE @ 10,528'<br>CONTINUE TO WORK TIGHT HOLE TO 10,468'<br>500 BBL MUD LOSS |
|            | 9:30 - 16:30      | 7.00             | DRLPRV | 22   | A           | X   |                   | *** STUCK PIPE WORK TIGHT HOLE ***<br>CIRC & CONDITION MUD RAISING MUD WT TO<br>11.8PPG VIS 42 LCM 15%<br>CHANGE OUT PISTIONS & VALVES IN BOTH MUD<br>PUMPS / 115 BBL MUD LOSS<br>MEANWHILE CONTINUE TO ROTATE & PUMP WITH<br>CRIPPLED PUMP WHILE WORKING ON PUMPS BACK<br>AND FORTH<br>*** WORK ON MUD PUMPS ***<br>DRILL FROM 10,563' TO 10,605' TD<br>WOB 26,000-30,000<br>TOP DRIVE RPM 55-75<br>MUD MOTOR RPM 79<br>PUMPS 80 SPM= 360GPM<br>PUMP PRESSURE ON/OFF BTM 2050/1800<br>TORQUE ON/OFF BTM 16,000/ 15,000<br>PU 235<br>S/O 184<br>ROT 207<br>MUD LOSS 300 BBL<br>CIRC BTM'S UP @ 10,605' TD                                                                                                                                                                                                                                                                                                                                                                                   |
|            | 16:30 - 19:00     | 2.50             | DRLPRV | 05   | A           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|            | 19:00 - 21:30     | 2.50             | DRLPRV | 22   | K           | X   |                   | WPER TRIP (35 STD ) FROM 10,605' TO 7,320'                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|            | 21:30 - 23:00     | 1.50             | DRLPRV | 02   | B           | P   |                   | SERVICE RIG @ 7,320'                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|            | 23:00 - 0:00      | 1.00             | DRLPRV | 05   | C           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 10/17/2012 | 0:00 - 4:00       | 4.00             | DRLPRV | 06   | E           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|            | 4:00 - 4:30       | 0.50             | DRLPRV | 07   | A           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No: PROPETRO 11/11, H&P 298/298

Event: DRILLING

Start Date: 7/19/2012

End Date: 10/18/2012

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date       | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------|-------------------|------------------|--------|------|-------------|-----|-------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 10/18/2012 | 4:30 - 9:30       | 5.00             | DRLPRV |      |             |     |                   | TIH WASHING & REAMING FROM 7,450' TO 8,150',<br>TIH, WASH REAM @ 8,665', TIH, WASH LAST 3<br>STDS TO BOTTOM @ 10,605' - 5' FILL<br>CIRCULATE & CONDITION MUD @ 10,605'                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|            | 9:30 - 11:30      | 2.00             | DRLPRV | 05   | A           | P   |                   | TOOH TO BIT WITH NO PROBLEMS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|            | 11:30 - 19:00     | 7.50             | DRLPRV | 06   | A           | P   |                   | L/D DIRECTIONAL TOOLS / MWD TOOLS PLUGGED<br>WITH FINE SOLIDS UNABLE TO PULL MWD / LD<br>TOOLS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|            | 19:00 - 21:00     | 2.00             | DRLPRV | 06   | A           | P   |                   | SERVICE RIG                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|            | 21:00 - 21:30     | 0.50             | DRLPRV | 07   | A           | P   |                   | REMOVE BEARING ASSY PULL WEAR BUSHING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|            | 21:30 - 22:30     | 1.00             | DRLPRV | 14   | B           | P   |                   | PJSM RU FRANKS CASING EQUIPMENT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|            | 22:30 - 0:00      | 1.50             | DRLPRV | 12   | A           | P   |                   | RUN 4 1/2" PRODUCTION CASING TO 5,105'                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|            | 0:00 - 6:00       | 6.00             | CSGPRO | 12   | C           | P   |                   | ATTEMPT TO FILL CASING, CASING PLUGGED,<br>UNPLUG CSG, CIRC & CONDITION MUD/ BARITE<br>FALLING OUT VIS 35 WT 12.0 BRING VIS TO 42<br>MAKE 100 BBL 45 VIS SPOT SAME IN CASING<br>COVERING FLOAT & SHOE<br>*** MUD PROBLEMS ***                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|            | 6:00 - 9:00       | 3.00             | CSGPRO | 22   | F           | X   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|            | 9:00 - 14:30      | 5.50             | CSGPRO | 12   | C           | P   |                   | CONTINUE TO RUN 4 1/2" CASING TO 10,595.81' /<br>SHOE @ 10,595.81' / FLOAT @ 10,550.17" / BLACK<br>HAWK MARKER @ 10,016' / M VERDE MARKER @<br>7,334' / X-O @ 5,088' / 240 JTS RAN, LAND<br>CASING HANGER WITH 110K                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|            | 14:30 - 16:00     | 1.50             | CSGPRO | 05   | A           | P   |                   | CIRULATE & CONDITION MUD @ 10,595' HOLE IN<br>GOOD SHAPE / MEANWILE RIG DOWN FRANKS<br>CASING EQUIPMENT / HOLD PRE JOB SAFETY<br>MEETING WITH BJ CEMENTERS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|            | 16:00 - 19:30     | 3.50             | CSGPRO | 12   | E           | P   |                   | INSTALL BJ CMT HEAD, TEST PUMP & LINES TO<br>5,000 PSI, DROP BOTTOM PLUG PUMP 25 BBLS FW<br>PUMP 524 SKS LEAD CEMENT @ 12.5 PPG, (185<br>BBLS) (PREM LITE II + .025 pps CELLO FLAKE + 5<br>pps KOL SEAL + .05 lb/sx STATIC FREE + 6% bwoc<br>BENTONITE + 0.4 % R-3 + 0.2%bwoc FL-52 +.6%<br>Soduim Metasilicate / (10.44 gal/sx, 1.98 yield) +<br>1,322 SX TAIL @ 14.3 ppg(313.54 BBLS)+ (CLS G<br>50/50 POZ + 10% SALT + .005lbs/sx STATIC FREE<br>+1.2%SMS + .09% R3 + .002 GPS FP-6L + 2%<br>BENTONITE +0.5%EC-1+ 59.1% FW / (5.94 gal/sx,<br>1.33 yield) WASH PUMP & LINES DROP TOP PLUG &<br>DISPLACE W/ 164 BBLS H2O + ADDITIVES / PLUG<br>DOWN @18:43 HOURS / FLOATS HELD W/ 2.5<br>BBLS H2O RETURNED TO INVENTORY// GOOD LIFT<br>PRESSURE @ 3100PSI BUMP PRESSURE @3,700 /<br>GOOD RETURNS SPACER TO SURFACE, NO<br>CEMENT TO SURFACE /TOP OF TAIL CEMENT<br>CALCULATED @ 4,170' / RIG DOWN BJ |
|            | 19:30 - 21:00     | 1.50             | CSGPRO | 12   | C           | P   |                   | FLUSH BOP'S, ATTEMPT TO BREAK OUT RUNNING<br>TOOL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|            | 21:00 - 22:30     | 1.50             | CSGPRO | 14   | A           | P   |                   | PJSM NIPPLE DOWN BOP'S                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|            | 22:30 - 23:00     | 0.50             | CSGPRO | 14   | B           | S   |                   | CUT OFF RUNNING TOOL & LD SAME                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|            | 23:00 - 0:00      | 1.00             | CSGPRO | 12   | A           | P   |                   | RIG DOWN CASING BAILS, CLEAN PITS RELEASE<br>RIG @ 23:59 10/18/12                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

## 1 General

### 1.1 Customer Information

|                |                   |
|----------------|-------------------|
| Company        | US ROCKIES REGION |
| Representative |                   |
| Address        |                   |

### 1.2 Well/Wellbore Information

|              |                                                 |               |                                          |
|--------------|-------------------------------------------------|---------------|------------------------------------------|
| Well         | MORGAN STATE 921-36H1CS RED                     | Wellbore No.  | OH                                       |
| Well Name    | MORGAN STATE 921-36H1CS                         | Wellbore Name | MORGAN STATE 921-36H1CS                  |
| Report No.   | 1                                               | Report Date   | 12/5/2012                                |
| Project      | UTAH-UINTAH                                     | Site          | MORGAN STATE 921-36A PAD                 |
| Rig Name/No. |                                                 | Event         | COMPLETION                               |
| Start Date   | 12/5/2012                                       | End Date      | 2/22/2013                                |
| Spud Date    | 8/12/2012                                       | Active Datum  | RKB @4,949.00usft (above Mean Sea Level) |
| UWI          | NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0 |               |                                          |

### 1.3 General

|                     |  |                 |  |            |  |
|---------------------|--|-----------------|--|------------|--|
| Contractor          |  | Job Method      |  | Supervisor |  |
| Perforated Assembly |  | Conveyed Method |  |            |  |

### 1.4 Initial Conditions

|                   |         |                    |  |                  |                                |                          |                  |
|-------------------|---------|--------------------|--|------------------|--------------------------------|--------------------------|------------------|
| Fluid Type        |         | Fluid Density      |  | Gross Interval   | 7,534.0 (usft)-10,415.0 (usft) | Start Date/Time          | 2/4/2013 12:00AM |
| Surface Press     |         | Estimate Res Press |  | No. of Intervals | 66                             | End Date/Time            | 2/4/2013 12:00AM |
| TVD Fluid Top     |         | Fluid Head         |  | Total Shots      | 240                            | Net Perforation Interval | 76.00 (usft)     |
| Hydrostatic Press |         | Press Difference   |  | Avg Shot Density | 3.16 (shot/ft)                 | Final Surface Pressure   |                  |
| Balance Cond      | NEUTRAL |                    |  |                  |                                | Final Press Date         |                  |

### 1.5 Summary

## 2 Intervals

### 2.1 Perforated Interval

| Date                | Formation/<br>Reservoir | CCL@<br>(usft) | CCL-T<br>S<br>(usft) | MD Top<br>(usft) | MD Base<br>(usft) | Shot<br>Density<br>(shot/ft) | Misfires/<br>Add. Shot | Diameter<br>(in) | Carr Type /Stage No | Carr<br>Size<br>(in) | Phasing<br>(°) | Charge Desc /Charge<br>Manufacturer | Charge<br>Weight<br>(gram) | Reason         | Misrun |
|---------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|------------------|---------------------|----------------------|----------------|-------------------------------------|----------------------------|----------------|--------|
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 7,534.0          | 7,536.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |

## 2.1 Perforated Interval (Continued)

| Date                | Formation/<br>Reservoir | CCL@<br>(usft) | CCL-T<br>S<br>(usft) | MD Top<br>(usft) | MD Base<br>(usft) | Shot<br>Density<br>(shot/ft) | Misfires/<br>Add. Shot | Diameter<br>(in) | Carr Type /Stage No | Carr<br>Size<br>(in) | Phasing<br>(°) | Charge Desc /Charge<br>Manufacturer | Charge<br>Weight<br>(gram) | Reason         | Misrun |
|---------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|------------------|---------------------|----------------------|----------------|-------------------------------------|----------------------------|----------------|--------|
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 7,544.0          | 7,546.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 7,622.0          | 7,624.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 7,644.0          | 7,646.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 7,810.0          | 7,812.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 7,870.0          | 7,872.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 7,968.0          | 7,970.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 7,986.0          | 7,988.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,054.0          | 8,055.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,074.0          | 8,075.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,110.0          | 8,111.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,184.0          | 8,185.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,204.0          | 8,205.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,238.0          | 8,239.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,254.0          | 8,255.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,269.0          | 8,270.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,302.0          | 8,303.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,320.0          | 8,321.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,344.0          | 8,345.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,370.0          | 8,371.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,403.0          | 8,404.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,424.0          | 8,425.0           | 3.00                         |                        | 0.360            | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |

## 2.1 Perforated Interval (Continued)

| Date                | Formation/<br>Reservoir | CCL@<br>(usft) | CCL-T<br>S<br>(usft) | MD Top<br>(usft) | MD Base<br>(usft) | Shot<br>Density<br>(shot/ft) | Misfires/<br>Add. Shot | Diamete<br>r<br>(in) | Carr Type /Stage No | Carr<br>Size<br>(in) | Phasing<br>(°) | Charge Desc /Charge<br>Manufacturer | Charge<br>Weight<br>(gram) | Reason         | Misrun |
|---------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|----------------------|---------------------|----------------------|----------------|-------------------------------------|----------------------------|----------------|--------|
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,467.0          | 8,468.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,482.0          | 8,483.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,531.0          | 8,532.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,546.0          | 8,548.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,572.0          | 8,573.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,594.0          | 8,595.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,606.0          | 8,607.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,625.0          | 8,626.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,643.0          | 8,644.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,781.0          | 8,782.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,792.0          | 8,793.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,809.0          | 8,810.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,825.0          | 8,826.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,848.0          | 8,849.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,864.0          | 8,865.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,893.0          | 8,894.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,909.0          | 8,910.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,936.0          | 8,938.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 8,984.0          | 8,985.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,000.0          | 9,001.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,027.0          | 9,028.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |

2.1 Perforated Interval (Continued)

| Date                | Formation/<br>Reservoir | CCL@<br>(usft) | CCL-T<br>S<br>(usft) | MD Top<br>(usft) | MD Base<br>(usft) | Shot<br>Density<br>(shot/ft) | Misfires/<br>Add. Shot | Diamete<br>r<br>(in) | Carr Type /Stage No | Carr<br>Size<br>(in) | Phasing<br>(°) | Charge Desc /Charge<br>Manufacturer | Charge<br>Weight<br>(gram) | Reason         | Misrun |
|---------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|----------------------|---------------------|----------------------|----------------|-------------------------------------|----------------------------|----------------|--------|
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,045.0          | 9,046.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,054.0          | 9,055.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,070.0          | 9,071.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,093.0          | 9,094.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,105.0          | 9,106.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,170.0          | 9,171.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,193.0          | 9,194.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,218.0          | 9,219.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,234.0          | 9,235.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,266.0          | 9,267.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 9,314.0          | 9,315.0           | 3.00                         |                        | 0.360                | EXP/                | 3.375                | 120.00         |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,097.0         | 10,098.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,104.0         | 10,105.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,120.0         | 10,121.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,135.0         | 10,136.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,143.0         | 10,144.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,160.0         | 10,161.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,197.0         | 10,198.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,220.0         | 10,221.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,270.0         | 10,271.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,283.0         | 10,284.0          | 4.00                         |                        | 0.360                | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |

## 2.1 Perforated Interval (Continued)

| Date                | Formation/<br>Reservoir | CCL@<br>(usft) | CCL-T<br>S<br>(usft) | MD Top<br>(usft) | MD Base<br>(usft) | Shot<br>Density<br>(shot/ft) | Misfires/<br>Add. Shot | Diameter<br>(in) | Carr Type /Stage No | Carr<br>Size<br>(in) | Phasing<br>(°) | Charge Desc /Charge<br>Manufacturer | Charge<br>Weight<br>(gram) | Reason         | Misrun |
|---------------------|-------------------------|----------------|----------------------|------------------|-------------------|------------------------------|------------------------|------------------|---------------------|----------------------|----------------|-------------------------------------|----------------------------|----------------|--------|
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,319.0         | 10,320.0          | 4.00                         |                        | 0.360            | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |
| 2/4/2013<br>12:00AM | MESAVERDE/              |                |                      | 10,414.0         | 10,415.0          | 4.00                         |                        | 0.360            | EXP/                | 3.375                | 90.00          |                                     | 23.00                      | PRODUCTIO<br>N |        |

## 3 Plots

### 3.1 Wellbore Schematic



**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No:

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/22/2013

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date      | Time<br>Start-End | Duration<br>(hr) | Phase  | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                           |
|-----------|-------------------|------------------|--------|------|-------------|-----|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 8/12/2012 | -                 |                  |        |      |             |     |                   |                                                                                                                                                                                     |
| 12/5/2012 | 9:30 - 10:00      | 0.50             | FRAC   | 33   | C           | P   |                   | RU HOT OILER, SURFACE HAS SLIGHT MIGRATION<br>PRESSURED 8 5/8" X 4 1/2" ANNULAR TO 1500 PSI<br>COULD NOT INJECT INTO SURFACE BLED WELL<br>DOWN WILL INSTALL POP OFF ON SURFACE      |
| 12/6/2012 | -                 |                  |        |      |             |     |                   |                                                                                                                                                                                     |
| 1/31/2013 | 12:00 - 13:00     | 1.00             | SUBSPR | 33   | C           | P   |                   | FILL SURFACE CSG. MIRU CAMERON QUICK TEST.<br>1ST PSI TEST T/ 9000 PSI. HELD FOR 15 MIN LOST<br>42 PSI.<br>NO COMMUNICATION OR MIGRATION WITH<br>SURFACE CSG<br>BLEED OFF PSI.SWMFN |
|           |                   |                  |        |      |             |     |                   | NOTE : TESTED SURFACE ON 12-05-12 COULDN'T<br>PUMP DOWN                                                                                                                             |
| 2/1/2013  | 7:00 - 12:00      | 5.00             | SUBSPR | 37   |             | P   |                   | PERF STG 1)PU 3 1/8 EXP GUN, 23 GM, .36 HOLE<br>SIZE. 90 DEG PHASING. RIH PERF AS PER PERF<br>DESIGN. POOH. SWIFW                                                                   |
| 2/4/2013  | 6:45 - 7:00       | 0.25             | FRAC   | 48   |             | P   |                   | HSM, HIGH PRESSURE LINES & OVER HEAD LOADS                                                                                                                                          |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No:

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/22/2013

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date     | Time<br>Start-End | Duration<br>(hr) | Phase | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------|-------------------|------------------|-------|------|-------------|-----|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|          | 7:00 - 17:30      | 10.50            | FRAC  | 36   | B           | P   |                   | <p>PRESSURE TEST SURFACE LINES TO 9446# W/ NO MAJOR LEAKS,BLEED PRESSURE OFF, PERF &amp; FRAC FOLLOWING WELL AS PER DESIGN W/ 30/50 TLC IN 1ST TWO STAGES AND 30/50 MESH IN ALL REMAINING &amp; SLK WTR.</p> <p>ALL CBP'S ARE HALIBURTON 8K CBP'S.</p> <p>REFER TO STIM PJR FOR FLUID, SAND AND CHEMICL VOLUME PUM'D</p> <p>FRAC STG #1] WHP=1,140#, BRK DN<br/>PERFS=4,446#, @=5.3 BPM, INJ RT=51.4, INJ PSI=6,008#, INITIAL ISIP=3,484#, INITIAL FG=.78, FINAL ISIP=3,671#, FINAL FG=.79, AVERAGE RATE=50.7, AVERAGE PRESSURE=6,245#, MAX RATE=52, MAX PRESSURE=7,425#, NET PRESSURE INCREASE=187#, 24/24 100% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #2] P/U RIH W/ HALIBURTON 8K CBP &amp; PERF GUN, SET CBP @=10,171', PERF LOWER MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #2] WHP=2,709#, BRK DN<br/>PERFS=5,554#, @=4 BPM, INJ RT=51.2, INJ PSI=6,047#, INITIAL ISIP=2,982#, INITIAL FG=.73, FINAL ISIP=3,790#, FINAL FG=.80, AVERAGE RATE=51.3, AVERAGE PRESSURE=6,080#, MAX RATE=52, MAX PRESSURE=7,291#, NET PRESSURE INCREASE=808#,23/24 96% CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #3] P/U RIH W/ HALIBURTON 8K CBP &amp; PERF GUN, SET CBP @=9,345', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #3] WHP=1,532#, BRK DN<br/>PERFS=2,402#, @=2.2 BPM, INJ RT=51, INJ PSI=5,308#, INITIAL ISIP=2,147#, INITIAL FG=.67, FINAL ISIP=2,974#, FINAL FG=.76, AVERAGE RATE=51.1, AVERAGE PRESSURE=5,377#, MAX RATE=51.7, MAX PRESSURE=5,867#, NET PRESSURE INCREASE=827#, 21/24 100 CALC PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #4] P/U RIH W/ HALIBURTON 8K CBP &amp; PERF GUN, SET CBP @=9,081', PERF MESAVERDE USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS PERSAY IN PROCEDURE, X OVER TO FRAC CREW SWFN.</p> |
| 2/5/2013 | 7:00 - 7:15       | 0.25             | FRAC  | 48   |             | P   |                   | HSM, OPENING / CLOSEING VALVES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|          | 7:15 - 7:45       | 0.50             | FRAC  | 48   | E           | Z   |                   | BROKE FITTING                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UJINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No:

