Form 3160-3
(February 2005)

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
U-011336

6. If Indian, Allotee or Tribe Name

1a. Type of work: ☑ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.
Natural Buttes Unit

1b. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Other ☐ Single Zone ☑ Multiple Zone

8. Lease Name and Well No.
Natural Buttes Unit 631-01E

2. Name of Operator
EOG RESOURCES, INC

9. API Well No.
43-047-39297

3a. Address **1060 East Highway 40**
Vernal, UT 84078

3b. Phone No. *(include area code)*
435-781-9111

10. Field and Pool, or Exploratory
Natural Buttes/Wasatch/Mesaverde

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*
At surface 638288 **1096 FSL & 661 FEL (SESE) 39.973669 Lat 109.381181 Lon**
At proposed prod. zone **Same** 4425890Y 39.973753 -109.380683

11. Sec., T. R. M. or Blk. and Survey or Area
Section 1, T10S, R22E S.L.B.&M

14. Distance in miles and direction from nearest town or post office*
54.7 Miles South of Vernal, UT

12. County or Parish
Uintah

13. State
UT

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. unit line, if any)	16. No. of acres in lease	17. Spacing Unit dedicated to this well
661 Lease Line	**523**	**Suspended**
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft.	19. Proposed Depth	20. BLM/BIA Bond No. on file
1370	**6962**	**NM 2308**
21. Elevations (Show whether DF, KDB, RT, GL, etc.)	22. Approximate date work will start*	23. Estimated duration
5134 GL		**45 Days**

24. Attachments

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

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

25. Signature	Name *(Printed Typed)*	Date
Title **Sr. Regulatory Assistant**	**Kaylene R. Gardner**	**05/07/2007**
Approved by *(Signature)*	Name *(Printed Typed)* **BRADLEY G. HILL**	Date 05-14-07
Title	Office **ENVIRONMENTAL MANAGER**	

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

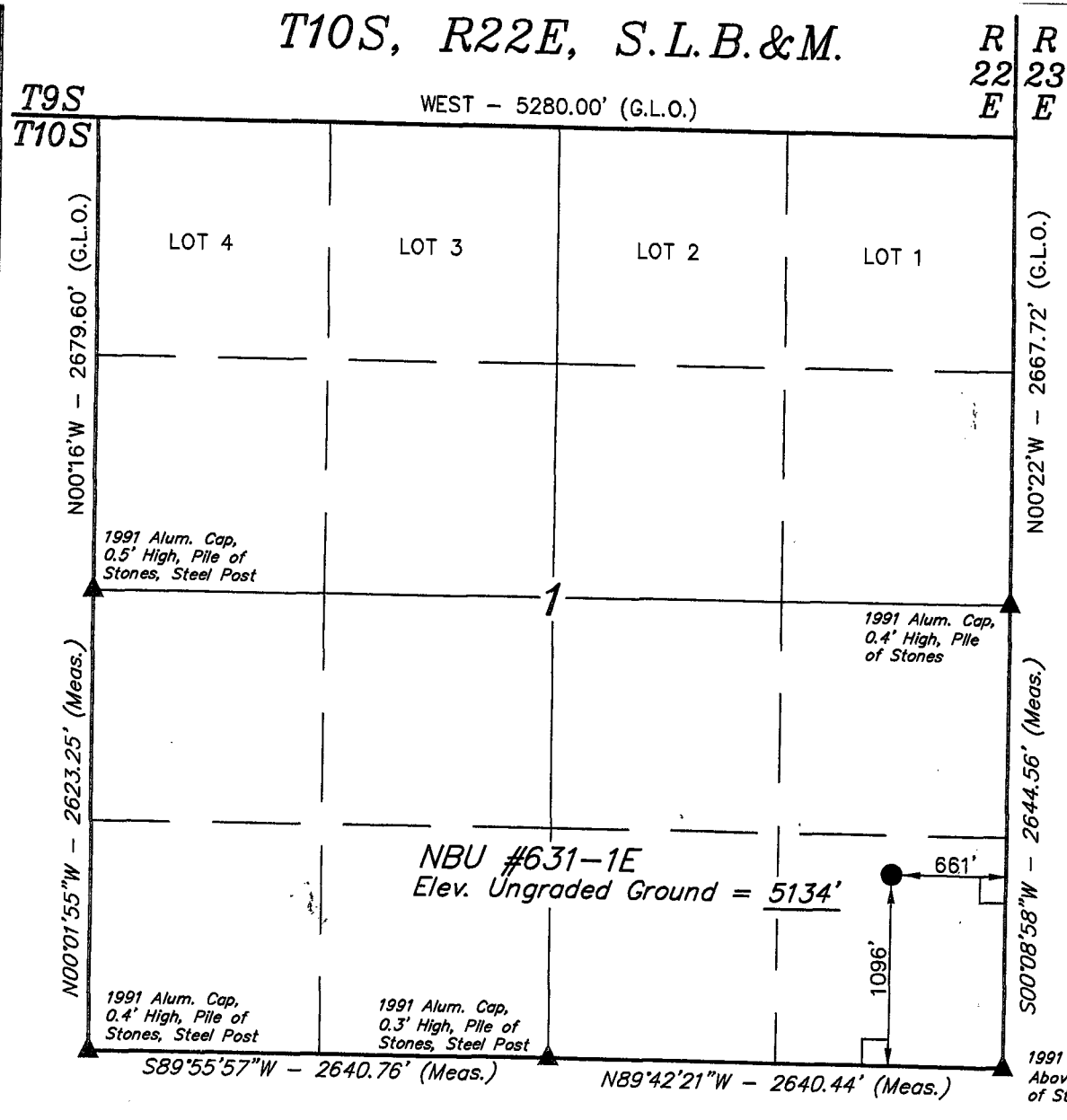
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

RECEIVED
MAY 10 2007
DIV. OF OIL, GAS & MINING

Federal Approval of this Action is Necessary

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



EOG RESOURCES, INC.

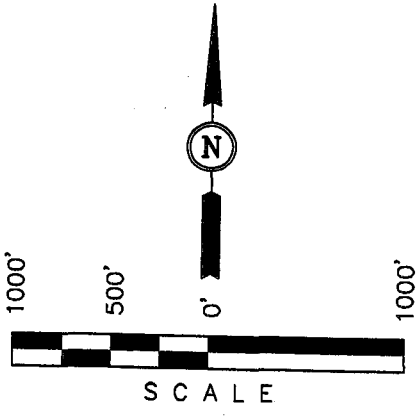
Well location, NBU #631–1E, located as shown in the SE 1/4 SE 1/4 of Section 1, T10S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK (20EAM) LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

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

No. 161319
ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REGISTERED LAND SURVEYOR — STATE OF UTAH

(NAD 83)
LATITUDE = 39°58'25.21" (39.973669)
LONGITUDE = 109°22'52.25" (109.381181)
(NAD 27)
LATITUDE = 39°58'25.33" (39.973703)
LONGITUDE = 109°22'49.80" (109.380500)

LEGEND:

└ = 90° SYMBOL
● = PROPOSED WELL HEAD.
▲ = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789–1017

SCALE	DATE SURVEYED:	DATE DRAWN:
1" = 1000'	03–07–07	03–12–07
PARTY: G.S. C.R. C.H.	REFERENCES: G.L.O. PLAT	
WEATHER: COOL	FILE: EOG RESOURCES, INC.	

EIGHT POINT PLAN

NATURAL BUTTES UNIT 631-01E
SE/SE, SEC. 1, T10S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,195		Shale	
Wasatch	4,152	Primary	Sandstone	Gas
Chapita Wells	4,706	Primary	Sandstone	Gas
Buck Canyon	5,358	Primary	Sandstone	Gas
North Horn	6,102	Primary	Sandstone	Gas
KMV Price River	6,421	Primary	Sandstone	Gas
TD	**6,962**			

Estimated TD: **6,692' or 200'± below Price River top** **Anticipated BHP: 3,802 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0' – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	233,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

EIGHT POINT PLAN

NATURAL BUTTES UNIT 631-01E
SE/SE, SEC. 1, T10S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

EIGHT POINT PLAN

NATURAL BUTTES UNIT 631-01E
SE/SE, SEC. 1, T10S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.

Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% $CaCl_2$, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft^3/sk. yield, 23 gps water.

Tail: **207 sks** Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: **105 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft^3/sk., 24.5 gps water.

Tail: **585 sks**: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft^3/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

EIGHT POINT PLAN

NATURAL BUTTES UNIT 631-01E
SE/SE, SEC. 1, T10S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

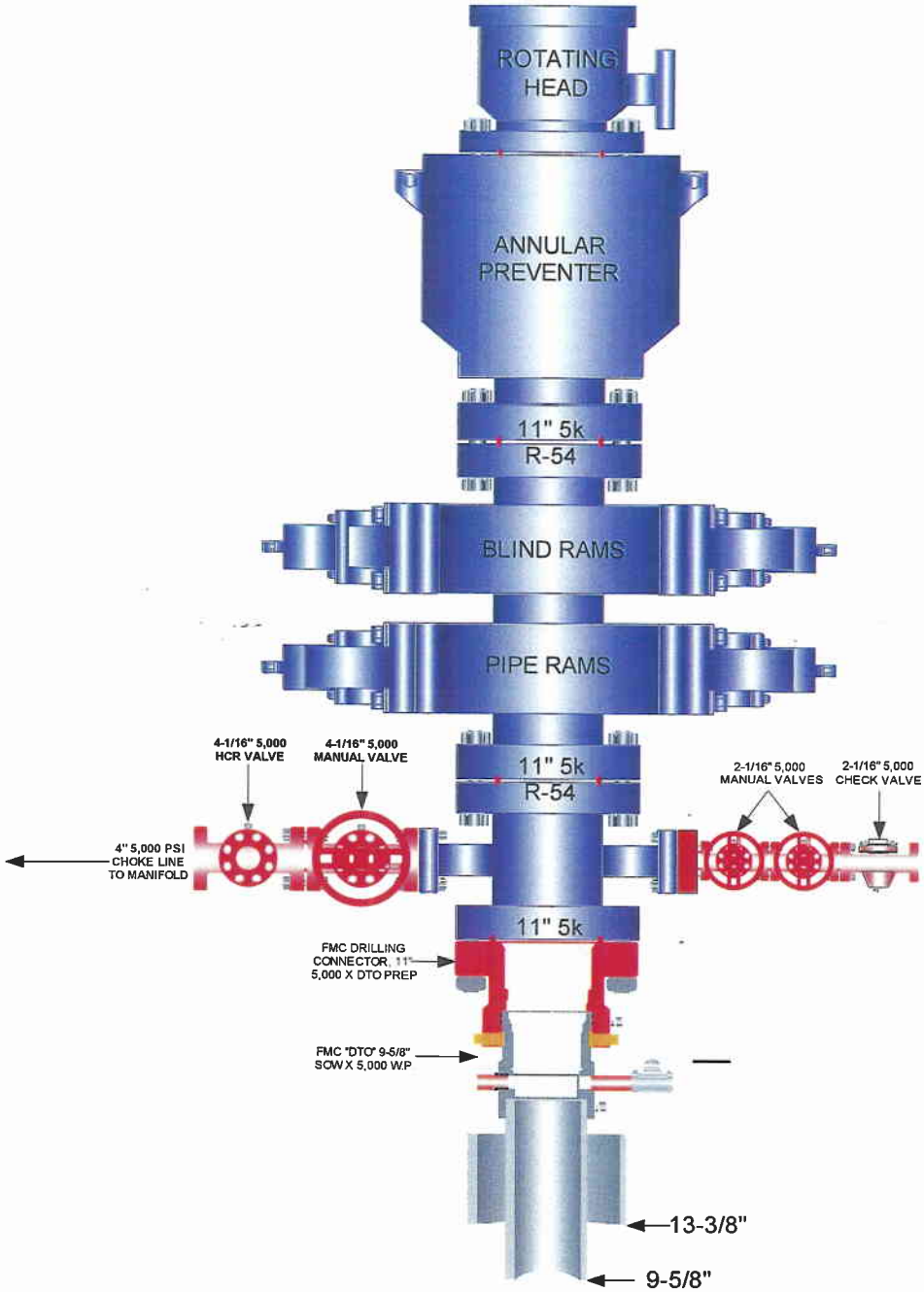
A. Choke Manifold
B. Upper and Lower Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