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/22/2013

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date | Time<br>Start-End | Duration<br>(hr) | Phase | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------|-------------------|------------------|-------|------|-------------|-----|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | 7:45 - 17:00      | 9.25             | FRAC  | 36   | B           | P   |                   | <p>FRAC STG #4] WHP=2,210#, BRK DN<br/>PERFS=3,272#, @=5.1 BPM, INJ RT=50.2, INJ<br/>PSI=5,164#, INITIAL ISIP=2,533#, INITIAL FG=.72,<br/>FINAL ISIP=3,120#, FINAL FG=.79, AVERAGE<br/>RATE=50.4, AVERAGE PRESSURE=5,450#, MAX<br/>RATE=50.9, MAX PRESSURE=5,870#, NET<br/>PRESSURE INCREASE=587#, 24/24 100% CALC<br/>PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #5] P/U RIH W/ HALIBURTON 8K CBP &amp;<br/>PERF GUN, SET CBP @=8,920', PERF MESAVERDE<br/>USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS<br/>PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #5] WHP=2,613#, BRK DN<br/>PERFS=3,241#, @=5.1 BPM, INJ RT=47.2, INJ<br/>PSI=4,872#, INITIAL ISIP=2,584#, INITIAL FG=.73,<br/>FINAL ISIP=2,845#, FINAL FG=.76, AVERAGE<br/>RATE=50.1, AVERAGE PRESSURE=5,239#, MAX<br/>RATE=50.9, MAX PRESSURE=6,231#, NET<br/>PRESSURE INCREASE=261#, 24/24 100% CALC<br/>PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #6] P/U RIH W/ HALIBURTON 8K CBP &amp;<br/>PERF GUN, SET CBP @=8,674', PERF MESAVERDE<br/>USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS<br/>PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #6] WHP=1,500#, BRK DN<br/>PERFS=3,741#, @=4.8 BPM, INJ RT=51.8, INJ<br/>PSI=4,701#, INITIAL ISIP=2,220#, INITIAL FG=.70,<br/>FINAL ISIP=2,513#, FINAL FG=.73, AVERAGE<br/>RATE=51.5, AVERAGE PRESSURE=4,915#, MAX<br/>RATE=52.7, MAX PRESSURE=6,524#, NET<br/>PRESSURE INCREASE=293#, 24/24 100% CALC<br/>PERFS OPEN. X OVER TO WIRE LINE</p> <p>PERF STG #7] P/U RIH W/ HALIBURTON 8K CBP &amp;<br/>PERF GUN, SET CBP @=8,513', PERF MESAVERDE<br/>USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS<br/>PERSAY IN PROCEDURE, X OVER TO FRAC CREW</p> <p>FRAC STG #7] WHP=1,612#, BRK DN<br/>PERFS=3,228#, @=5 BPM, INJ RT=, INJ PSI=,<br/>INITIAL ISIP=, INITIAL FG=., FINAL ISIP=2,697#,<br/>FINAL FG=.76, AVERAGE RATE=51.6, AVERAGE<br/>PRESSURE=4,982#, MAX RATE=52.2, MAX<br/>PRESSURE=5,575#, NET PRESSURE<br/>INCREASE=692#, 23/24 96% CALC PERFS OPEN. X<br/>OVER TO WIRE LINE</p> <p>PERF STG #8] P/U RIH W/ HALIBURTON 8K CBP &amp;<br/>PERF GUN, SET CBP @=8,280', PERF MESAVERDE<br/>USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS<br/>PERSAY IN PROCEDURE, X OVER TO FRAC CREW<br/>SWFN</p> |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No:

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/22/2013

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWM: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date      | Time<br>Start-End | Duration<br>(hr) | Phase | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-----------|-------------------|------------------|-------|------|-------------|-----|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2/6/2013  | 6:30 - 6:45       | 0.25             | FRAC  | 48   |             | P   |                   | HSM, OVER HEAD LOADS / RIGGING DOWN                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|           | 6:45 - 14:00      | 7.25             | FRAC  | 36   | B           | P   |                   | FRAC STG #8] WHP=1,777#, BRK DN<br>PERFS=3,000#, @=51 BPM, INJ RT=51.9, INJ<br>PSI=4,834#, INITIAL ISIP=1,901#, INITIAL FG=.67,<br>FINAL ISIP=2,658#, FINAL FG=.76, AVERAGE<br>RATE=51.5, AVERAGE PRESSURE=5,092#, MAX<br>RATE=52.1, MAX PRESSURE=5,859#, NET<br>PRESSURE INCREASE=757#, 22/24 92% CALC<br>PERFS OPEN. X OVER TO WIRE LINE<br><br>PERF STG #9] P/U RIH W/ HALIBURTON 8K CBP &<br>PERF GUN, SET CBP @=8,018', PERF MESAVERDE<br>USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS<br>PERSAY IN PROCEDURE, X OVER TO FRAC CREW<br><br>FRAC STG #9] WHP=2,288#, BRK DN<br>PERFS=2,872#, @=5.1 BPM, INJ RT=51.2, INJ<br>PSI=5,641#, INITIAL ISIP=2,479#, INITIAL FG=.75,<br>FINAL ISIP=2,,901#, FINAL FG=.81, AVERAGE<br>RATE=51.4, AVERAGE PRESSURE=5,379#, MAX<br>RATE=52.1, MAX PRESSURE=5,981#, NET<br>PRESSURE INCREASE=422#, 19/24 79% CALC<br>PERFS OPEN. X OVER TO WIRE LINE<br><br>PERF STG #10] P/U RIH W/ HALIBURTON 8K CBP &<br>PERF GUN, SET CBP @=7,676', PERF MESAVERDE<br>USING 3-1/8 EXPEND, 23 GRM, 0.36" HOLE. AS<br>PERSAY IN PROCEDURE, X OVER TO FRAC CREW<br><br>FRAC STG #10] WHP=771#, BRK DN PERFS=2,990#,<br>@=4.3 BPM, INJ RT=51.7, INJ PSI=5,095#, INITIAL<br>ISIP=1,902#, INITIAL FG=.69, FINAL ISIP=2,265#,<br>FINAL FG=.74, AVERAGE RATE=51.5, AVERAGE<br>PRESSURE=4,860#, MAX RATE=52.3, MAX<br>PRESSURE=6,050#, NET PRESSURE<br>INCREASE=363#, 19/24 79% CALC PERFS OPEN. X<br>OVER TO WIRE LINE<br><br>P/U RIH W/ HALIBURTON 8K CBP, SET FOR TOP KILL<br>@=7,484'<br><br>TOTAL FLUID PUMP'D=14,362 bbls<br>TOTAL SAND PUMP'D=309,961#<br>RIG DWN F/ 921-36H1BS & MIRU ON THE<br>921-36H1CS<br>HSM, REVIEW RU & PU TBG F/ TRAILER<br>ND WH, NU 10K BOP'S, RU FLOOR & TBG<br>EQUIPMENT.<br>PU 3-7/8 BIT, POBS W/ 1.875 XN, PU RIH 235 JTS.<br>P-110 TBG F/ TRAILER, TALLY TBG, TAG SAND @<br>7467', POOH & LD 3 JTS.NU PWR SWWL, DRAIN<br>LINES & PUMP, SWI, SDFN.<br>HSM, REVIEW D/O PLUGS<br>PU 3 JTS. TBG, BRK CIRC, P.T. BOP'S TO 3000 PSI.<br>FOR 15 MINS, HELD. |
| 2/21/2013 | 7:00 - 8:30       | 1.50             | COMP  | 30   | G           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|           | 8:30 - 9:00       | 0.50             | COMP  | 48   |             | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|           | 9:00 - 9:30       | 0.50             | COMP  | 30   | F           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|           | 9:30 - 15:00      | 5.50             | COMP  | 31   | I           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| 2/22/2013 | 7:00 - 7:15       | 0.25             | COMP  | 48   |             | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|           | 7:15 - 8:00       | 0.75             | COMP  | 33   | D           | P   |                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

**US ROCKIES REGION**  
**Operation Summary Report**

Well: MORGAN STATE 921-36H1CS RED

Spud Date: 8/12/2012

Project: UTAH-UINTAH

Site: MORGAN STATE 921-36A PAD

Rig Name No:

Event: COMPLETION

Start Date: 12/5/2012

End Date: 2/22/2013

Active Datum: RKB @4,949.00usft (above Mean Sea Level)

UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0

| Date | Time<br>Start-End | Duration<br>(hr) | Phase | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------|-------------------|------------------|-------|------|-------------|-----|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | 8:00 - 15:00      | 7.00             | COMP  | 44   | C           | P   |                   | <p>C/O 17' SAND, TAG PLUG # 1 @ 7484' D/O HAL 8K CBP IN 5 MINS, 0 PSI. INCREASE, FCP. 0 PSI. RIH TAG SAND @ 7656'.</p> <p>C/O 20' SAND, TAG PLUG # 2 @ 7676' D/O HAL 8K CBP IN 7 MINS, 300 PSI. INCREASE, FCP.150 PSI. RIH TAG SAND @ 7998'.</p> <p>C/O 20' SAND, TAG PLUG # 3 @ 8018' D/O HAL 8K CBP IN 6 MINS, 400 PSI. INCREASE, FCP. 450 PSI. RIH TAG SAND @ 8260'.</p> <p>C/O 20' SAND, TAG PLUG # 4 @ 8280' D/O HAL 8K CBP IN 6 MINS, 150 PSI. INCREASE, FCP. 400 PSI. RIH TAG SAND @ 8468'.</p> <p>C/O 45' SAND, TAG PLUG # 5 @ 8513' D/O HAL 8K CBP IN 8 MINS, 700 PSI. INCREASE, FCP.1450 PSI. RIH TAG SAND @ 8744'.</p> <p>C/O 30' SAND, TAG PLUG # 6 @ 8674' D/O HAL 8K CBP IN 10 MINS, 400 PSI. INCREASE, FCP. 550 PSI. RIH TAG SAND @ 8905'.</p> <p>C/O 15' SAND, TAG PLUG # 7 @ 8920' D/O HAL 8K CBP IN 8 MINS, 0 PSI. INCREASE, FCP. 700 PSI. RIH TAG SAND @ 9066'.</p> <p>C/O 15' SAND, TAG PLUG # 8 @ 9081' D/O HAL 8K CBP IN 5 MINS, 0 PSI. INCREASE, FCP. 475 PSI. RIH TAG SAND @ 9320'.</p> <p>C/O 25' SAND, TAG PLUG # 9 @ 9345' D/O HAL 8K CBP IN 5 MINS, 500 PSI. INCREASE, FCP. 850 PSI. RIH TAG SAND @ 10,146'.</p> <p>C/O 25' SAND, TAG PLUG # 10 @ 10,171' D/O HAL 8K CBP IN 5 MINS, 0 PSI INCREASE, FCP. 625 PSI. RIH &amp; C/O TO 10,515'( 100' ) BELOW BTM PERF @ 10,415' CIRC WELL CLEAN, RD PWR SWVL, POOH &amp; LD 17 JTS. P-110 ON TRAILER, LAND TBG W/ 317 JTS. 2-3/8" P-110 TBG, EOT @ 10,073.42', RD FLOOR &amp; TBG EQUIPMENT, ND BOP'S, NU WH, DROP BALL, PUMP BIT-OFF @ 1800 PSI. P. T. LINES TO 3000 PSI. F/ HAL 9000 TO W.H. HELD, TURN WELL OVER TO FBC, DRAIN LINES &amp; PUMP, RDMO. MOVE TO THE NBU 921-26D1CS.</p> |

TBG DEATIL:

KB-----  
-----26'  
HANGER-----  
-----83  
317 JTS. 2-3/8" P-110 TBG-----  
-10,044.39'  
POBS W/ 1.875 XN-----  
-----2.20'  
EOT@-----  
-10,073.42'  
TOP PERF @ 7534'  
BTM PERF @ 10,415'  
PBTD @ 10,549'  
C/O TO 10,515'  
TWTR. 14,362 BBLs.

**US ROCKIES REGION**  
**Operation Summary Report**

|                                                        |  |                                |                                                      |                     |  |
|--------------------------------------------------------|--|--------------------------------|------------------------------------------------------|---------------------|--|
| Well: MORGAN STATE 921-36H1CS RED                      |  |                                | Spud Date: 8/12/2012                                 |                     |  |
| Project: UTAH-UINTAH                                   |  | Site: MORGAN STATE 921-36A PAD |                                                      | Rig Name No:        |  |
| Event: COMPLETION                                      |  | Start Date: 12/5/2012          |                                                      | End Date: 2/22/2013 |  |
| Active Datum: RKB @4,949.00usft (above Mean Sea Level) |  |                                | UWI: NE/NE/0/9/S/21/E/36/0/0/26/PM/N/681/E/0/715/0/0 |                     |  |

| Date | Time<br>Start-End | Duration<br>(hr) | Phase | Code | Sub<br>Code | P/U | MD From<br>(usft) | Operation                                                                                                                                                                                 |
|------|-------------------|------------------|-------|------|-------------|-----|-------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      |                   |                  |       |      |             |     |                   | TWR. 2,390 BBLS.<br>TWLTR. 11,972 BBLS.<br>LAT: 39.997867<br>LONG: 109.493202<br>DELIVERED 334 JTS. 2-3/8"P-110 TBG.<br>USED 317 JTS. 2-3/8"P-110 TBG.<br>RETURN 17 JTS. 2-3/8"P-110 TBG. |

Project: UTAH - UTM (feet), NAD27, Zone 12N  
 Site: UTAH\_MORGAN STATE 921-36A PAD  
 Well: MORGAN STATE 921-36H1CS  
 Wellbore: MORGAN STATE 921-36H1CS  
 Section:  
 SHL:  
 Design: MORGAN STATE 921-36H1CS (wp02)  
 Latitude: 39.997902  
 Longitude: -109.492516  
 GL: 4923.00  
 KB: 15'RKB+4923'GL @ 4938.00ft

#### FORMATION TOP DETAILS

| TVDPath | MDPath   | Formation       |
|---------|----------|-----------------|
| 1221.00 | 1230.97  | GREEN RIVER     |
| 1565.00 | 1594.11  | BIRDS NEST      |
| 2023.00 | 2082.54  | MAHOGANY MARKER |
| 4505.00 | 4671.79  | WASATCH         |
| 5105.00 | 5271.79  | INTERCEPT       |
| 7174.00 | 7340.82  | MESAVERDE       |
| 9333.00 | 9499.84  | SEGO            |
| 9402.00 | 9568.84  | CASTLEGATE      |
| 9839.00 | 10005.84 | BLACKHAWK       |

#### WELL DETAILS: MORGAN STATE 921-36H1CS

| +N/-S | +E/-W | Northing    | Ground Level:<br>Easting | 4923.00<br>Latitude | Longitude   | Slot |
|-------|-------|-------------|--------------------------|---------------------|-------------|------|
| 0.00  | 0.00  | 14528850.90 | 2062621.57               | 39.997902           | -109.492516 |      |

#### CASING DETAILS

| TVD | MD | Name | Size |
|-----|----|------|------|
|-----|----|------|------|



Azimuths to True North  
 Magnetic North: 10.90°

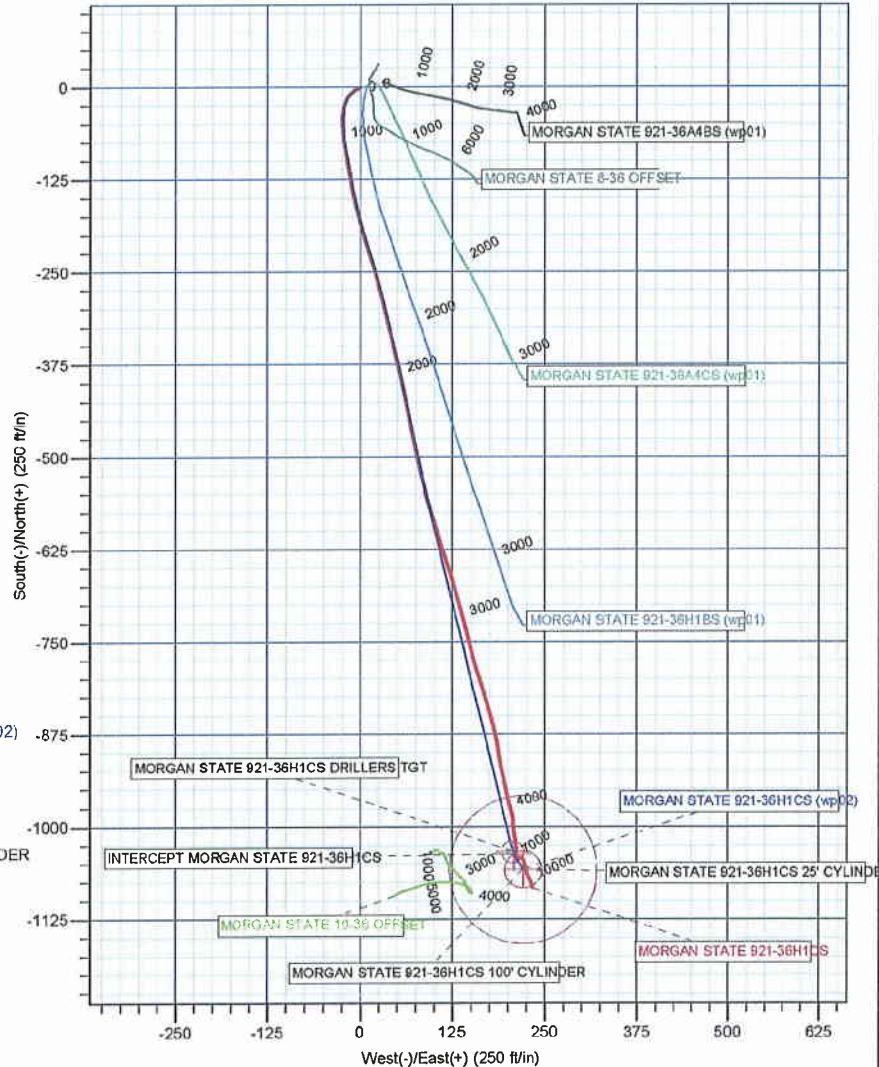
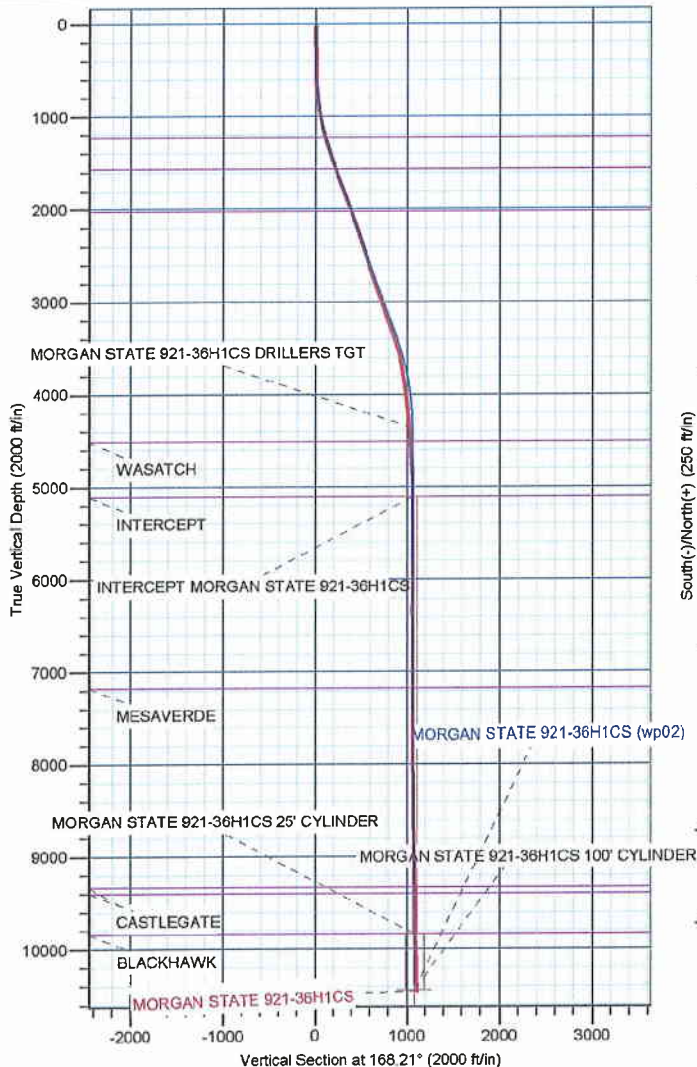
Magnetic Field  
 Strength: 52199.5nT  
 Dip Angle: 65.83°  
 Date: 10/4/2012  
 Model: IGRF2010

#### DESIGN TARGET DETAILS

| Name                                  | TVD      | +N/-S    | +E/-W  | Northing    | Easting    | Latitude  | Longitude   | Shape                   |
|---------------------------------------|----------|----------|--------|-------------|------------|-----------|-------------|-------------------------|
| MORGAN STATE 921-36H1CS DRILLERS TGT  | 4357.00  | -1034.00 | 206.75 | 14527820.55 | 2062845.78 | 39.995063 | -109.491778 | Circle (Radius: 15.00)  |
| INTERCEPT MORGAN STATE 921-36H1CS     | 5105.00  | -1036.80 | 208.38 | 14527817.78 | 2062847.46 | 39.995055 | -109.491772 | Point                   |
| MORGAN STATE 921-36H1CS 25' CYLINDER  | 9839.00  | -1058.03 | 220.75 | 14527796.76 | 2062860.18 | 39.994997 | -109.491728 | Circle (Radius: 25.00)  |
| MORGAN STATE 921-36H1CS 100' CYLINDER | 10439.00 | -1058.03 | 220.75 | 14527796.76 | 2062860.18 | 39.994997 | -109.491728 | Circle (Radius: 100.00) |