12. HAZARDOUS CHEMICALS:

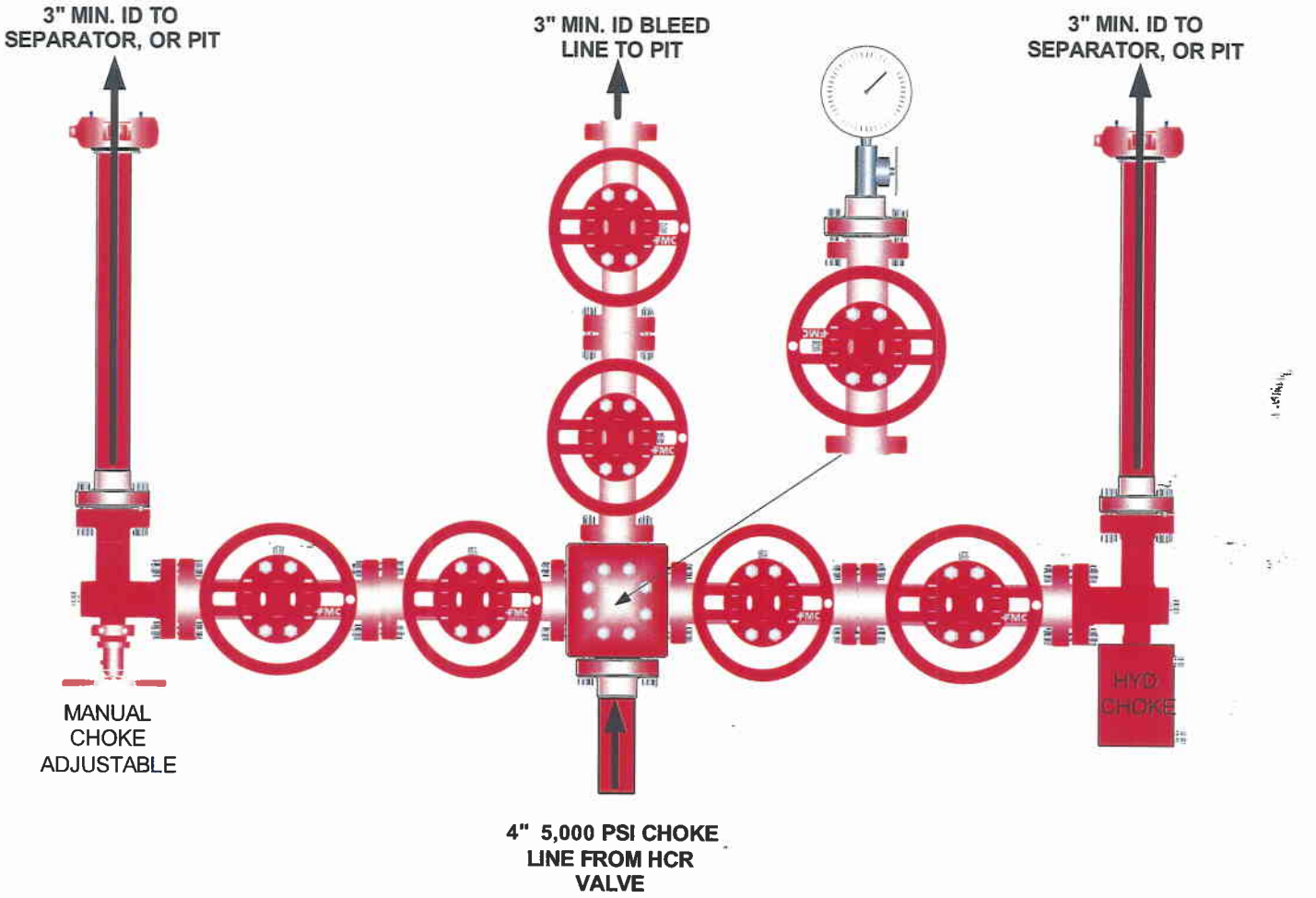
No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
   Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

eog resources

Natural Buttes Unit 631-01E
SESE, Section 1, T10S, R22E
Uintah County, Utah

SURFACE USE PLAN

The well pad is approximately 375 feet long with a 261-foot width, containing 2.25 acres more or less. The well access road is approximately 2640 feet long with a 40-foot right-of-way, disturbing approximately 2.42 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 4.67 acres. The pipeline is approximately 3663 feet long with a 20-foot right-of-way, disturbing approximately 1.68 acres.

1. EXISTING ROADS:

A. See attached Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

B. The proposed well site is located approximately 54.7 miles south of Vernal, Utah – See attached TOPO Map "A".

C. Refer to attached Topographic Map "A" showing labeled access route to location.

D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

A. The access road will be approximately 1630' in length. See attached Topo B.

B. The access road has a 40-foot ROW w/18 foot running surface.

C. Maximum grade of the new access road will be 8 percent.

D. No turnouts will be required.

E. Road drainage crossings shall be of the typical dry creek drainage crossing type.

F. No bridges, or major cuts and fills will be required.

G. The access road will be dirt surface.

H. No gates, cattleguards, or fences will be required or encountered.

I. A 40-foot permanent right-of-way is requested. No surfacing material will used.

I. A 40-foot permanent right-of-way is requested. No surfacing material will used.
J. No additional storage areas will be needed for storing equipment, stockpiling, or vehicle parking.

All travel will be confined to existing access road rights-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, Fourth Edition and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed, safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 40-foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 40-foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

The entire length of the road is located within Federal Lease # U-011336, thus an off lease right-of-way is not required.

3. *Location of Existing Wells Within a One-Mile Radius:*

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. *Location of Existing and/or Proposed Production Facilities:*

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400-bbl vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. Proposed pipeline will transport natural gas.
2. The pipeline will be a permanent feeder line.
3. The length of the proposed pipeline is 3663' x 40'. The proposed pipeline leaves the western edge of the well pad (Lease U-011336) proceeding in an easterly then northerly, direction for an approximate distance of 3663' tieing into an existing pipeline in the NWSE of Section 1, T9S, R22E. Pipe will be 4" NOM, 0.156 wall, Grade X42, Zap-Lock, electric weld with a 35 mil X-Tru coating.
4. Proposed pipeline will be a 4" OD steel, zap-lok line laid on the surface
5. Proposed pipeline will be laid on surface.
6. A 20-foot permanent pipeline right-of-way is requested. A 40-foot temporary pipeline right-of-way for construction purposes is requested, the temporary right-of-way will be utilized for a 10-day period.
7. The proposed pipeline route begins in the SESE of Section 1, T9S, R22E, proceeding 3663' easterly then northerly, to the NWSE of Section 1, T9S, R22E. The entire length of the proposed pipeline is located within Federal Lease U-011336 thus a pipeline right-of-way is not required.
8. Pipeline will be coupled using the Zap lock method. No additional off-pad facilities will be required.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)). Water will be hauled by a licensed trucking company.

B. Water will be hauled by a licensed trucking company.

C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. All construction material for this pipeline will be of native borrow and soil accumulated during the construction of the location.

B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.

2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30N SWD or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 16-millimeter plastic liner and sufficient bedding (i.e. weed free straw, or hay; felt; polyswell or soil) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation

hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will not be used, produced, stored, transported, or disposed of in association with the drilling, testing or completion of the well.

8. *ANCILLARY FACILITIES:*

None anticipated.

9. *WELL SITE LAYOUT:*

A. Refer to attached well site plat for related topography cuts and fills and cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.

C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the west corner of the location. The flare pit will be located downwind of the prevailing wind direction on the north side of the location, a minimum of 100 feet from the wellhead and 30 feet from the reserve pit fence.

The stockpiled pit topsoil (first six inches) will be stored separate from the location topsoil east of corner #5. The location topsoil will be stockpiled in a location providing easy access for interim reclamation and protection from existing topography. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the east.

Corner #2 shall be rounded to stay out of the wash.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)

B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. *Interim Reclamation (Producing Location)*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours – See

attached Figure #3. The reserve pit will be reclaimed within 90 days from the date of the well completion, or as soon as environmental conditions allow. Before any dirt takes place, the reserve pit must be completely dry and free of all foreign obstacles.

The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Crested Wheatgrass	9.0
Prostrate kochia	3.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Wyoming Big Sage	3.0
Indian Ricegrass	3.0
Needle and Threadgrass	3.0
HyCrest Wheatgrass	1.0
Winterfat	1.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might

further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.

C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

D. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

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 of Lessees. The operator is 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.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources survey will be conducted and submitted by Montgomery Archaeological Consultants. A paleontological survey will be conducted and submitted by Intermountain Paleo.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT
Kaylene R. Gardner
EOG Resources, Inc.
P.O. Box 1815
Vernal, Ut 84078
(435) 781-9111

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 is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

The operator or his/her contractor shall contact the BLM office at (435) 781-4400 forty-eight (48) hours prior to construction activities.

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Natural Buttes Unit 631-01E well, located in the SESE, of Section 1, T10S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

May 7, 2007
Date

Kaylene R. Gardner, Sr. Regulatory Assistant

Onsite Date: April 18, 2007

EOG RESOURCES, INC.

NBU #631-1E

LOCATED IN UINTAH COUNTY, UTAH
SECTION 1, T10S, R22E, S.L.B.&M.

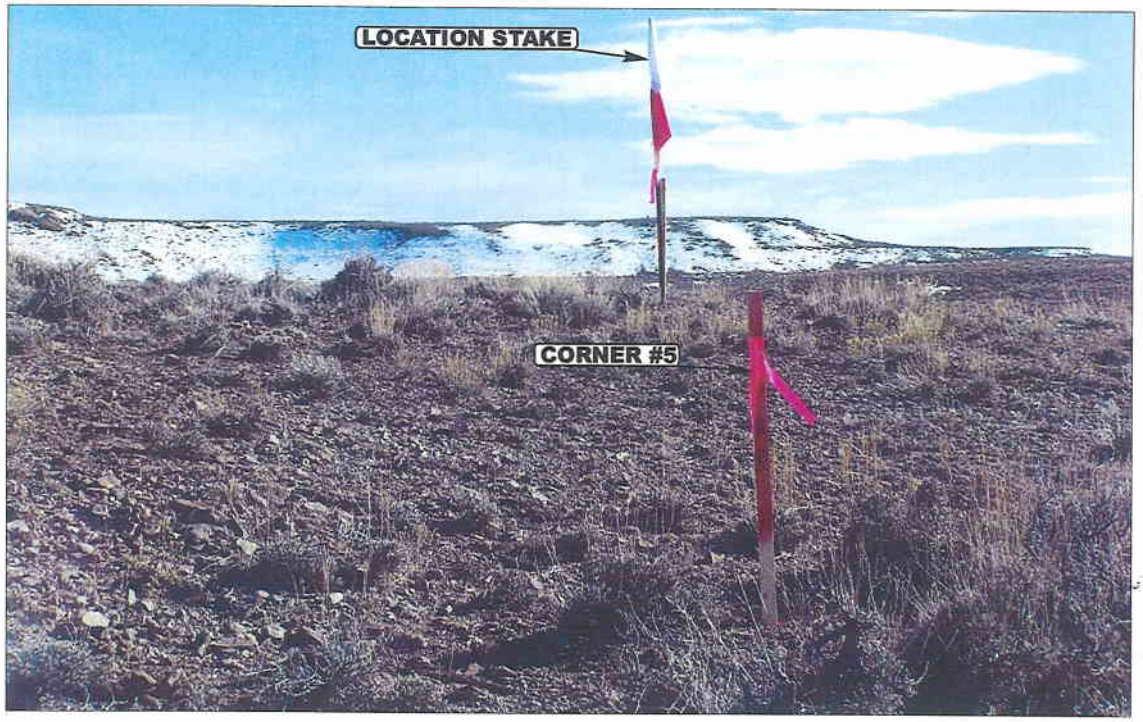


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: SOUTHERLY**

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: NORTHEASTERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

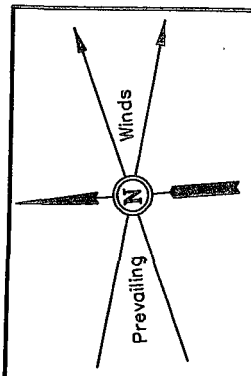
LOCATION PHOTOS	03 MONTH	07 DAY	07 YEAR	PHOTO
TAKEN BY: G.S.	DRAWN BY: C.P.	REVISED: 00-00-00		

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

NBU #631-1E
SECTION 1, T10S, R22E, S.L.B.&M.
1096' FSL 661' FEL

FIGURE #1



SCALE: 1" = 50'
DATE: 03-12-07
Drawn By: C.H.

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.

Approx. Top of Cut Slope

Topsoil S.P.