#### SECTION DETAILS

| MD       | Inc   | Azi    | TVD      | +N/-S    | +E/-W  | Dleg | TFace  | VSect   |
|----------|-------|--------|----------|----------|--------|------|--------|---------|
| 2537.00  | 18.29 | 166.32 | 2451.52  | -533.95  | 85.21  | 0.00 | 0.00   | 540.10  |
| 2641.69  | 20.38 | 166.34 | 2550.30  | -567.63  | 93.40  | 2.00 | 0.19   | 574.74  |
| 3504.60  | 20.38 | 166.34 | 3359.17  | -859.68  | 164.38 | 0.00 | 0.00   | 875.14  |
| 4523.79  | 0.00  | 0.00   | 4357.00  | -1034.00 | 206.75 | 2.00 | 180.00 | 1054.43 |
| 4611.74  | 0.26  | 149.78 | 4444.95  | -1034.17 | 206.85 | 0.30 | 149.78 | 1054.62 |
| 10605.85 | 0.26  | 149.78 | 10439.00 | -1058.03 | 220.75 | 0.00 | 0.00   | 1080.81 |



# **US ROCKIES REGION PLANNING**

**UTAH - UTM (feet), NAD27, Zone 12N**

**UINTAH\_MORGAN STATE 921-36A PAD**

**MORGAN STATE 921-36H1CS**

**MORGAN STATE 921-36H1CS**

**Design: MORGAN STATE 921-36H1CS**

## **Standard Survey Report**

**24 October, 2012**

# Anadarko Petroleum Corp

## Survey Report

|                  |                                    |                                     |                              |
|------------------|------------------------------------|-------------------------------------|------------------------------|
| <b>Company:</b>  | US ROCKIES REGION PLANNING         | <b>Local Co-ordinate Reference:</b> | Well MORGAN STATE 921-36H1CS |
| <b>Project:</b>  | UTAH - UTM (feet), NAD27, Zone 12N | <b>TVD Reference:</b>               | 15'RKB+4923'GL @ 4938.00ft   |
| <b>Site:</b>     | UINTAH_MORGAN STATE 921-36A PAD    | <b>MD Reference:</b>                | 15'RKB+4923'GL @ 4938.00ft   |
| <b>Well:</b>     | MORGAN STATE 921-36H1CS            | <b>North Reference:</b>             | True                         |
| <b>Wellbore:</b> | MORGAN STATE 921-36H1CS            | <b>Survey Calculation Method:</b>   | Minimum Curvature            |
| <b>Design:</b>   | MORGAN STATE 921-36H1CS            | <b>Database:</b>                    | edmp                         |

|                    |                                                |                      |                |
|--------------------|------------------------------------------------|----------------------|----------------|
| <b>Project</b>     | UTAH - UTM (feet), NAD27, Zone 12N             |                      |                |
| <b>Map System:</b> | Universal Transverse Mercator (US Survey Feet) | <b>System Datum:</b> | Mean Sea Level |
| <b>Geo Datum:</b>  | NAD 1927 (NADCON CONUS)                        |                      |                |
| <b>Map Zone:</b>   | Zone 12N (114 W to 108 W)                      |                      |                |

|                              |                                 |                     |                    |                                 |
|------------------------------|---------------------------------|---------------------|--------------------|---------------------------------|
| <b>Site</b>                  | UINTAH_MORGAN STATE 921-36A PAD |                     |                    |                                 |
| <b>Site Position:</b>        |                                 | <b>Northing:</b>    | 14,528,850.91 usft | <b>Latitude:</b> 39.997902      |
| <b>From:</b>                 | Lat/Long                        | <b>Easting:</b>     | 2,062,621.57 usft  | <b>Longitude:</b> -109.492516   |
| <b>Position Uncertainty:</b> | 0.00 ft                         | <b>Slot Radius:</b> | 13-3/16 "          | <b>Grid Convergence:</b> 0.97 ° |

|                             |                         |                            |                                     |                                  |
|-----------------------------|-------------------------|----------------------------|-------------------------------------|----------------------------------|
| <b>Well</b>                 | MORGAN STATE 921-36H1CS |                            |                                     |                                  |
| <b>Well Position</b>        | +N/-S                   | 0.00 ft                    | <b>Northing:</b> 14,528,850.91 usft | <b>Latitude:</b> 39.997902       |
|                             | +E/-W                   | 0.00 ft                    | <b>Easting:</b> 2,062,621.57 usft   | <b>Longitude:</b> -109.492516    |
| <b>Position Uncertainty</b> | 0.00 ft                 | <b>Wellhead Elevation:</b> | ft                                  | <b>Ground Level:</b> 4,923.00 ft |

|                  |                         |                    |                        |                      |                            |
|------------------|-------------------------|--------------------|------------------------|----------------------|----------------------------|
| <b>Wellbore</b>  | MORGAN STATE 921-36H1CS |                    |                        |                      |                            |
| <b>Magnetics</b> | <b>Model Name</b>       | <b>Sample Date</b> | <b>Declination (°)</b> | <b>Dip Angle (°)</b> | <b>Field Strength (nT)</b> |
|                  | IGRF2010                | 10/4/2012          | 10.90                  | 65.83                | 52,200                     |

|                          |                              |                   |                   |                            |
|--------------------------|------------------------------|-------------------|-------------------|----------------------------|
| <b>Design</b>            | MORGAN STATE 921-36H1CS      |                   |                   |                            |
| <b>Audit Notes:</b>      |                              |                   |                   |                            |
| <b>Version:</b>          | 1.0                          | <b>Phase:</b>     | ACTUAL            | <b>Tie On Depth:</b> 11.00 |
| <b>Vertical Section:</b> | <b>Depth From (TVD) (ft)</b> | <b>+N/-S (ft)</b> | <b>+E/-W (ft)</b> | <b>Direction (°)</b>       |
|                          | 11.00                        | 0.00              | 0.00              | 170.93                     |

|                       |                        |                                    |                  |                    |
|-----------------------|------------------------|------------------------------------|------------------|--------------------|
| <b>Survey Program</b> | <b>Date</b> 10/24/2012 |                                    |                  |                    |
| <b>From (ft)</b>      | <b>To (ft)</b>         | <b>Survey (Wellbore)</b>           | <b>Tool Name</b> | <b>Description</b> |
| 154.00                | 2,537.00               | Survey #1 (MORGAN STATE 921-36H1CS | MWD              | MWD - STANDARD     |
| 2,658.00              | 10,605.00              | Survey #2 (MORGAN STATE 921-36H1CS | MWD              | MWD - STANDARD     |

|                            |                        |                    |                            |                   |                   |                              |                                |                               |                              |  |
|----------------------------|------------------------|--------------------|----------------------------|-------------------|-------------------|------------------------------|--------------------------------|-------------------------------|------------------------------|--|
| <b>Survey</b>              |                        |                    |                            |                   |                   |                              |                                |                               |                              |  |
| <b>Measured Depth (ft)</b> | <b>Inclination (°)</b> | <b>Azimuth (°)</b> | <b>Vertical Depth (ft)</b> | <b>+N/-S (ft)</b> | <b>+E/-W (ft)</b> | <b>Vertical Section (ft)</b> | <b>Dogleg Rate (°/100usft)</b> | <b>Build Rate (°/100usft)</b> | <b>Turn Rate (°/100usft)</b> |  |
| 11.00                      | 0.00                   | 0.00               | 11.00                      | 0.00              | 0.00              | 0.00                         | 0.00                           | 0.00                          | 0.00                         |  |
| 154.00                     | 0.18                   | 119.12             | 154.00                     | -0.11             | 0.20              | 0.14                         | 0.13                           | 0.13                          | 0.00                         |  |
| 184.00                     | 0.44                   | 96.45              | 184.00                     | -0.15             | 0.35              | 0.20                         | 0.94                           | 0.87                          | -75.57                       |  |
| 211.00                     | 0.09                   | 222.48             | 211.00                     | -0.17             | 0.44              | 0.24                         | 1.85                           | -1.30                         | 466.78                       |  |
| 239.00                     | 0.44                   | 236.72             | 239.00                     | -0.25             | 0.34              | 0.30                         | 1.26                           | 1.25                          | 50.86                        |  |
| 267.00                     | 0.53                   | 217.47             | 267.00                     | -0.41             | 0.17              | 0.43                         | 0.66                           | 0.32                          | -68.75                       |  |
| 350.00                     | 1.93                   | 248.15             | 349.98                     | -1.23             | -1.36             | 1.00                         | 1.81                           | 1.69                          | 36.96                        |  |
| 440.00                     | 2.99                   | 241.55             | 439.89                     | -2.92             | -4.83             | 2.12                         | 1.22                           | 1.18                          | -7.33                        |  |
| 530.00                     | 3.61                   | 238.83             | 529.74                     | -5.50             | -9.32             | 3.96                         | 0.71                           | 0.69                          | -3.02                        |  |
| 620.00                     | 5.28                   | 223.19             | 619.47                     | -9.99             | -14.58            | 7.56                         | 2.28                           | 1.86                          | -17.38                       |  |

# Anadarko Petroleum Corp

## Survey Report

|                  |                                    |                                     |                              |
|------------------|------------------------------------|-------------------------------------|------------------------------|
| <b>Company:</b>  | US ROCKIES REGION PLANNING         | <b>Local Co-ordinate Reference:</b> | Well MORGAN STATE 921-36H1CS |
| <b>Project:</b>  | UTAH - UTM (feet), NAD27, Zone 12N | <b>TVD Reference:</b>               | 15'RKB+4923'GL @ 4938.00ft   |
| <b>Site:</b>     | UINTAH_MORGAN STATE 921-36A PAD    | <b>MD Reference:</b>                | 15'RKB+4923'GL @ 4938.00ft   |
| <b>Well:</b>     | MORGAN STATE 921-36H1CS            | <b>North Reference:</b>             | True                         |
| <b>Wellbore:</b> | MORGAN STATE 921-36H1CS            | <b>Survey Calculation Method:</b>   | Minimum Curvature            |
| <b>Design:</b>   | MORGAN STATE 921-36H1CS            | <b>Database:</b>                    | edmp                         |

### Survey

| Measured Depth (ft)     | Inclination (°) | Azimuth (°) | Vertical Depth (ft) | +N/-S (ft) | +E/-W (ft) | Vertical Section (ft) | Dogleg Rate (°/100usft) | Build Rate (°/100usft) | Turn Rate (°/100usft) |
|-------------------------|-----------------|-------------|---------------------|------------|------------|-----------------------|-------------------------|------------------------|-----------------------|
| 710.00                  | 6.16            | 202.97      | 709.03              | -17.45     | -19.30     | 14.19                 | 2.43                    | 0.98                   | -22.47                |
| 800.00                  | 7.21            | 194.01      | 798.42              | -27.38     | -22.55     | 23.48                 | 1.64                    | 1.17                   | -9.96                 |
| 890.00                  | 8.79            | 181.00      | 887.55              | -39.74     | -24.04     | 35.45                 | 2.66                    | 1.76                   | -14.46                |
| 980.00                  | 10.38           | 176.87      | 976.29              | -54.71     | -23.72     | 50.29                 | 1.92                    | 1.77                   | -4.59                 |
| 1,070.00                | 11.87           | 172.21      | 1,064.60            | -71.98     | -22.02     | 67.61                 | 1.93                    | 1.66                   | -5.18                 |
| 1,160.00                | 13.89           | 169.13      | 1,152.33            | -91.76     | -18.73     | 87.66                 | 2.37                    | 2.24                   | -3.42                 |
| 1,250.00                | 15.74           | 171.59      | 1,239.34            | -114.45    | -14.90     | 110.67                | 2.17                    | 2.06                   | 2.73                  |
| 1,340.00                | 17.32           | 169.92      | 1,325.62            | -139.71    | -10.77     | 136.27                | 1.83                    | 1.76                   | -1.86                 |
| 1,430.00                | 19.08           | 166.06      | 1,411.11            | -167.18    | -4.89      | 164.32                | 2.37                    | 1.96                   | -4.29                 |
| 1,520.00                | 20.75           | 162.63      | 1,495.73            | -196.68    | 3.42       | 194.76                | 2.26                    | 1.86                   | -3.81                 |
| 1,610.00                | 20.93           | 162.63      | 1,579.84            | -227.24    | 12.98      | 226.44                | 0.20                    | 0.20                   | 0.00                  |
| 1,700.00                | 20.49           | 164.21      | 1,664.03            | -257.74    | 22.06      | 257.99                | 0.79                    | -0.49                  | 1.76                  |
| 1,790.00                | 20.66           | 166.23      | 1,748.29            | -288.32    | 30.13      | 289.46                | 0.81                    | 0.19                   | 2.24                  |
| 1,880.00                | 21.46           | 166.58      | 1,832.28            | -319.75    | 37.73      | 321.70                | 0.90                    | 0.89                   | 0.39                  |
| 1,970.00                | 19.17           | 166.67      | 1,916.67            | -350.15    | 44.96      | 352.86                | 2.54                    | -2.54                  | 0.10                  |
| 2,060.00                | 19.08           | 166.50      | 2,001.70            | -378.83    | 51.80      | 382.26                | 0.12                    | -0.10                  | -0.19                 |
| 2,150.00                | 19.35           | 168.25      | 2,086.69            | -407.73    | 58.27      | 411.82                | 0.71                    | 0.30                   | 1.94                  |
| 2,240.00                | 19.26           | 167.90      | 2,171.63            | -436.84    | 64.42      | 441.54                | 0.16                    | -0.10                  | -0.39                 |
| 2,330.00                | 20.31           | 168.17      | 2,256.32            | -466.65    | 70.73      | 471.96                | 1.17                    | 1.17                   | 0.30                  |
| 2,420.00                | 19.61           | 168.43      | 2,340.91            | -496.73    | 76.96      | 502.65                | 0.78                    | -0.78                  | 0.29                  |
| 2,510.00                | 18.73           | 167.02      | 2,425.92            | -525.61    | 83.24      | 532.16                | 1.10                    | -0.98                  | -1.57                 |
| 2,537.00                | 18.29           | 166.32      | 2,451.52            | -533.95    | 85.21      | 540.70                | 1.83                    | -1.63                  | -2.59                 |
| <b>TIE ON</b>           |                 |             |                     |            |            |                       |                         |                        |                       |
| 2,658.00                | 16.70           | 163.55      | 2,566.92            | -569.07    | 94.63      | 576.87                | 1.48                    | -1.31                  | -2.29                 |
| <b>FIRST MWD SURVEY</b> |                 |             |                     |            |            |                       |                         |                        |                       |
| 2,752.00                | 17.98           | 163.64      | 2,656.65            | -595.95    | 102.54     | 604.66                | 1.36                    | 1.36                   | 0.10                  |
| 2,847.00                | 17.70           | 162.21      | 2,747.08            | -623.77    | 111.08     | 633.48                | 0.55                    | -0.29                  | -1.51                 |
| 2,941.00                | 18.50           | 161.68      | 2,836.43            | -651.53    | 120.13     | 662.32                | 0.87                    | 0.85                   | -0.56                 |
| 3,036.00                | 20.31           | 163.56      | 2,926.03            | -681.66    | 129.54     | 693.55                | 2.02                    | 1.91                   | 1.98                  |
| 3,130.00                | 20.81           | 165.31      | 3,014.04            | -713.45    | 138.39     | 726.35                | 0.84                    | 0.53                   | 1.86                  |
| 3,225.00                | 20.69           | 166.56      | 3,102.88            | -746.10    | 146.57     | 759.88                | 0.48                    | -0.13                  | 1.32                  |
| 3,323.00                | 19.19           | 164.31      | 3,195.01            | -778.45    | 154.95     | 793.14                | 1.72                    | -1.53                  | -2.30                 |
| 3,417.00                | 18.69           | 162.81      | 3,283.92            | -807.71    | 163.58     | 823.40                | 0.74                    | -0.53                  | -1.60                 |
| 3,511.00                | 18.56           | 162.93      | 3,372.99            | -836.40    | 172.42     | 853.12                | 0.14                    | -0.14                  | 0.13                  |
| 3,606.00                | 17.06           | 166.43      | 3,463.44            | -864.40    | 180.13     | 881.99                | 1.94                    | -1.58                  | 3.68                  |
| 3,701.00                | 14.06           | 170.81      | 3,554.95            | -889.34    | 185.24     | 907.43                | 3.39                    | -3.16                  | 4.61                  |
| 3,793.00                | 12.13           | 169.18      | 3,644.56            | -909.87    | 188.84     | 928.26                | 2.14                    | -2.10                  | -1.77                 |
| 3,885.00                | 8.81            | 168.43      | 3,735.01            | -926.27    | 192.07     | 944.97                | 3.61                    | -3.61                  | -0.82                 |
| 3,983.00                | 8.75            | 166.31      | 3,831.86            | -940.87    | 195.34     | 959.90                | 0.34                    | -0.06                  | -2.16                 |
| 4,077.00                | 8.69            | 169.06      | 3,924.78            | -954.79    | 198.38     | 974.12                | 0.45                    | -0.06                  | 2.93                  |
| 4,172.00                | 7.44            | 165.93      | 4,018.84            | -967.80    | 201.24     | 987.42                | 1.39                    | -1.32                  | -3.29                 |
| 4,268.00                | 6.63            | 161.43      | 4,114.11            | -979.08    | 204.51     | 999.08                | 1.02                    | -0.84                  | -4.69                 |
| 4,360.00                | 5.19            | 179.18      | 4,205.63            | -988.28    | 206.27     | 1,008.44              | 2.51                    | -1.57                  | 19.29                 |

# Anadarko Petroleum Corp

## Survey Report

**Company:** US ROCKIES REGION PLANNING  
**Project:** UTAH - UTM (feet), NAD27, Zone 12N  
**Site:** UINTAH\_MORGAN STATE 921-36A PAD  
**Well:** MORGAN STATE 921-36H1CS  
**Wellbore:** MORGAN STATE 921-36H1CS  
**Design:** MORGAN STATE 921-36H1CS

**Local Co-ordinate Reference:** Well MORGAN STATE 921-36H1CS  
**TVD Reference:** 15'RKB+4923'GL @ 4938.00ft  
**MD Reference:** 15'RKB+4923'GL @ 4938.00ft  
**North Reference:** True  
**Survey Calculation Method:** Minimum Curvature  
**Database:** edmp