Proposed Access Road

Topsoil Stockpile

Sta. 3+75

C-0.9'
El. 129.2'

C-1.3'
El. 129.6'

C-8.2'
El. 136.5'

111'

200'

Round Co... as needed

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

40'

30'

Flare Pit

CATWALK

PIPE RACKS

C-2.8'
El. 131.1'

C-6.1'
El. 134.4'

C-0.2'
El. 28.5'

C-1.5'
El. 119.8'
(btm. pit)

RIG

DOG HOUSE

36'

150'

Sta. 1+75

75'

RESERVE PITS
(10' Deep)

MUD TANKS

WATER

TRAILER

PUMP

TOILET

MUD SHED

HOPPER

FUEL

175'

175'

POWER

TOOLS

FUEL

Sta. 0+50

15' WIDE BENCH

1:1 1/2 SLOPE

Total Pit Capacity
W/2' of Freeboard
= 12,820 Bbls.±
Total Pit Volume
= 3,580 Cu. Yds

Reserve Pit Backfill & Spoils Stockpile

TRASH

F-5.5'
El. 122.8'

STORAGE TANK

F-25.7'
El. 102.6'

Sta. 0+00

C-1.5'
El. 119.8'
(btm. pit)

20' WIDE BENCH

C-0.2'
El. 128.5'

Elev. Ungraded Ground at Location Stake = 5134.4'

Elev. Graded Ground at Location Stake = 5128.3'

Approx. Toe of Fill Slope

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

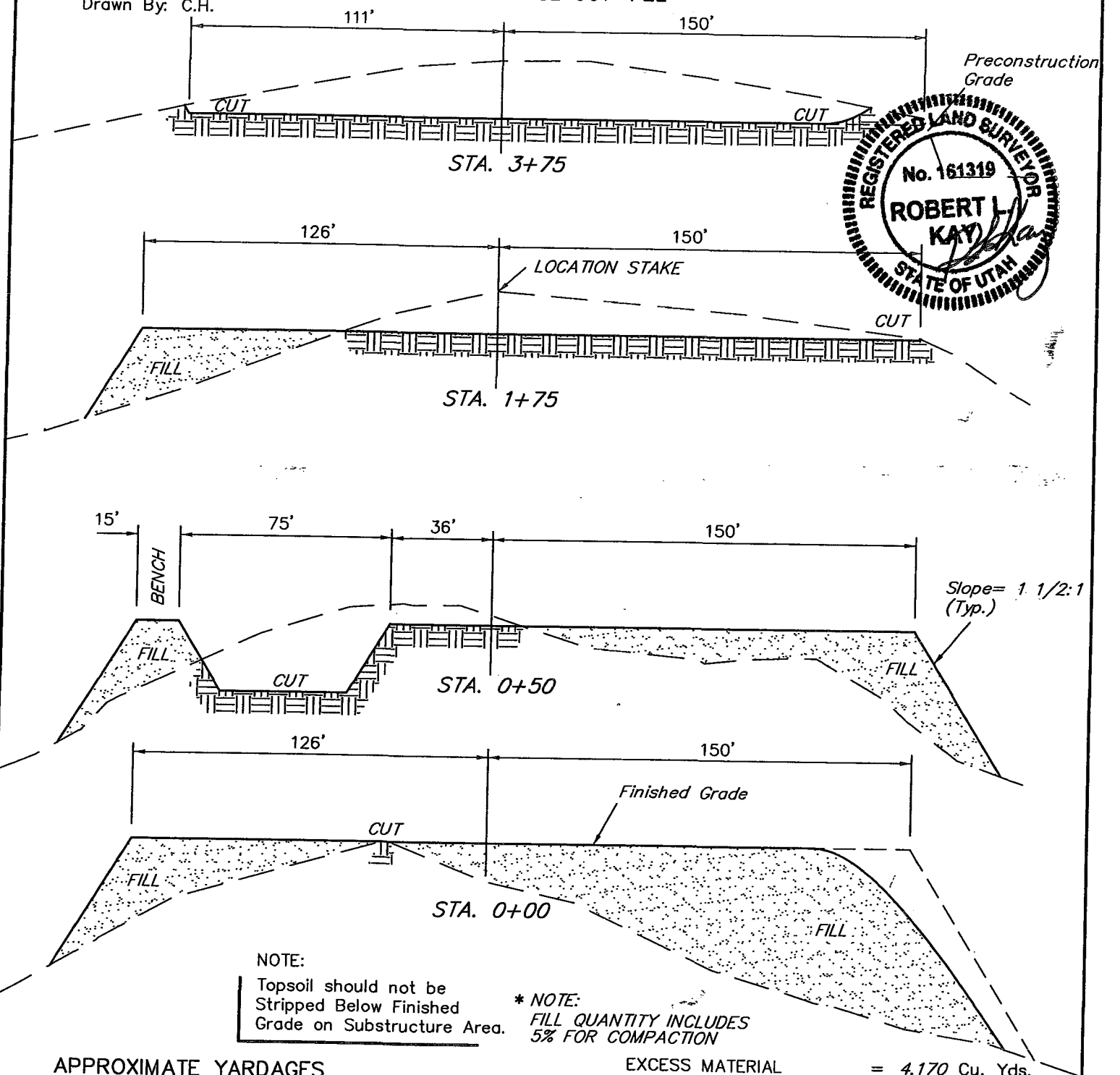
EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

NBU #631-1E
SECTION 1, T10S, R22E, S.L.B.&M.
1096' FSL 661' FEL

FIGURE #2

1" = 20' X-Section Scale
1" = 50'
DATE: 03-12-07
Drawn By: C.H.



REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH

NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	2,380 Cu. Yds.
Remaining Location	=	12,980 Cu. Yds.
TOTAL CUT	=	15,360 CU.YDS.
FILL	=	11,190 CU.YDS.

EXCESS MATERIAL	=	4,170 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,170 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation)	=	0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES, INC.

PRODUCTION FACILITY LAYOUT FOR

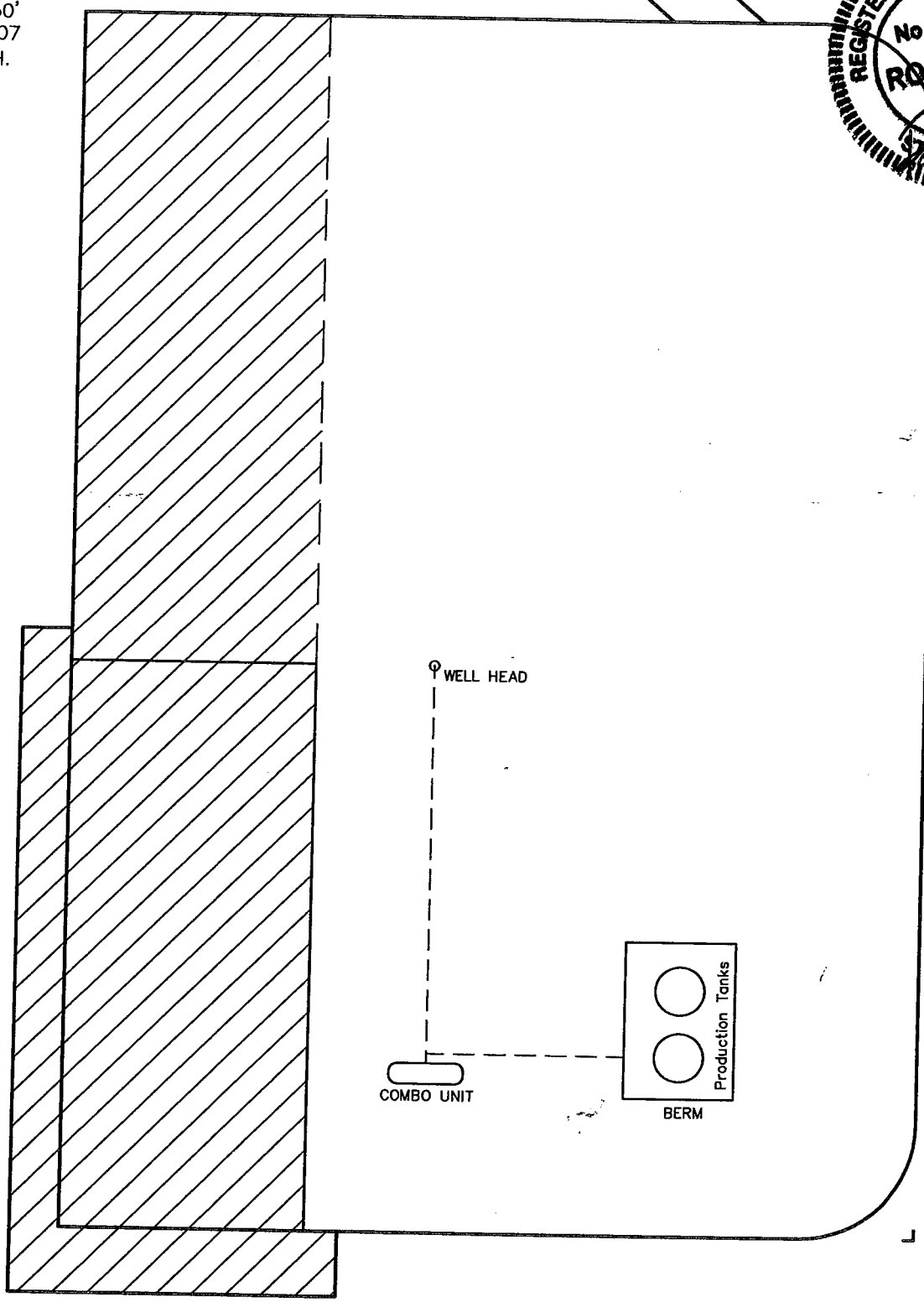
NBU #631-1E
SECTION 1, T10S, R22E, S.L.B.&M.
1096' FSL 661' FEL

FIGURE #3

SCALE: 1" = 50'
DATE: 03-12-07
Drawn By: C.H.

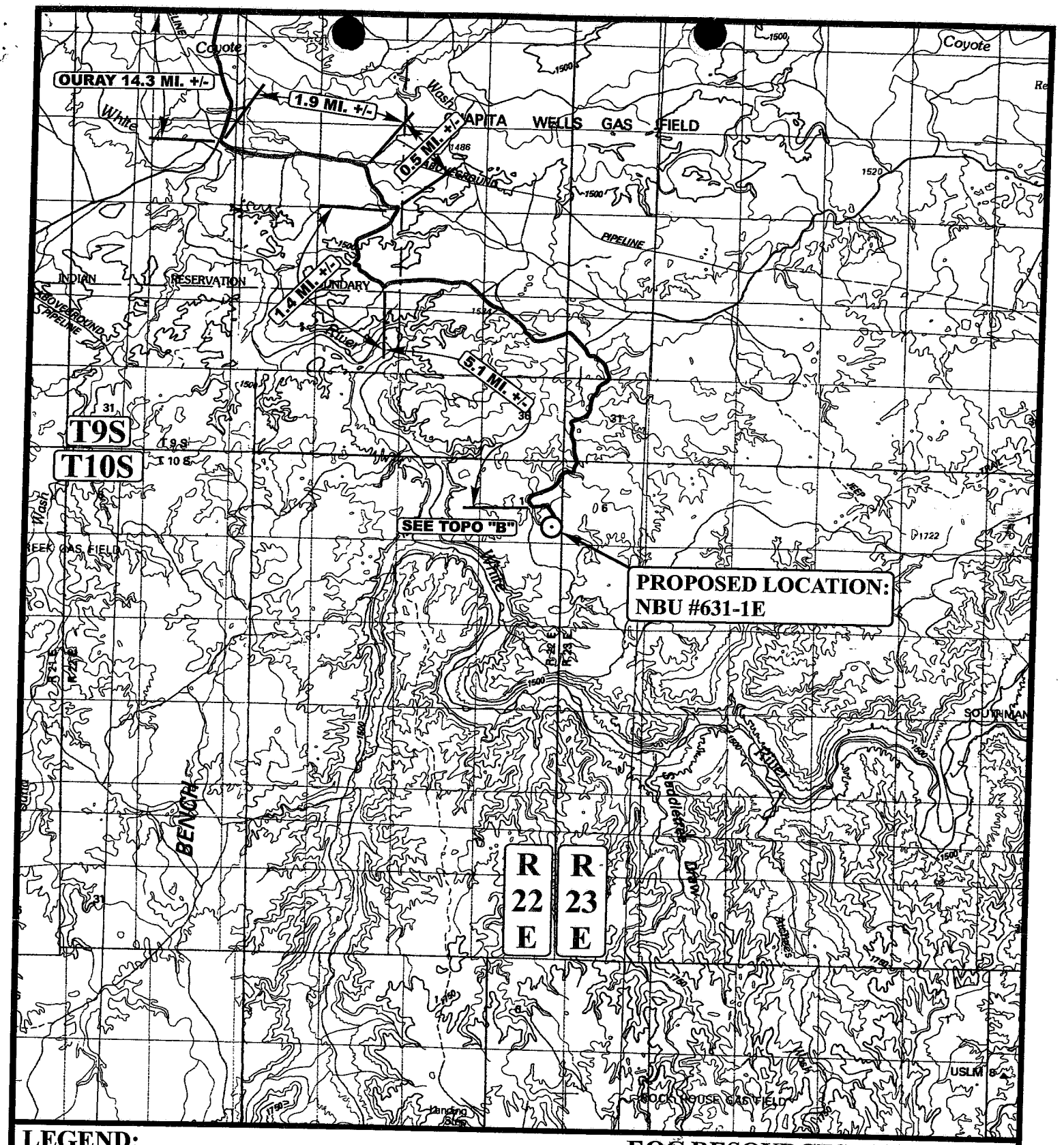
Proposed Access Road

REGISTERED LAND SURVEYOR
No. 161319
ROBERT L. KAY
STATE OF UTAH



RE-HABED AREA

UINTAH ENGINEERING & LAND SURVEYING
*85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017*