### Survey

| Measured<br>Depth<br>(ft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(ft) | +N/-S<br>(ft) | +E/-W<br>(ft) | Vertical<br>Section<br>(ft) | Dogleg<br>Rate<br>(°/100usft) | Build<br>Rate<br>(°/100usft) | Turn<br>Rate<br>(°/100usft) |
|---------------------------|--------------------|----------------|---------------------------|---------------|---------------|-----------------------------|-------------------------------|------------------------------|-----------------------------|
| 4,455.00                  | 4.75               | 176.31         | 4,300.27                  | -996.50       | 206.58        | 1,016.60                    | 0.53                          | -0.46                        | -3.02                       |
| 4,550.00                  | 4.19               | 173.18         | 4,394.98                  | -1,003.87     | 207.25        | 1,023.99                    | 0.64                          | -0.59                        | -3.29                       |
| 4,644.00                  | 3.81               | 170.18         | 4,488.75                  | -1,010.36     | 208.19        | 1,030.54                    | 0.46                          | -0.40                        | -3.19                       |
| 4,739.00                  | 3.44               | 169.06         | 4,583.56                  | -1,016.27     | 209.27        | 1,036.55                    | 0.40                          | -0.39                        | -1.18                       |
| 4,833.00                  | 3.19               | 168.81         | 4,677.41                  | -1,021.60     | 210.31        | 1,041.98                    | 0.27                          | -0.27                        | -0.27                       |
| 4,928.00                  | 2.88               | 169.31         | 4,772.27                  | -1,026.54     | 211.26        | 1,047.01                    | 0.33                          | -0.33                        | 0.53                        |
| 5,022.00                  | 2.75               | 166.93         | 4,866.16                  | -1,031.06     | 212.21        | 1,051.62                    | 0.19                          | -0.14                        | -2.53                       |
| 5,116.00                  | 1.31               | 186.56         | 4,960.10                  | -1,034.32     | 212.60        | 1,054.90                    | 1.68                          | -1.53                        | 20.88                       |
| 5,211.00                  | 0.38               | 296.43         | 5,055.09                  | -1,035.26     | 212.19        | 1,055.76                    | 1.56                          | -0.98                        | 115.65                      |
| 5,305.00                  | 0.31               | 272.43         | 5,149.09                  | -1,035.11     | 211.66        | 1,055.53                    | 0.17                          | -0.07                        | -25.53                      |
| 5,400.00                  | 0.25               | 254.56         | 5,244.09                  | -1,035.16     | 211.20        | 1,055.50                    | 0.11                          | -0.06                        | -18.81                      |
| 5,495.00                  | 0.13               | 198.31         | 5,339.09                  | -1,035.31     | 210.97        | 1,055.62                    | 0.22                          | -0.13                        | -59.21                      |
| 5,589.00                  | 0.31               | 177.56         | 5,433.09                  | -1,035.67     | 210.95        | 1,055.97                    | 0.21                          | 0.19                         | -22.07                      |
| 5,684.00                  | 0.56               | 178.18         | 5,528.08                  | -1,036.39     | 210.97        | 1,056.69                    | 0.26                          | 0.26                         | 0.65                        |
| 5,778.00                  | 0.63               | 170.18         | 5,622.08                  | -1,037.36     | 211.08        | 1,057.66                    | 0.12                          | 0.07                         | -8.51                       |
| 5,873.00                  | 0.81               | 164.68         | 5,717.07                  | -1,038.52     | 211.34        | 1,058.85                    | 0.20                          | 0.19                         | -5.79                       |
| 5,967.00                  | 1.00               | 157.06         | 5,811.06                  | -1,039.92     | 211.84        | 1,060.30                    | 0.24                          | 0.20                         | -8.11                       |
| 6,062.00                  | 0.81               | 190.68         | 5,906.05                  | -1,041.34     | 212.04        | 1,061.74                    | 0.58                          | -0.20                        | 35.39                       |
| 6,156.00                  | 1.00               | 37.68          | 6,000.04                  | -1,041.34     | 212.41        | 1,061.81                    | 1.87                          | 0.20                         | -162.77                     |
| 6,251.00                  | 0.81               | 333.43         | 6,095.03                  | -1,040.09     | 212.62        | 1,060.60                    | 1.03                          | -0.20                        | -67.63                      |
| 6,349.00                  | 0.50               | 339.68         | 6,193.03                  | -1,039.07     | 212.16        | 1,059.52                    | 0.32                          | -0.32                        | 6.38                        |
| 6,439.00                  | 0.13               | 317.56         | 6,283.03                  | -1,038.62     | 211.96        | 1,059.05                    | 0.43                          | -0.41                        | -24.58                      |
| 6,534.00                  | 0.31               | 192.81         | 6,378.03                  | -1,038.79     | 211.83        | 1,059.19                    | 0.42                          | 0.19                         | -131.32                     |
| 6,628.00                  | 0.50               | 179.18         | 6,472.02                  | -1,039.45     | 211.78        | 1,059.84                    | 0.23                          | 0.20                         | -14.50                      |
| 6,723.00                  | 0.81               | 169.31         | 6,567.02                  | -1,040.53     | 211.91        | 1,060.92                    | 0.35                          | 0.33                         | -10.39                      |
| 6,817.00                  | 1.02               | 292.62         | 6,661.01                  | -1,040.86     | 211.26        | 1,061.14                    | 1.72                          | 0.22                         | 131.18                      |
| 6,912.00                  | 0.69               | 279.81         | 6,756.00                  | -1,040.43     | 209.91        | 1,060.51                    | 0.40                          | -0.35                        | -13.48                      |
| 7,006.00                  | 1.00               | 312.18         | 6,849.99                  | -1,039.79     | 208.75        | 1,059.69                    | 0.59                          | 0.33                         | 34.44                       |
| 7,101.00                  | 0.75               | 316.18         | 6,944.98                  | -1,038.78     | 207.70        | 1,058.53                    | 0.27                          | -0.26                        | 4.21                        |
| 7,195.00                  | 0.19               | 352.81         | 7,038.98                  | -1,038.18     | 207.26        | 1,057.87                    | 0.65                          | -0.60                        | 38.97                       |
| 7,290.00                  | 0.38               | 47.56          | 7,133.98                  | -1,037.81     | 207.47        | 1,057.54                    | 0.33                          | 0.20                         | 57.63                       |
| 7,384.00                  | 0.69               | 108.43         | 7,227.97                  | -1,037.78     | 208.24        | 1,057.63                    | 0.64                          | 0.33                         | 64.76                       |
| 7,479.00                  | 1.13               | 123.18         | 7,322.96                  | -1,038.48     | 209.56        | 1,058.53                    | 0.52                          | 0.46                         | 15.53                       |
| 7,573.00                  | 0.38               | 82.43          | 7,416.95                  | -1,038.94     | 210.65        | 1,059.16                    | 0.93                          | -0.80                        | -43.35                      |
| 7,668.00                  | 0.69               | 88.68          | 7,511.95                  | -1,038.89     | 211.53        | 1,059.24                    | 0.33                          | 0.33                         | 6.58                        |
| 7,762.00                  | 0.75               | 293.68         | 7,605.94                  | -1,038.63     | 211.54        | 1,058.99                    | 1.50                          | 0.06                         | -164.89                     |
| 7,857.00                  | 0.44               | 270.31         | 7,700.94                  | -1,038.38     | 210.60        | 1,058.59                    | 0.41                          | -0.33                        | -24.60                      |
| 8,235.00                  | 1.81               | 160.81         | 8,078.88                  | -1,044.01     | 211.11        | 1,064.23                    | 0.53                          | 0.36                         | -28.97                      |
| 8,329.00                  | 1.69               | 90.43          | 8,172.84                  | -1,045.42     | 212.99        | 1,065.92                    | 2.15                          | -0.13                        | -74.87                      |
| 8,424.00                  | 1.94               | 29.68          | 8,267.80                  | -1,044.03     | 215.18        | 1,064.90                    | 1.95                          | 0.26                         | -63.95                      |
| 8,518.00                  | 1.88               | 40.31          | 8,361.75                  | -1,041.47     | 216.97        | 1,062.65                    | 0.38                          | -0.06                        | 11.31                       |
| 8,613.00                  | 0.75               | 133.43         | 8,456.73                  | -1,040.71     | 218.43        | 1,062.13                    | 2.17                          | -1.19                        | 98.02                       |
| 8,707.00                  | 1.13               | 148.18         | 8,550.72                  | -1,041.92     | 219.36        | 1,063.47                    | 0.48                          | 0.40                         | 15.69                       |
| 8,802.00                  | 1.56               | 142.31         | 8,645.69                  | -1,043.74     | 220.65        | 1,065.47                    | 0.47                          | 0.45                         | -6.18                       |

# Anadarko Petroleum Corp

## Survey Report

|                  |                                    |                                     |                              |
|------------------|------------------------------------|-------------------------------------|------------------------------|
| <b>Company:</b>  | US ROCKIES REGION PLANNING         | <b>Local Co-ordinate Reference:</b> | Well MORGAN STATE 921-36H1CS |
| <b>Project:</b>  | UTAH - UTM (feet), NAD27, Zone 12N | <b>TVD Reference:</b>               | 15'RKB+4923'GL @ 4938.00ft   |
| <b>Site:</b>     | UINTAH_MORGAN STATE 921-36A PAD    | <b>MD Reference:</b>                | 15'RKB+4923'GL @ 4938.00ft   |
| <b>Well:</b>     | MORGAN STATE 921-36H1CS            | <b>North Reference:</b>             | True                         |
| <b>Wellbore:</b> | MORGAN STATE 921-36H1CS            | <b>Survey Calculation Method:</b>   | Minimum Curvature            |
| <b>Design:</b>   | MORGAN STATE 921-36H1CS            | <b>Database:</b>                    | edmp                         |

### Survey

| Measured<br>Depth<br>(ft) | Inclination<br>(°) | Azimuth<br>(°) | Vertical<br>Depth<br>(ft) | +N/-S<br>(ft) | +E/-W<br>(ft) | Vertical<br>Section<br>(ft) | Dogleg<br>Rate<br>(°/100usft) | Build<br>Rate<br>(°/100usft) | Turn<br>Rate<br>(°/100usft) |
|---------------------------|--------------------|----------------|---------------------------|---------------|---------------|-----------------------------|-------------------------------|------------------------------|-----------------------------|
| 8,896.00                  | 1.31               | 175.31         | 8,739.67                  | -1,045.83     | 221.52        | 1,067.67                    | 0.90                          | -0.27                        | 35.11                       |
| 8,991.00                  | 1.44               | 163.81         | 8,834.64                  | -1,048.05     | 221.94        | 1,069.93                    | 0.32                          | 0.14                         | -12.11                      |
| 9,085.00                  | 1.44               | 167.18         | 8,928.61                  | -1,050.34     | 222.53        | 1,072.29                    | 0.09                          | 0.00                         | 3.59                        |
| 9,180.00                  | 1.31               | 166.18         | 9,023.58                  | -1,052.56     | 223.06        | 1,074.56                    | 0.14                          | -0.14                        | -1.05                       |
| 9,274.00                  | 1.38               | 161.68         | 9,117.56                  | -1,054.68     | 223.67        | 1,076.75                    | 0.13                          | 0.07                         | -4.79                       |
| 9,369.00                  | 1.44               | 158.56         | 9,212.53                  | -1,056.87     | 224.47        | 1,079.04                    | 0.10                          | 0.06                         | -3.28                       |
| 9,463.00                  | 0.81               | 173.68         | 9,306.51                  | -1,058.63     | 224.97        | 1,080.86                    | 0.74                          | -0.67                        | 16.09                       |
| 9,558.00                  | 0.88               | 186.06         | 9,401.50                  | -1,060.03     | 224.97        | 1,082.23                    | 0.21                          | 0.07                         | 13.03                       |
| 9,747.00                  | 0.69               | 163.31         | 9,590.48                  | -1,062.56     | 225.14        | 1,084.76                    | 0.19                          | -0.10                        | -12.04                      |
| 9,936.00                  | 0.81               | 149.18         | 9,779.46                  | -1,064.80     | 226.15        | 1,087.13                    | 0.12                          | 0.06                         | -7.48                       |
| 10,220.00                 | 1.81               | 158.56         | 10,063.39                 | -1,070.70     | 228.82        | 1,093.38                    | 0.36                          | 0.35                         | 3.30                        |
| 10,543.00                 | 2.06               | 155.68         | 10,386.20                 | -1,080.73     | 233.08        | 1,103.96                    | 0.08                          | 0.08                         | -0.89                       |
| <b>LAST MWD SURVEY</b>    |                    |                |                           |               |               |                             |                               |                              |                             |
| 10,605.00                 | 2.06               | 155.68         | 10,448.16                 | -1,082.77     | 233.99        | 1,106.11                    | 0.00                          | 0.00                         | 0.00                        |
| <b>PROJECTION TO TD</b>   |                    |                |                           |               |               |                             |                               |                              |                             |

Checked By: \_\_\_\_\_ Approved By: \_\_\_\_\_ Date: \_\_\_\_\_

Effective Date: 6/30/2020

| FORMER OPERATOR:                                    | NEW OPERATOR:     |
|-----------------------------------------------------|-------------------|
| Kerr-McGee Oil and Gas Onshore, L.P.                | Caerus Uinta, LLC |
| Groups: 10/9/2020 sent list to operators to review. |                   |