LEGEND:

⊙ PROPOSED LOCATION

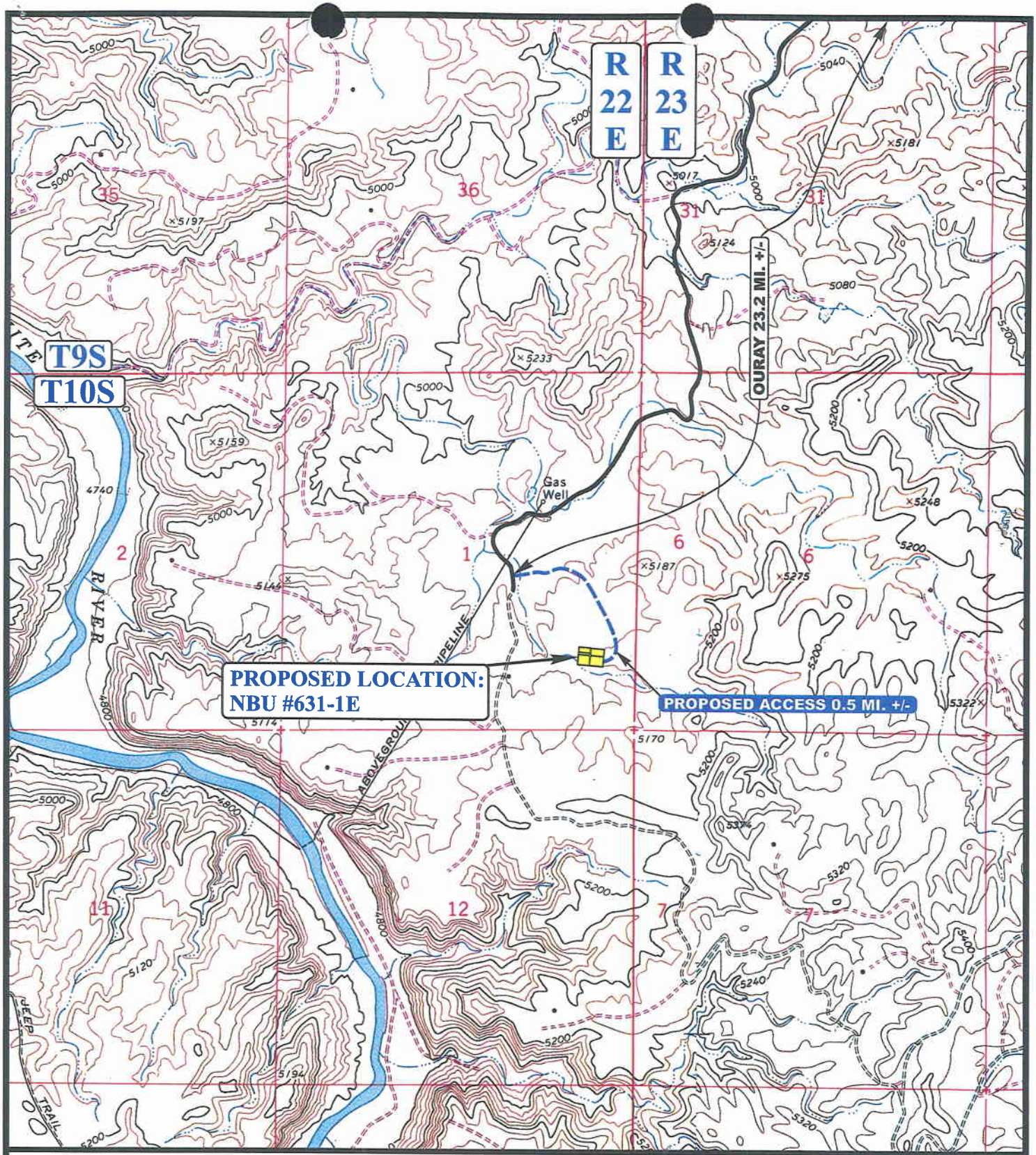
N

EOG RESOURCES, INC.

NBU #631-1E
SECTION 1, T10S, R22E, S.L.B.&M.
1096' FSL 661' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	03 MONTH	07 DAY	07 YEAR
SCALE: 1:100,000	DRAWN BY: C.P.	REVISED: 00-00-00	A TOPO



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

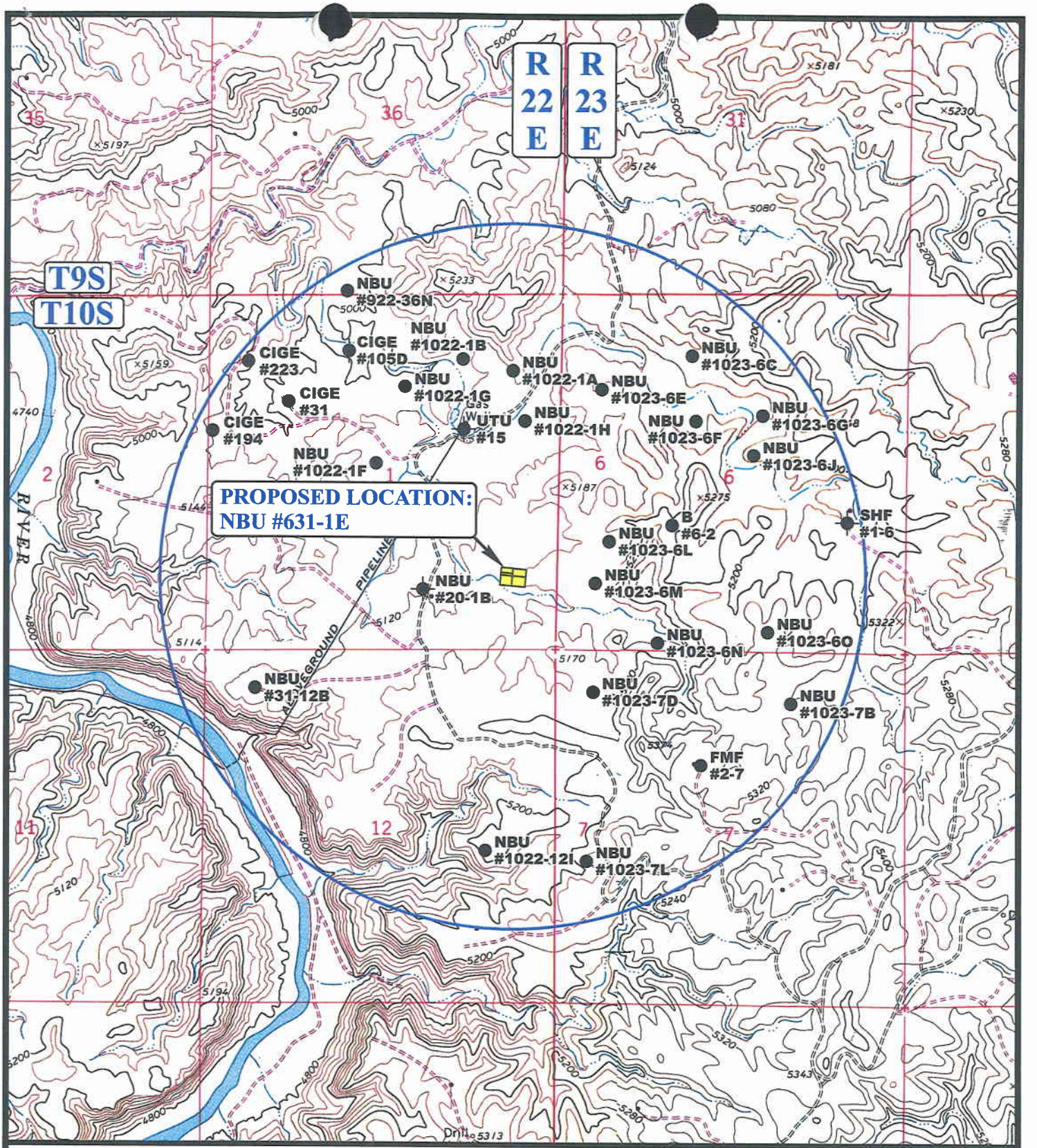
N

EOG RESOURCES, INC.

NBU #631-1E
SECTION 1, T10S, R22E, S.L.B.&M.
1096' FSL 661' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	03 MONTH	07 DAY	07 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: C.P.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

N

EOG RESOURCES, INC.

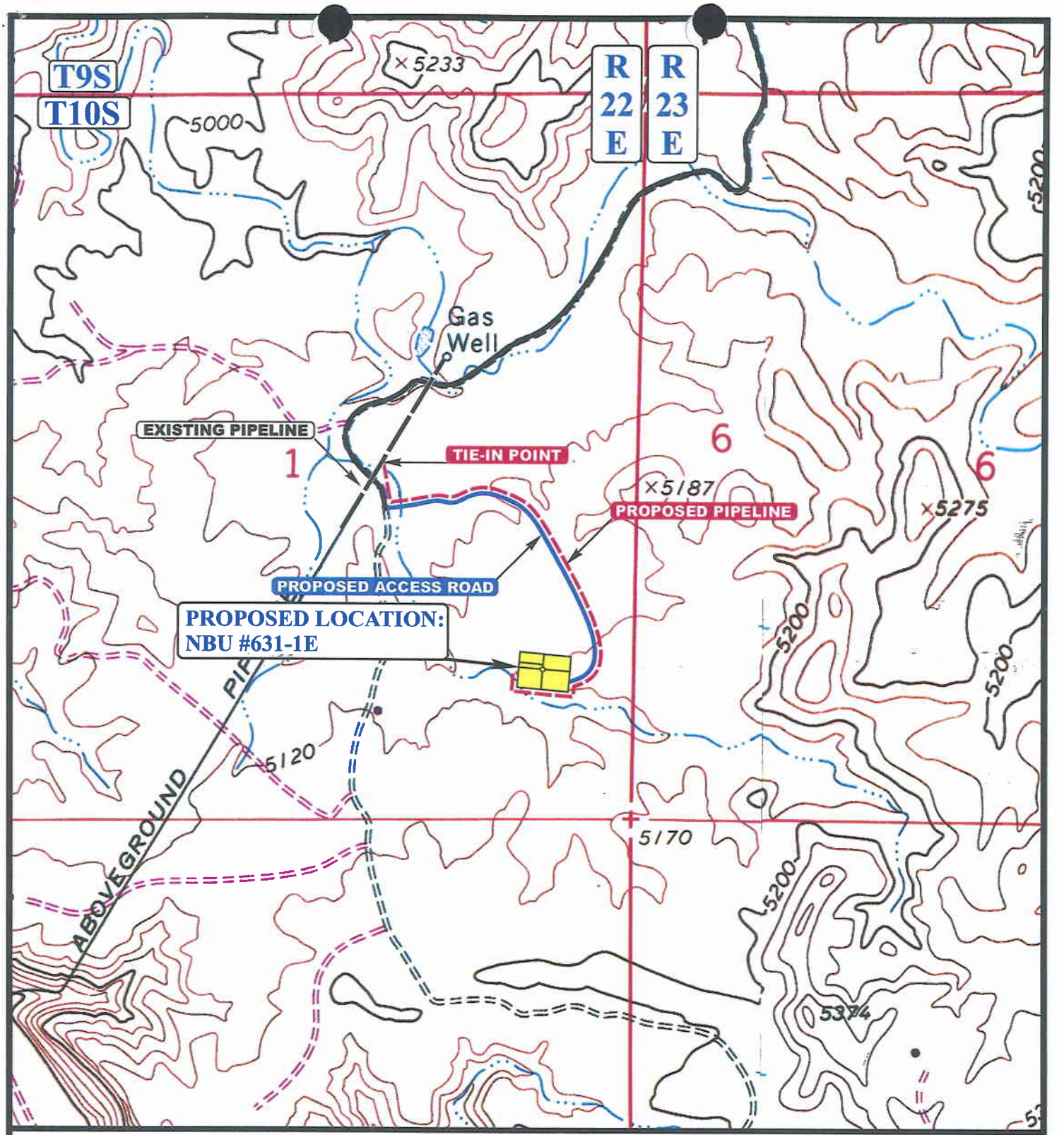
NBU #631-1E
SECTION 1, T10S, R22E, S.L.B.&M.
1096' FSL 661' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 03 MONTH | 07 DAY | 07 YEAR

SCALE: 1" = 2000' | DRAWN BY: C.P. | REVISED: 00-00-00

C TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 3,663' +/-

LEGEND:

PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE

N

EOG RESOURCES, INC.