WELL INFORMATION:

| Well Name         | API Number | Town | Dir | Range | Dir | Sec | Entity Number | Type | Status |
|-------------------|------------|------|-----|-------|-----|-----|---------------|------|--------|
| See Attached list |            |      |     |       |     |     |               |      |        |

Total Well Count: 3508  
Pre-Notice Completed: 11/10/2020

OPERATOR CHANGES DOCUMENTATION:

- Sundry or legal documentation was received from the **FORMER** operator on: 8/11/2020
- Sundry or legal documentation was received from the **NEW** operator on: 8/11/2020
- New operator Division of Corporations Business Number: 11801118-0161

REVIEW:

Receipt of Acceptance of Drilling Procedures for APD on: 10/16/2020  
Reports current for Production/Disposition & Sundries: 11/10/2020  
OPS/SI/TA well(s) reviewed for full cost bonding: Approved by Dustin 11/9/2020  
UIC5 on all disposal/injection/storage well(s) Approved on: Approved by Dayne 10/16/2020  
Surface Facility(s) included in operator change:

East Bench  
Archie Bench  
Bonanza  
Bridge  
Goat Pasture  
Goat Pasture Manifold  
Morgan State 921-36P  
Morgan States  
NBU 1022-14B  
NBU 921-25A  
NBU 922-29J  
NBU 922-32N  
Pipeline  
Sage Grouse  
Sand Wash

NEW OPERATOR BOND VERIFICATION:

State/fee well(s) covered by Bond Number(s): 6135000111  
LPM9344488-Shut-In Bond

DATA ENTRY:

Well(s) update in the RBDMS on: 11/19/2020  
Group(s) update in RDBMS on: 11/19/2020  
Surface Facilities update in RBDMS on: 11/19/2020  
Entities Updated in RBDMS on: 11/19/2020

COMMENTS: Shut-In Wells that were reviewed.

CIGE 236 4304732861  
CIGE 42 4304730492  
CIGE 55 4304730512  
Love 1121-16N 4304736256  
Morgan State 16-36 4304733093  
NBU 341-29E 4304733055  
NBU 691-29E 4304750027  
NBU 921-33F 4304736391  
NBU 99 4304731745  
Ouray SWD 1 4304733449  
State 1022-32O 4304735315  
State 921-32M 4304734872

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.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☒ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:  
CAERUS UINTA LLC

3. ADDRESS OF OPERATOR:  
1001 17TH ST. STE 1600 CITY DENVER STATE CO ZIP 80202

PHONE NUMBER:  
303-565-4600

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1162 FSL 1365 FWL

COUNTY: UTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 20 10S 21E S

STATE: UTAH

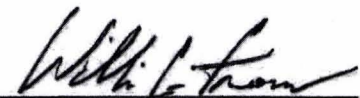
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

| TYPE OF SUBMISSION                                                                                                               | TYPE OF ACTION                                          |                                                           |                                                                             |
|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> NOTICE OF INTENT<br>(Submit in Duplicate)<br>Approximate date work will start:<br>06/30/2020 | <input type="checkbox"/> ACIDIZE                        | <input type="checkbox"/> DEEPEN                           | <input type="checkbox"/> REPERFORATE CURRENT FORMATION                      |
|                                                                                                                                  | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL                           |
|                                                                                                                                  | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON                                |
|                                                                                                                                  | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input checked="" type="checkbox"/> OPERATOR CHANGE       | <input type="checkbox"/> TUBING REPAIR                                      |
|                                                                                                                                  | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                                      |
| <input type="checkbox"/> SUBSEQUENT REPORT<br>(Submit Original Form Only)<br>Date of work completion:                            | <input type="checkbox"/> CHANGE WELL NAME               | <input type="checkbox"/> PLUG BACK                        | <input type="checkbox"/> WATER DISPOSAL                                     |
|                                                                                                                                  | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                                     |
|                                                                                                                                  | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: Transfer remediation liabilities |
|                                                                                                                                  | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |                                                                             |

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

Effective June 30, 2020, operation of the following wells was taken over by:  
Caerus Uinta LLC  
1001 17th Street, Suite 1600  
Denver, CO 80202  
303-565-4600

The previous Operator was Kerr-McGee Oil & Gas Onshore LP  
PO Box 173779  
Denver, CO 80217-3779

  
William C. Irons  
Attorney-in-Fact

Please see the attached wells for a complete list that will be transferred upon approval. As the Attorney-in-Fact for Kerr-McGee Oil & Gas Onshore LP I ask that you accept this letter as Kerr-McGee's official resignation and request to transfer operating rights to Caerus Uinta LLC, whose operator number is 105039. UDOGM Bond# 6135000111 and BLM Bond# COB000387.

Kerr-McGee will be transferring cleanup/soils remediation to Caerus Uinta LLC for Incident #5772. The new contact for Caerus is Grizz Oleen, EHS Field Lead (435) 790-9669.

NAME (PLEASE PRINT) Aubree Besant TITLE Director of Land  
SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

(This space for State use only)

APPROVED

By: Rachel Medina  
Utah Division of  
Oil, Gas, and Mining

(5/2000)

(See Instructions on Reverse Side)

RECEIVED

AUG 11 2020

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:  
U-02278-ST

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:  
NATURAL BUTTES

1. TYPE OF WELL  
OIL WELL ☐ GAS WELL ☒ OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
CIGE 20

2. NAME OF OPERATOR:  
CAERUS UINTA LLC

9. API NUMBER:  
43047304850000

3. ADDRESS OF OPERATOR:  
1001 17TH ST. STE 1600 CITY DENVER STATE CO ZIP 80202

PHONE NUMBER:  
303-565-4600

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1162 FSL 1365 FWL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESW 20 10S 21E S

STATE: UTAH

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|                                                                                                                                         | <input type="checkbox"/> ALTER CASING                   | <input type="checkbox"/> FRACTURE TREAT                   | <input type="checkbox"/> SIDETRACK TO REPAIR WELL                                  |
|                                                                                                                                         | <input type="checkbox"/> CASING REPAIR                  | <input type="checkbox"/> NEW CONSTRUCTION                 | <input type="checkbox"/> TEMPORARILY ABANDON                                       |
|                                                                                                                                         | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS       | <input checked="" type="checkbox"/> OPERATOR CHANGE       | <input type="checkbox"/> TUBING REPAIR                                             |
|                                                                                                                                         | <input type="checkbox"/> CHANGE TUBING                  | <input type="checkbox"/> PLUG AND ABANDON                 | <input type="checkbox"/> VENT OR FLARE                                             |
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|                                                                                                                                         | <input type="checkbox"/> CHANGE WELL STATUS             | <input type="checkbox"/> PRODUCTION (START/RESUME)        | <input type="checkbox"/> WATER SHUT-OFF                                            |
|                                                                                                                                         | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE         | <input checked="" type="checkbox"/> OTHER: <u>Transfer remediation liabilities</u> |
|                                                                                                                                         | <input type="checkbox"/> CONVERT WELL TYPE              | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION |                                                                                    |

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Kerr-McGee will be transferring cleanup/soils remediation to Caerus Uinta LLC for Incident #5772. The new contact for Caerus is Grizz Oleen, EHS Field Lead (435) 790-9669.

NAME (PLEASE PRINT) Aubree Besant

TITLE Director of Land

SIGNATURE [Signature]

DATE July 17, 2020

RECEIVED

(This space for State use only)

**APPROVED**

By: Rachel Medina  
Utah Division of  
Oil, Gas, and Mining

AUG 11 2020

DIV OF OIL, GAS & MINING



October 2, 2025

Utah Department of Natural Resources  
Division of Oil, Gas and Mining  
1594 West North Temple  
Suite 1210  
Salt Lake City, UT 84116  
Attn: MykelLynn Bryson

RE: Notice of Name Change – Caerus Uinta, LLC

To Whom It May Concern:

Effective September 1, 2025, Caerus Uinta, LLC has changed its name to **KODA GNB, LLC**. KODA Uinta, LLC remains a wholly owned subsidiary of KODA Holdings, LLC.

This is a name change only; there is no change to addresses, tax identification numbers, or bank accounts.

Enclosed for your processing and records are the following:

1. Delaware Secretary of State Name Change Certificate
2. Updated W9 showing name change
3. Name Change Rider B014249 - Blanket Bond
4. Name Change Rider 612418229 - Blanket Idle well Bond
5. Name Change Rider B013581 – Pipeline Pit 1 & 2
6. Name Change Rider B013582 – Bonanza Pit 1 & 2
7. Name Change Rider B013583 – Goat Pasture Pit 1 & 2

Please feel free to contact me at [aly.schuster@kodaresources.com](mailto:aly.schuster@kodaresources.com) or 720-500-0140 should you have any questions or need any additional information.

Sincerely,  
KODA GNB, LLC

A handwritten signature in blue ink, appearing to read "Aly Schuster". The signature is fluid and cursive, with a long horizontal stroke at the end.

Aly Schuster  
Senior Landman

Enclosure

1401 Wynkoop St, Suite 300  
Denver, CO 80202

[owners@kodaresources.com](mailto:owners@kodaresources.com) | [www.kodaresources.com](http://www.kodaresources.com)

# Delaware

The First State

Page 1

I, CHARUNI PATIBANDA-SANCHEZ, SECRETARY OF STATE OF THE  
STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND  
CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "CAERUS UINTA  
LLC", CHANGING ITS NAME FROM "CAERUS UINTA LLC" TO "KODA GNB,  
LLC", FILED IN THIS OFFICE ON THE TWENTY-NINTH DAY OF AUGUST,  
A.D. 2025, AT 9:14 O'CLOCK P.M.



7877090 8100  
SR# 20253839085

You may verify this certificate online at [corp.delaware.gov/authver.shtml](http://corp.delaware.gov/authver.shtml)

A handwritten signature in cursive script, reading "C. B. Sanchez".

Charuni Patibanda-Sanchez, Secretary of State

Authentication: 204623735  
Date: 09-02-25

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 09:11 PM 08/29/2025  
FILED 09:14 PM 08/29/2025  
SR 20253839085 - File Number 7877090

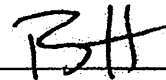
## STATE OF DELAWARE CERTIFICATE OF AMENDMENT

1. Name of Limited Liability Company: Caerus Uinta LLC
2. The Certificate of Formation of the limited liability company is hereby amended as follows:

The name of the limited liability company is: KODA  
GNB, LLC.

IN WITNESS WHEREOF, the undersigned have executed this Certificate on  
the 29th day of August, A.D. 2025.

By: \_\_\_\_\_



Authorized Person(s)

Name: Ryan Midgett

Print or Type