NBU #631-1E
SECTION 1, T10S, R22E, S.L.B.&M.
1096' FSL 661' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	03 MONTH	07 DAY	07 YEAR	D TOPO
SCALE: 1" = 1000'	DRAWN BY: C.P.	REVISED: 00-00-00		

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/10/2007

API NO. ASSIGNED: 43-047-39297

WELL NAME: NBU 631-01E

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

SESE 01 100S 220E

SURFACE: 1096 FSL 0661 FEL

BOTTOM: 1096 FSL 0661 FEL

COUNTY: UINTAH

LATITUDE: 39.97375 LONGITUDE: -109.3806

UTM SURF EASTINGS: 638288 NORTHINGS: 4425890

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-011336

PROPOSED FORMATION: WSMVD

SURFACE OWNER: 1 - Federal

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)

N Potash (Y/N)

Y Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 49-225)

N RDCC Review (Y/N)
(Date:)

NA Fee Surf Agreement (Y/N)

NA Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: NATURAL BUTTES OK

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

✓ Drilling Unit

Board Cause No: 173-14

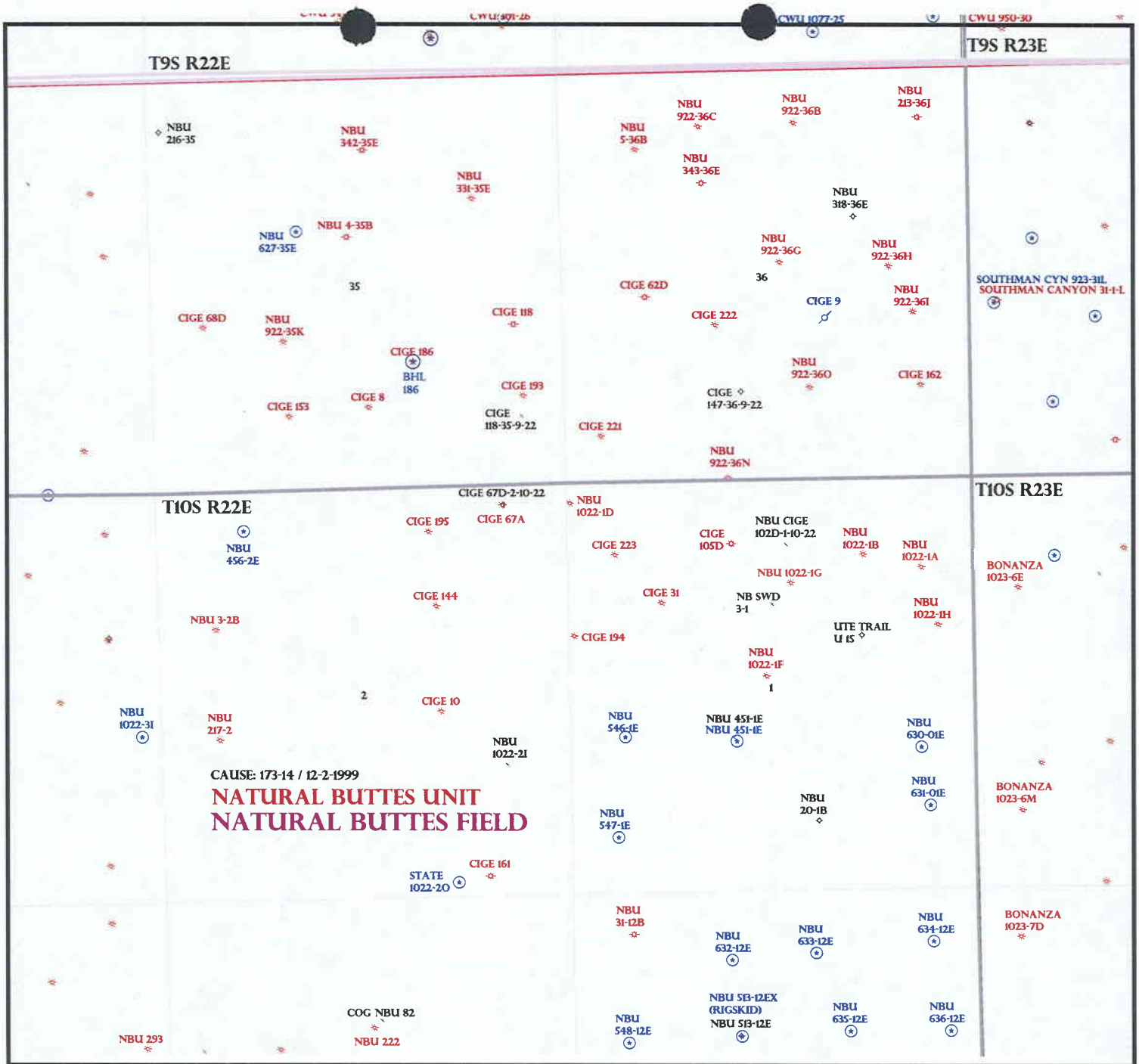
Eff Date: 12-2-1999

Siting: 460' fr u bdrys & uncomm. Tract

___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1- Federal Approval
2- Oil Shale



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 1 T.10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

Utah Oil Gas and Mining

N
W E
S

PREPARED BY: DIANA MASON
DATE: 11-MAY-2007

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

May 14, 2007

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

Re: Natural Buttes Unit 631-01E Well, 1096' FSL, 661' FEL, SE SE, Sec. 1, T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

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. The API identification number assigned to this well is 43-047-39297.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

Operator: EOG Resources, Inc.

Well Name & Number Natural Buttes Unit 631-01E

API Number: 43-047-39297

Lease: U-011336

Location: SE SE Sec. 1 T. 10 South R. 22 East

Conditions of Approval

1. 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.

2. Notification Requirements

   Notify the Division with 24 hours of spudding the well.

   - Contact Carol Daniels at (801) 538-5284.

   Notify the Division prior to commencing operations to plug and abandon the well.

   - Contact Dustin Doucet at (801) 538-5281 office
     (801) 733-0983 home

3. Reporting Requirements

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

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

5. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

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-011336	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
7. UNIT or CA AGREEMENT NAME: Natural Buttes Unit	
1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER	8. WELL NAME and NUMBER: Natural Buttes Unit 631-01E
2. NAME OF OPERATOR: EOG Resources, Inc.	9. API NUMBER: 43-047-39297
3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078	PHONE NUMBER: (435) 781-9111
10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde	

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1096' FSL & 661' FEL 39.973669 LAT 109.381181 LON COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 1 10S 22E S.L.B. & M. STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: APD EXTENSION REQUEST
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 05-20-08

By:

COPY SENT TO OPERATOR

Date: 5·21·2008

Initials: KS

NAME (PLEASE PRINT) Kaylene R. Gardner TITLE Lead Regulatory Assistant

SIGNATURE DATE 5/19/2008

(This space for State use only)

RECEIVED
MAY 16 2008
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation
(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-39297
Well Name: Natural Buttes Unit 631-01E
Location: 1096 FSL 661 FEL (SESE), Section 1, T10S, R22E S.L.B.&M.
Company Permit Issued to: EOG Resources, Inc.
Date Original Permit Issued: 5/14/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐ No☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐ No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐ No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐ No☑

Has the approved source of water for drilling changed? Yes☐ No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐ No☑

Is bonding still in place, which covers this proposed well? Yes☑ No☐

Signature

5/9/2008
Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED
MAY 16 2008
DIV. OF OIL, GAS & MINING

Form 3160-3
(February 2005)

RECEIVED
VERNAL FIELD OFFICE
2007 MAY -8 PM 4: 18
DEPT. OF THE INTERIOR
BUREAU OF LAND MGMT

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of work: ☑ DRILL ☐ REENTER	5. Lease Serial No. **U-011336**
	6. If Indian, Allotee or Tribe Name
	7. If Unit or CA Agreement, Name and No. **Natural Buttes Unit**
1b. Type of Well: ☐ Oil Well ☑ Gas Well ☐ Other ☐ Single Zone ☑ Multiple Zone	8. Lease Name and Well No. **Natural Buttes Unit 631-01E**
2. Name of Operator **EOG RESOURCES, INC**	9. API Well No. **43 047 39297**
3a. Address **1060 East Highway 40 Vernal, UT 84078** / 3b. Phone No. *(include area code)* **435-781-9111**	10. Field and Pool, or Exploratory **Natural Buttes/Wasatch/Mesaverde**
4. Location of Well *(Report location clearly and in accordance with any State requirements.*)* At surface **1096 FSL & 661 FEL (SESE) 39.973669 Lat 109.381181 Lon** At proposed prod. zone **Same**	11. Sec., T. R. M. or Blk. and Survey or Area **Section 1, T10S, R22E S.L.B.&M**
14. Distance in miles and direction from nearest town or post office* **54.7 Miles South of Vernal, UT**	12. County or Parish **Uintah** / 13. State **UT**

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) **661 Lease Line**	16. No. of acres in lease **523**	17. Spacing Unit dedicated to this well ***Suspended***
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. **1370**	19. Proposed Depth **6962**	20. BLM/BIA Bond No. on file **NM 2308**
21. Elevations (Show whether DF, KDB, RT, GL, etc.) **5134 GL**	22. Approximate date work will start*	23. Estimated duration **45 Days**

24. Attachments

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

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

25. Signature	Name *(Printed Typed)* **Kaylene R. Gardner**	Date **05/07/2007**
Title **Sr. Regulatory Assistant**		
Approved by *(Signature)*	Name *(Printed Typed)* Terry Kerzka	Date **OCT 24 2008**
Title **Assistant Field Manager Lands & Mineral Resources**	Office **VERNAL FIELD OFFICE**	

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

CONDITIONS OF APPROVAL ATTACHED

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

*(Instructions on page 2)

NOTICE OF APPROVAL

RECEIVED
OCT 29 2008
DIV. OF OIL, GAS & MINING

UDOGM

NOS 3/29/07
07PP1700A

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**EOG Resources, Inc.**	**Location:**	**SESE, Sec. 1, T10S, R22E**
Well No:	**Natural Buttes Unit 631-01E**	**Lease No:**	**UTU-011336**
API No:	**43-047-39297**	**Agreement:**	**Natural Buttes Unit**

Title	**Name**	**Office Phone Number**	**Cell Phone Number**
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
		Fax: (435) 781-3420	

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

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

NOTIFICATION REQUIREMENTS

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

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.

- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

SITE SPECIFIC COAs:

- Prevent fill and stock piles from entering drainages.

- The access road shall be crowned and ditched. Flat-bladed roads are not allowed.

- The authorized officer may prohibit surface disturbing activities during severe winter, wet, or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.

- No vehicle travel, construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment.

- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches, or gravel (from a private or commercial source) etc. shall be installed to control the erosion. Low-water crossings and culverts shall be appropriately constructed to avoid sedimentation of drainage ways and other water resources.

- Bury pipelines at all low water crossings.

- The pit liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.

- Permission to clear all wildlife stipulations would only be approved by the BLM authorized officer during the specific timing for the species potentially affected by this action.

- The approach road and associated fill will stay out of the drainage next to 630-01E.

- Corner two will be rounded to stay out of the drainage.
- The reserve pit will be lined with a double layer of felt and a 20 mil liner.

DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- The top of the production casing cement shall extend a minimum of 200 feet above the surface casing shoe.

Variance Granted: 75 foot long blooie line approved.

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

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.

- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.

- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.

- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.

- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

- No aggressive/fresh hard-banded drill pipe shall be used within casing.

- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

    - Operator name, address, and telephone number.

    - Well name and number.

    - Well location (¼¼, Sec., Twn, Rng, and P.M.).

    - Date well was placed in a producing status (date of first production for which royalty will be paid).

    - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).

    - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

    - Unit agreement and/or participating area name and number, if applicable.

    - Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.

- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.

- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

FORM 9

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

5. LEASE DESIGNATION AND SERIAL NUMBER: U-011336

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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.

7. UNIT or CA AGREEMENT NAME: Natural Buttes Unit

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER _____

8. WELL NAME and NUMBER: Natural Buttes Unit 631-01E

2. NAME OF OPERATOR: EOG Resources, Inc.

9. API NUMBER: 43-047-39297

3. ADDRESS OF OPERATOR: 1060 East Highway 40 CITY Vernal STATE UT ZIP 84078

PHONE NUMBER: (435) 781-9111

10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 1096' FSL & 661' FEL 39.973669 LAT 109.381181 LON

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 1 10S 22E S.L.B. & M.

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☑ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: APD EXTENSION REQUEST
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

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

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 05-11-09

By: _____

COPY SENT TO OPERATOR

Date: 5.12.2009

Initials: KS

NAME (PLEASE PRINT) Mickenzie Thacker TITLE Operations Clerk

SIGNATURE Mickenzie Thacker DATE 5/5/2009

(This space for State use only)

RECEIVED
MAY 06 2009
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

[redacted]

Application for Permit to Drill
Request for Permit Extension
Validation

(this form should accompany the Sundry Notice requesting permit extension)

API: 43-047-39297
Well Name: Natural Buttes Unit 631-01E
Location: 1096 FSL 661 FEL (SESE), Section 1, T10S, R22E S.L.B.&M.
Company Permit Issued to: EOG Resources, Inc.
Date Original Permit Issued: 5/14/2007

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes☐No☐

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes☐No☑

Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes☐No☑

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes☐No☑

Has the approved source of water for drilling changed? Yes☐No☑

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes☐No☑

Is bonding still in place, which covers this proposed well? Yes☑No☐

Signature

5/5/2009
Date

Title: Operations Clerk

Representing: EOG Resources, Inc.

RECEIVED
MAY 06 2009
DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining

OPERATOR CHANGE WORKSHEET

ROUTING
1. DJJ
2. CDW

X Change of Operator (Well Sold) Designation of Agent/Operator

Operator Name Change Merger

The operator of the well(s) listed below has changed, effective: **1/1/2010**

FROM: (Old Operator):	**TO:** (New Operator):
N9550-EOG Resources	N2995-Kerr-McGee Oil & Gas Onshore., LP
1060 E Hwy 40	1368 South 1200 East
Vernal, UT 84078	Vernal, UT 84078
Phone: 1-(435) 781-9111	Phone: 1-(435) 781-7024

CA No. **Unit:** **NATURAL BUTTES**

WELL NAME(S)	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 12/24/2009
2. (R649-8-10) Sundry or legal documentation was received from the**NEW** operator on: 12/24/2009
3. The new company was checked on the **Department of Commerce, Division of Corporations Database on:** 3/7/2006
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE

6b. Inspections of LA PA state/fee well sites complete on: n/a

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM not yet BIA n/a
8. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: not yet
9. **Federal and Indian Communization Agreements ("CA"):** The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject,** for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database on:** 1/31/2010
2. Changes have been entered on the **Monthly Operator Change Spread Sheet on:** 1/31/2010
3. Bond information entered in RBDMS on: 1/31/2010
4. Fee/State wells attached to bond in RBDMS on: 1/31/2010
5. Injection Projects to new operator in RBDMS on: n/a

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: WYB000291
2. Indian well(s) covered by Bond Number: n/a
3. (R649-3-1) The **NEW** operator of any state or fee well(s) listed covered by Bond Number 22013542
4. The **FORMER** operator has requested a release of liability from their bond on: n/a

COMMENTS:

EOG transferred all their leases and permits in NBU to Kerr-McGee effective January 1, 2010

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE – Other instructions on page 2.

5. Lease Serial No.
Multiple Leases

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.
Natural Buttes

1. Type of Well
☐ Oil Well ☑ Gas Well ☐ Other

8. Well Name and No.
Multiple Wells

2. Name of Operator
EOG Resources , Inc

9. API Well No.
See Attached

3a. Address
1060 EAST HIGHWAY 40, VERNAL, UT 84078

3b. Phone No. *(include area code)*
435-781-9145

10. Field and Pool or Exploratory Area
Natural Buttes

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
See Attached

11. Country or Parish, State
Uintah, Utah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☑ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☑ Other Change of Operator
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. has assigned all of its right, title and interest in the wells described in the attached list ("the Subject Wells") to Kerr-McGee Oil & Gas Onshore LP and will relinquish and transfer operatorship of all of the Subject Wells to Kerr-McGee Oil & Gas Onshore LP on January 1, 2010.

As of January 1, 2010, Kerr-McGee Oil & Gas Onshore LP will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Kerr-McGee Oil & Gas Onshore LP's Nationwide BLM Bond No. WYB-000291.

Kerr-McGee Oil & Gas Onshore LP
1099 18th Street, Suite 1800
Denver, CO 80202-1918

By: Michael A. Nixon Date: 12/17/2009
Michael A. Nixon
Agent and Attorney-in-Fact

APPROVED* 1/31/2010 *except (1)
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct.
Name *(Printed/Typed)*
J. Michael Schween

Title Agent and Attorney-in-Fact

Signature

Date 12/17/2009

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

RECEIVED
DEC 24 2009

Approved by

Title

Date

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

Office

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

(Instructions on page 2)

Lease	API #	Well Name	Footages	T	R	Sec.	QQ	PROPOSED TD	APD Sub'd
UTU-0581	43-047-40216	Natural Buttes Unit 419-29E	859 FNL - 2338 FWL	9S	21E	29	NENW	6,640	6-26-08
UTU-0581	43-047-50127	Natural Buttes Unit 420-29E	471 FNL - 2012 FEL	9S	21E	29	NWNE	6,673	9-11-08
UTU-01791	43-047-40225	Natural Buttes Unit 430-8E	882 FSL - 514 FWL	10S	21E	8	SWSW	6,201	7-3-08
UTU-01791	43-047-40074	Natural Buttes Unit 432-9E	864 FSL - 686 FWL	10S	21E	9	SWSW	5,984	5-8-08
UTU-010954-A	43-047-39732	Natural Buttes Unit 512-35E	722 FNL - 1988 FWL	9S	22E	35	NENW	7,412	10-19-07
UTU-0149076	~~43-047-35880~~	~~Natural Buttes Unit 540-24E~~	521 FSL - 750 FEL	9S	21E	24	SESE	9,800	8-6-04
UTU-010954	43-047-39306	Natural Buttes Unit 603-35E	1047 FNL - 679 FEL	9S	22E	35	NENE	7,257	5-14-07
UTU-010954-A	43-047-39302	Natural Buttes Unit 604-35E	1139 FNL - 1826 FEL	9S	22E	35	NWNE	7,330	5-11-07
UTU-010954	43-047-50275	Natural Buttes Unit 605-35E	1799 FNL - 2165 FEL	9S	22E	35	SWNE	7,290	1-29-09
UTU-010954-A	43-047-39292	Natural Buttes Unit 627-35E	1970 FNL - 1847 FWL	9S	22E	35	SENW	7,275	5-7-07
UTU-6774	43-047-50028	Natural Buttes Unit 672-25E	1980 FNL - 660 FWL	10S	20E	25	SWNW	6,032	2-5-08
UTU-6774	43-047-50036	Natural Buttes Unit 675-25E	1977 FNL - 2110 FEL	10S	20E	25	SWNE	6,035	3-14-08
UTU-6774	43-047-50031	Natural Buttes Unit 676-25E	1978 FNL - 923 FEL	10S	20E	25	SENE	6,100	2-12-08
UTU-4476	43-047-40416	Natural Buttes Unit 677-26E	839 FNL - 1133 FWL	10S	20E	26	NWNW	6,157	11-14-08
UTU-4476	43-047-40220	Natural Buttes Unit 678-26E	1960' FNL - 481 FWL	10S	20E	26	SWNW	6,254	7-3-08
UTU-4476	43-047-40305	Natural Buttes Unit 680-26E	799 FNL - 1923 FEL	10S	20E	26	NWNE	6,242	8-1-08
UTU-01791	43-047-40417	Natural Buttes Unit 692-6E	661 FSL - 1840 FWL	10S	21E	6	SESW	6,484	11-14-08
UTU-472	43-047-40268	Natural Buttes Unit 701-26E	2215 FNL - 1770 FEL	10S	22E	26	SWNE	7,023	7-24-08
UTU-472	43-047-40240	Natural Buttes Unit 702-26E	2130 FSL - 1903 FEL	10S	22E	26	NWSE	7,003	7-14-08
UTU-472	43-047-40241	Natural Buttes Unit 703-26E	1836 FSL - 797 FEL	10S	22E	26	NESE	6,991	7-14-08
UTU-472	43-047-40267	Natural Buttes Unit 704-26E	785 FSL - 1806 FEL	10S	22E	26	SWSE	6,998	7-24-08
UTU-472	43-047-40374	Natural Buttes Unit 705-26E	552 FSL - 475 FEL	10S	22E	26	SESE	6,957	9-22-08
UTU-037167	43-047-40243	Natural Buttes Unit 710-35E	600 FNL - 1967 FWL	10S	22E	35	NENW	6,984	7-14-08
UTU-037167	43-047-40418	Natural Buttes Unit 712-35E	2160 FNL - 1923 FWL	10S	22E	35	SENW	6,938	11-14-08
UTU-037167	43-047-40242	Natural Buttes Unit 713-35E	739 FSL - 702 FEL	10S	22E	35	NENE	6,902	7-14-08
UTU-037167	43-047-40270	Natural Buttes Unit 714-35E	1957 FNL - 1881 FEL	10S	22E	35	SWNE	6,933	7-24-08
UTU-037167	43-047-40269	Natural Buttes Unit 715-35E	1684 FNL - 1042 FEL	10S	22E	35	SENE	6,921	7-24-08
UTU-0577-A	43-047-50262	Natural Buttes Unit 716-26E	660 FNL - 1980 FEL	9S	20E	26	NWNE	7,184	1-19-09
UTU-0577-A	43-047-40264	Natural Buttes Unit 717-26E	2084 FNL - 1978 FEL	9S	20E	26	SWNE	7,180	7-24-08
UTU-0577-A	43-047-40210	Natural Buttes Unit 718-26E	2009 FNL - 557 FEL	9S	20E	26	SENE	7,201	6-26-08
UTU-0577-A	43-047-50116	Natural Buttes Unit 719-26E	2088 FSL - 2171 FEL	9S	20E	26	NWSE	7,164	9-11-08
UTU-0577-A	43-047-40265	Natural Buttes Unit 720-26E	1916 FSL - 685 FEL	9S	20E	26	NESE	7,175	7-24-08
UTU-0577-A	43-047-50115	Natural Buttes Unit 721-26E	624 FSL - 1828 FEL	9S	20E	26	SWSE	7,167	9-11-08
UTU-0577-A	43-047-40209	Natural Buttes Unit 722-26E	676 FSL - 849 FEL	9S	20E	26	SESE	7,175	6-26-08
UTU-0582	43-047-40212	Natural Buttes Unit 723-35E	668 FNL - 1985 FEL	9S	20E	35	NWNE	7,093	7-2-08
UTU-0582	43-047-40215	Natural Buttes Unit 724-35E	758 FNL 781 FEL	9S	20E	35	NENE	7,097	7-2-08
UTU-0582	43-047-40214	Natural Buttes Unit 725-35E	1884 FNL - 2179 FEL	9S	20E	35	SWNE	7,074	6-26-08
UTU-0582	43-047-40211	Natural Buttes Unit 726-35E	1966 FNL - 515 FEL	9S	20E	35	SENE	7,084	6-26-08
UTU-460	43-047-50274	Natural Buttes Unit 727-35E	2049 FSL - 1745 FEL	9S	20E	35	NWSE	7,031	1-29-09
UTU-460	43-047-40458	Natural Buttes Unit 728-35E	852 FSL - 1937 FEL	9S	20E	35	SWSE	7,017	12-19-08

(1)

Lease	API #	Well Name	Footages	T	R	Sec.	QQ	PROPOSED TD	APD Sub'd
UTU-460	43-047-40213	Natural Buttes Unit 729-35E	554 FSL - 504 FEL	9S	20E	35	SESE	7,036	6-26-08
UTU-0581	43-047-40218	Natural Buttes Unit 737-30E	1948 FSL - 1071 FWL	9S	21E	30	NWSW (Lot 3)	6,756	7-2-08
UTU-0581	43-047-50468	Natural Buttes Unit 738-30E	1947 FSL - 2465 FWL	9S	21E	30	NESW	6,759	6-8-09
UTU-0581	43-047-40219	Natural Buttes Unit 739-30E	814 FSL - 2147 FWL	9S	21E	30	SESW	6,750	7-2-08
UTU-0581	43-047-50118	Natural Buttes Unit 740-30E	512 FSL - 780 FWL	9S	21E	30	SWSW (Lot 4)	6,809	9-11-08
UTU-0581	43-047-50128	Natural Buttes Unit 741-30E	661 FSL - 1980 FEL	9S	21E	30	SWSE	6,729	9-11-08
UTU-0581	43-047-40183	Natural Buttes Unit 742-30E	497 FSL - 618 FEL	9S	21E	30	SESE	6,737	6-26-08
UTU-01791	43-047-40222	Natural Buttes Unit 756-6E	1840 FSL - 2317 FWL	10S	21E	6	NESW	6,496	7-3-08
UTU-0129384	~~43-047-50238~~	~~Natural Buttes Unit 757-26E~~	798 FNL - 850 FEL	10S	21E	26	NENE	6,488	7-14-08
UTU-0129384	43-047-40239	Natural Buttes Unit 758-27E	749 FNL - 664 FEL	10S	21E	27	NENE	5,530	7-14-08
UTU-0581	43-047-40217	Natural Buttes Unit 759-29E	1979 FNL - 2034 FWL	9S	21E	29	SENW	6,644	7-2-08
UTU-01197-A-ST	43-047-50683	Natural Buttes Unit 634-12EX	623 FNL - 672 FEL	10S	22E	12	NENE	7,128	8-23-09
ML-3140.5	43-047-50042	Natural Buttes Unit 733-36E	775 FNL - 2134 FEL	9S	20E	36	NWNE	7,050	4-14-08
UTU-01480-ST	43-047-50053	Natural Buttes Unit 744-31E	2515 FSL - 2533 FWL	9S	21E	31	NESW	6,989	6-5-08
ML-22446	43-047-50059	Natural Buttes Unit 749-31E	955 FSL - 489 FEL	9S	21E	31	SESE (LOT 8)	6,901	6-25-08
ML-3142	43-047-50062	Natural Buttes Unit 750-32E	1091 FNL - 1615 FWL	9S	21E	32	NENW	6,635	7-2-08
ML-3142	43-047-50055	Natural Buttes Unit 753-32E	478 FNL - 2066 FEL	9S	21E	32	NWNE	6,562	6-5-08

(1)

PERMITTED WELL LIST

Well Name	API #	Lease #	QQ	Sec	T	R
Natural Buttes Unit 320-6E	43-047-40224	UTU01791	(Lot 6) NWSW	6	10S	21E
Natural Buttes Unit 375-13E	43-047-50029	UTU4485	SWSW	13	10S	20E
Natural Buttes Unit 377-9E	43-047-40073	UTU01791	NWNW	9	10S	21E
Natural Buttes Unit 425-4E	43-047-39427	UTU01393B	NWSW	4	10S	21E
Natural Buttes Unit 440-1E	43-047-39857	UTU02270A	NWSE	1	10S	20E
Natural Buttes Unit 441-12E	43-047-39418	UTU02270A	SENE	12	10S	20E
Natural Buttes Unit 495-31E	43-047-50037	ML22446	(Lot 6) NWSW	31	9S	21E
Natural Buttes Unit 498-13E	43-047-37684	UTU4485	NESE	13	10S	20E
Natural Buttes Unit 507-7E	43-047-40048	UTU02270A	SESW	7	10S	21E
Natural Buttes Unit 515-25E	43-047-50033	UTU6774	NWNE	25	10S	20E
Natural Buttes Unit 517-6E	43-047-40223	UTU01791	(Lot 7) SWSW	6	10S	21E
Natural Buttes Unit 531-8E	43-047-40050	UTU01791	NESW	8	10S	21E
(1) ~~Natural Buttes Unit 532-12E~~	~~43-047-35200~~	UTU02270A	SWNE	12	10S	20E
Natural Buttes Unit 606-35E	43-047-39797	UTU010954A	NWNW	35	9S	22E
Natural Buttes Unit 607-35E	43-047-39307	UTU010954A	SWNW	35	9S	22E
Natural Buttes Unit 609-23E	43-047-39318	UTU01393B	SENE	23	10S	22E
Natural Buttes Unit 610-23E	43-047-39317	UTU01393B	NESE	23	10S	22E
Natural Buttes Unit 612-23E	43-047-39314	UTU01393B	SWSE	23	10S	22E
Natural Buttes Unit 616-5E	43-047-39304	UTU01393B	SWNE	5	10S	21E
Natural Buttes Unit 619-4E	43-047-39446	UTU01393B	SESW	4	10S	21E
Natural Buttes Unit 620-30E	43-047-39309	ML22793	(Lot 2) SWNW	30	10S	21E
Natural Buttes Unit 628-1E	43-047-39311	UTU01198B	SESW	1	10S	22E
Natural Buttes Unit 629-1E	43-047-39312	UTU01198B	NWSE	1	10S	22E
Natural Buttes Unit 630-1E	43-047-39298	UTU01198B	NESE	1	10S	22E
Natural Buttes Unit 631-1E	43-047-39297	UTU01198B	SESE	1	10S	22E
Natural Buttes Unit 649-26E	43-047-39870	UTU472	NWNE	26	10S	22E
Natural Buttes Unit 651-26E	43-047-39871	UTU472	SENE	26	10S	22E
Natural Buttes Unit 652-6E	43-047-39859	UTU01791	SWSE	6	10S	21E
Natural Buttes Unit 656-1E	43-047-39868	UTU01791	NWNE	1	10S	20E
(1) ~~Natural Buttes Unit 657-1E~~	~~43-047-39856~~	UTU01791	(Lot 1) NENE	1	10S	20E
Natural Buttes Unit 659-1E	43-047-39855	UTU01791	SENE	1	10S	20E
Natural Buttes Unit 669-29E	43-047-50030	U01207ST	SWNE	29	9S	22E

Well Name	API #	Lease #	QQ	Sec	T	R
Natural Buttes Unit 673-25E	43-047-50034	UTU6774	SENW	25	10S	20E
Natural Buttes Unit 674-25E	43-047-50035	UTU6774	NENE	25	10S	20E
Natural Buttes Unit 679-26E	43-047-40221	UTU4476	SENW	26	10S	20E
Natural Buttes Unit 681-26E	43-047-40330	UTU4476	NENE	26	10S	20E
Natural Buttes Unit 682-9E	43-047-40075	UTU01791	NENW	9	10S	21E
Natural Buttes Unit 683-9E	43-047-40072	UTU01791	NESW	9	10S	21E
Natural Buttes Unit 730-36E	43-047-50061	ML3140.5	NWNW	36	9S	20E
(1) ~~Natural Buttes Unit 731-36E~~	~~43-047-50061~~	ML3140.5	NENW	36	9S	20E
Natural Buttes Unit 732-36E	43-047-50060	ML3140.5	SWNW	36	9S	20E
Natural Buttes Unit 734-36E	43-047-50065	ML3140.5	NENE	36	9S	20E
Natural Buttes Unit 735-36E	43-047-50039	ML3140.5	SWNE	36	9S	20E
Natural Buttes Unit 736-36E	43-047-50063	ML3140.5	SENE	36	9S	20E
Natural Buttes Unit 743-31E	43-047-50040	UTU01480AST	(Lot 3) NWSW	31	9S	21E
Natural Buttes Unit 745-31E	43-047-50041	ML224446	Lot 4	31	9S	21E
Natural Buttes Unit 746-31E	43-047-50090	UTU01480ST	NWSE	31	9S	21E
Natural Buttes Unit 747-31E	43-047-50049	UTU01480ST	NESE	31	9S	21E
Natural Buttes Unit 748-31E	43-047-50050	ML22446	(Lot 7) SWSE	31	9S	21E
Natural Buttes Unit 751-32E	43-047-50056	ML3412	SWNW	32	9S	21E
Natural Buttes Unit 752-32E	43-047-50051	ML3412	SENW	32	9S	21E
Natural Buttes Unit 754-32E	43-047-50092	ML3412	SWNE	32	9S	21E
Natural Buttes Unit 755-32E	43-047-50054	ML3412	SENE	32	9S	21E
Natural Buttes Unit 761-5E	43-047-50108	UTU01393B	NWSE	5	10S	21E

API Well No: 43047392970000

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: UTU011336

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 631-01E

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

9. API NUMBER: 43047392970000

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

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1096 FSL 0661 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 5/14/2010	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

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

Approved by the Utah Division of Oil, Gas and Mining

Date: May 10, 2010

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Danielle Piernot	720 929-6156	Regulatory Analyst
SIGNATURE N/A		**DATE** 5/6/2010

RECEIVED May 06, 2010

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047392970000

API: 43047392970000
Well Name: NBU 631-01E
Location: 1096 FSL 0661 FEL QTR SESE SEC 01 TWNP 100S RNG 220E MER S
Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.
Date Original Permit Issued: 5/14/2007

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

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

Approved by the Utah Division of Oil, Gas and Mining

Signature: Danielle Piernot **Date:** 5/6/2010
Title: Regulatory Analyst **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

Date: May 10, 2010

By: 

RECEIVED May 06, 2010

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
SEP 28 2010
BLM

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU011336

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.
UTU63047A

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
NBU 631-01E

2. Name of Operator
KERR MCGEE OIL & GAS ONSHORE LP
Contact: GINA T BECKER
E-Mail: gina.becker@anadarko.com

9. API Well No.
43-047-39297-00-X1

3a. Address
1368 SOUTH 1200 EAST
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 720-929-6086
Fx: 720-929-7086

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 1 T10S R22E SESE 1096FSL 661FEL

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☒ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Change to Original PD
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

Kerr-McGee Oil & Gas Onshore, L.P. would like to apply for a APD extension. Nothing has changed since the original approval (October 24, 2008).

RECEIVED
JAN 20 2011
DIV. OF OIL, GAS & MINING

VERNAL FIELD OFFICE
ENG. OCT 27 2010
GEOL.
E.S.
PET.
RECL.

CONDITIONS OF APPROVAL ATTACHED

14. I hereby certify that the foregoing is true and correct.

Electronic Submission #93638 verified by the BLM Well Information System
For KERR MCGEE OIL & GAS ONSHORE L, sent to the Vernal
Committed to AFMSS for processing by GAIL JENKINS on 10/01/2010 (11GXJ0026SE)

Name *(Printed/Typed)* GINA T BECKER — Title REGULATORY ANALYST II

Signature (Electronic Submission) — Date 09/28/2010

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By — Title ~~Acting Assistant Field Manager~~ Lands & Mineral Resources — Date NOV 18 2010

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

Office VERNAL FIELD OFFICE

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

UDOGM

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

11GXJ0026SE

CONDITIONS OF APPROVAL

Kerr McGee Oil and Gas Onshore LP.

Notice of Intent
APD Extension

Lease: UTU-11336
Well: NBU 631-01E
Location: SESE Sec 1-T10S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 10/24/12.

2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Carey Doyle of this office at (435) 781-3406.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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5.LEASE DESIGNATION AND SERIAL NUMBER: UTU011336

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 631-01E

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

9. API NUMBER: 43047392970000

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

PHONE NUMBER: 720 929-6515 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1096 FSL 0661 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 5/14/2011	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
☐ SPUD REPORT Date of Spud:	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
☐ DRILLING REPORT Report Date:	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

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

Approved by the Utah Division of Oil, Gas and Mining

Date: 04/14/2011

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Gina Becker	720 929-6086	Regulatory Analyst II
SIGNATURE N/A		**DATE** 4/7/2011

RECEIVED Apr. 07, 2011

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047392970000

API: 43047392970000
Well Name: NBU 631-01E
Location: 1096 FSL 0661 FEL QTR SESE SEC 01 TWNP 100S RNG 220E MER S
Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.
Date Original Permit Issued: 5/14/2007

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

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

Signature: Gina Becker **Date:** 4/7/2011
Title: Regulatory Analyst II **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

RECEIVED Apr. 07, 2011

Sundry Number: 21864 API Well Number: 43047392970000

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
UTU011336

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 1022-1P1CS

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

9. API NUMBER:
43047392970000

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

PHONE NUMBER:
720 929-6526

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1161 FSL 0493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 1/15/2011	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	✓ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	✓ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

The operator is requesting the approval of the following changes to the originally approved APD: 1. Change the Well Name = from Natural Buttes Unit 631-01E to NBU 1022-1P1CS 2. Surface & Bottom Hole Location Change (New Plat is Attached) a. From = 1096 FSL/ 661 FEL To = 1161 FSL/ 493 FEL 3. Proposed Total Depth (New Drilling Program Attached) 4. Surface Hole Size and Casing Grade (New Wellbore Diagram Attached) 5. Change to a Directional Well (Directional Drilling Survey Attached) 6. Surface Use Plan of Operation (Updated Plan Attached) 7. Updated Topo?s & Directions (Attached)

Approved by the Utah Division of Oil, Gas and Mining

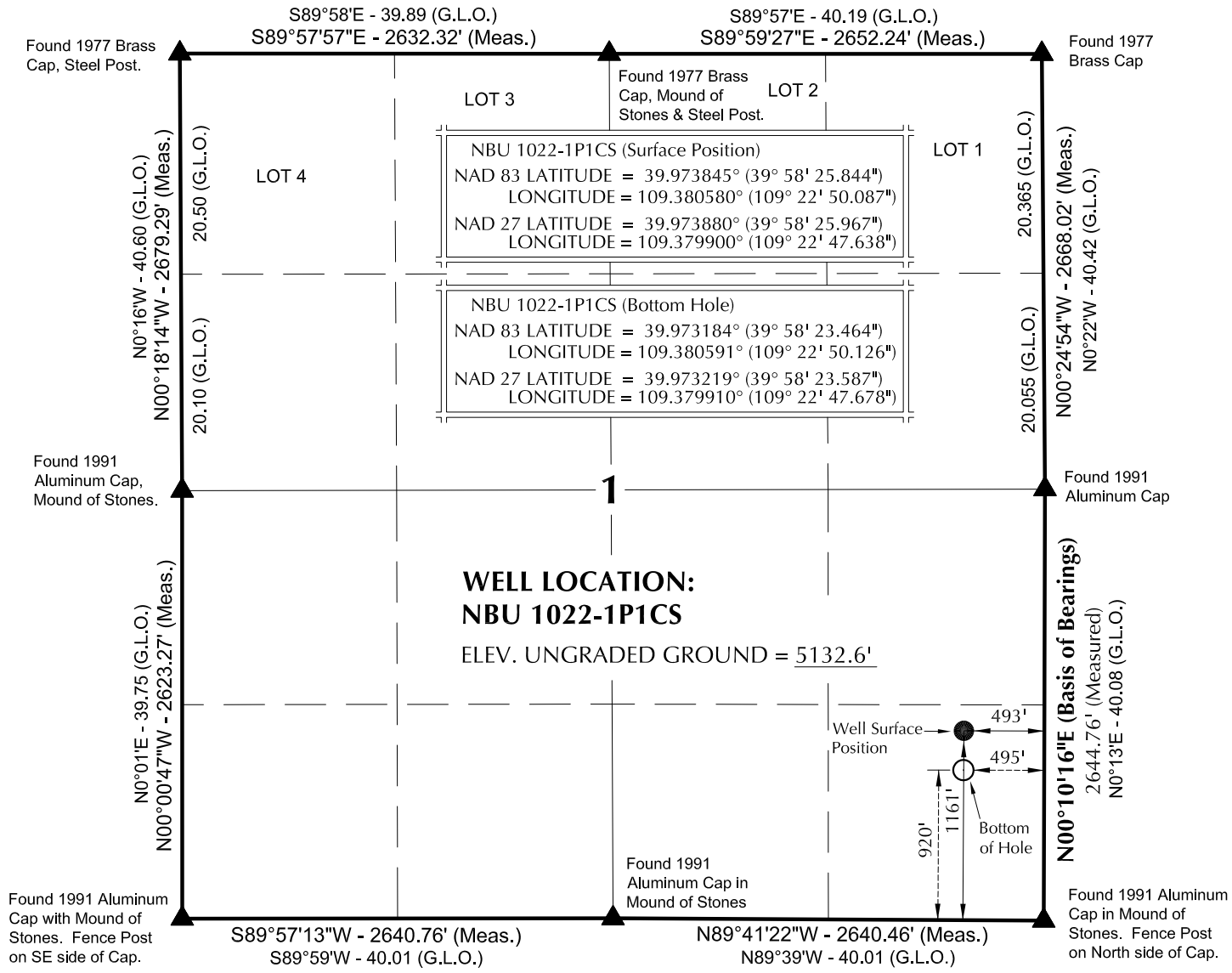
Date: January 09, 2012

By:

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Gina Becker	720 929-6086	Regulatory Analyst II
SIGNATURE		**DATE**
N/A		1/6/2012

RECEIVED: Jan. 06, 2012

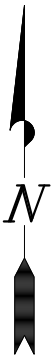
T10S, R22E, S.L.B.&M.

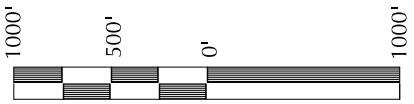


NOTES:

▲ = Section Corners Located

1. Well footages are measured at right angles to the Section Lines.
2. G.L.O. distances are shown in feet or chains. 1 chain = 66 feet.
3. The Bottom of hole bears S00°40'19"W 240.86' from the Surface Position.
4. Bearings are based on Global Positioning Satellite observations.
5. Basis of elevation is Tri-Sta "Two Water" located in the NW ¼ of Section 1, T10S, R21E, S.L.B.&M. The elevation of this Tri-Sta is shown on the Big Pack Mtn NE 7.5 Min. Quadrangle as being 5238'.





SCALE

SURVEYOR'S CERTIFICATE

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

PROFESSIONAL LAND SURVEYOR No.6028691 JOHN R SLAUGH STATE OF UTAH

PROFESSIONAL LAND SURVEYOR
REGISTRATION No. 6028691
STATE OF UTAH
3-1-11

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

WELL PAD: NBU 1022-1P

NBU 1022-1P1CS
WELL PLAT
920' FSL, 495' FEL (Bottom Hole)
SE ¼ SE ¼ OF SECTION 1, T10S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH.

609 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: 02-10-11	SURVEYED BY: R.Y.	SHEET NO: 2
DATE DRAWN: 02-25-11	DRAWN BY: E.M.S.	2 OF 17
SCALE: 1" = 1000'	Date Last Revised:	

Kerr-McGee Oil & Gas Onshore, LP
WELL PAD – NBU 1022-1P
WELLS – NBU 1022-1P1BS, NBU 1022-1P1CS, NBU 1022-1P4BS, NBU 1022-1P4CS & NBU 1022-1O4CS
Section 1, T10S, R22E, S.L.B.&M.

From the intersection of U.S. Highway 40 and 500 East Street in Vernal, Utah, proceed in an easterly, then southerly direction along U.S. Highway 40 approximately 3.3 miles to the junction of State Highway 45. Exit right and proceed in a southerly direction along State Highway 45 approximately 20.2 miles to the junction of the Glen Bench Road (County B Road 3260). Exit right and proceed in a southwesterly direction along the Glen Bench Road approximately 14.4 miles to the intersection of the Fidlar Road (County B Road 3410) which road intersection is approximately 400 feet northeast of the Mountain Fuel Bridge at the White River. Exit left and proceed in a southeasterly direction along the Fidlar Road approximately 4.4 miles to the intersection of the Seven Sisters Road (County B Road 3420). Exit right and proceed in a southeasterly, then southerly direction along the Seven Sisters Road approximately 3.9 miles to the proposed access road for the proposed NBU 1022-1I well pad. Follow road flags in a southeasterly direction approximately 1,000 feet to the proposed access road to the proposed NBU 1022-1P well pad. Continue following road flags in a southeasterly direction approximately 1,270 feet to the proposed well pad.

Total distance from Vernal, Utah to the proposed well location is approximately 46.7 miles in a southerly direction.

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

NBU 1022-1P1CS

Surface:	1161 FSL / 493 FEL	SESE
BHL:	920 FSL / 495 FEL	SESE

Section 1 T10S R22E

Uintah County, Utah
Mineral Lease: UTU-011336

ONSHORE ORDER NO. 1

DRILLING PROGRAM

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

Formation	Depth	Resource
Uinta	0 - Surface	
Green River	1113	
Birds Nest	1378	Water
Mahogany	1738	Water
Wasatch	4135	Gas
Mesaverde	6293	Gas
MVU2	7265	Gas
MVL1	7825	Gas
TVD	8468	
TD	8481	

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

Please refer to the attached Drilling Program

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

Please refer to the attached Drilling Program

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program

6. **Evaluation Program:**

Please refer to the attached Drilling Program

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7. Abnormal Conditions:

Maximum anticipated bottom hole pressure calculated at 8468' TVD, approximately equals 5,420 psi 0.64 psi/ft = actual bottomhole gradient

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

Maximum anticipated surface pressure equals approximately 3,545 psi (bottom hole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot, per Onshore Order No. 2).

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

8. Anticipated Starting Dates:

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

9. Variances:

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

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

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

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

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

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

Background

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

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

The air rig is then mobilized to drill the surface casing hole by drilling a 12 1/4 inch hole for the first 200 feet, then will drill a 11inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 11 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 8-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

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

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

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

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

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KM 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

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on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

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

Variance for FIT Requirements
KMG also respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

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

10. Other Information:

Please refer to the attached Drilling Program.

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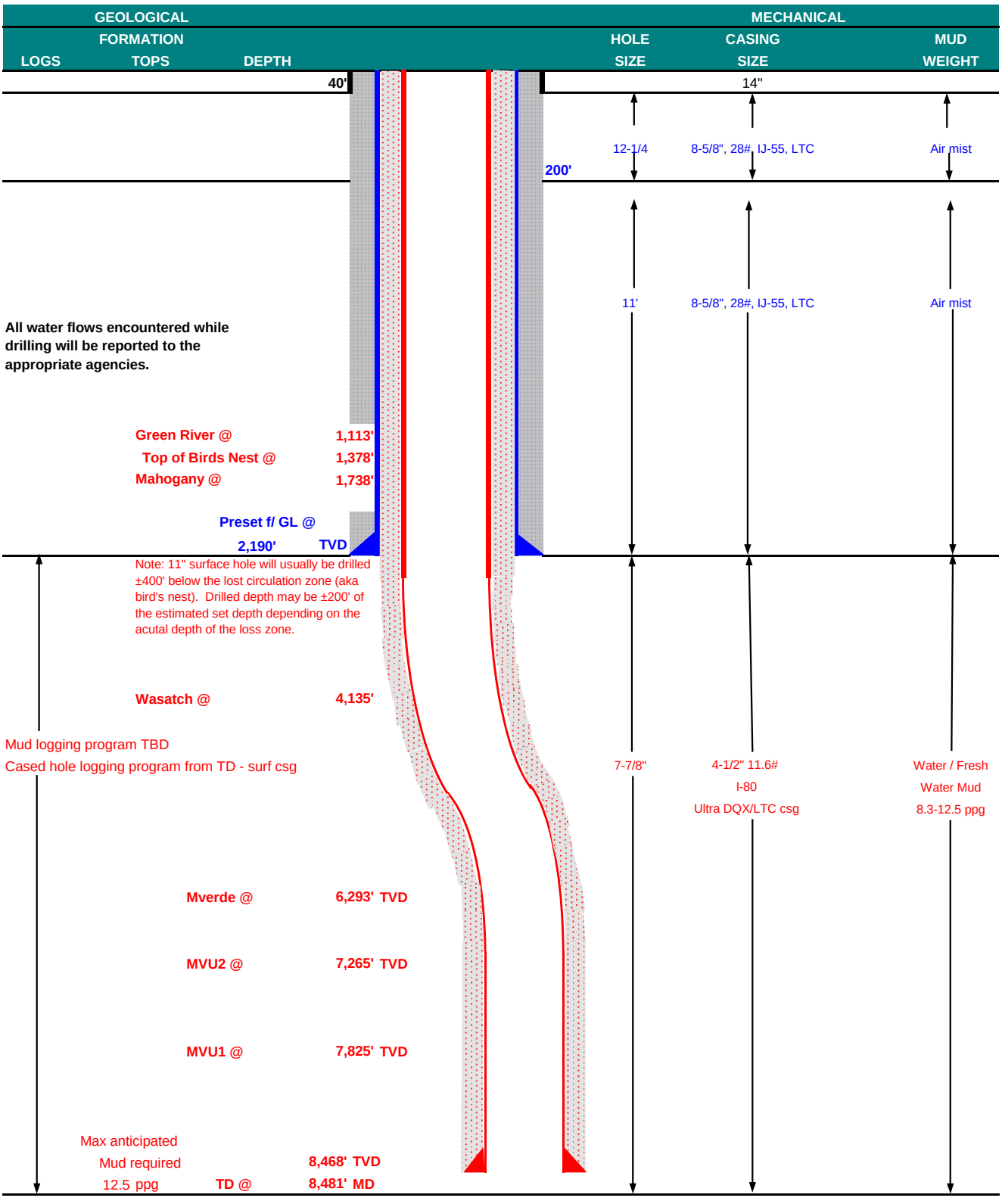
KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	October 6, 2011	
WELL NAME	**NBU 1022-1P1CS**		TD	8,468' TVD	8,481' MD
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	FINISHED ELEVATION	5132.6
SURFACE LOCATION	SESE 1161 FSL 493 FEL	Sec 1	T 10S	R 22E	
	Latitude: 39.973845	Longitude: -109.380580		NAD 83	
BTM HOLE LOCATION	SESE 920 FSL 495 FEL	Sec 1	T 10S	R 22E	
	Latitude: 39.973184	Longitude: -109.380591		NAD 83	
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: BLM (Minerals), BLM (Surface), UDOGM Tri-County Health Dept.				



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KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	LTC	DQX TENSION
CONDUCTOR	14"	0-40'									
								3,390	1,880	348,000	N/A
SURFACE	8-5/8"	0	to	2,190	28.00	IJ-55	LTC	2.47	1.83	6.48	N/A
								7,780	6,350	223,000	267,035
PRODUCTION	4-1/2"	0	to	5,000	11.60	I-80	DQX	1.11	1.15		3.36
	4-1/2"	5,000	to	8,481'	11.60	I-80	LTC	1.11	1.15	6.83	

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
Option 1			+ 0.25 pps flocele				
	TOP OUT CMT (6 jobs)	1,200'	20 gals sodium silicate + Premium cmt	270	0%	15.80	1.15
			+ 2% CaCl + 0.25 pps flocele				
SURFACE			**NOTE: If well will circulate water to surface, option 2 will be utilized**				
Option 2	LEAD	1,690'	65/35 Poz + 6% Gel + 10 pps gilsonite	160	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	3,631'	Premium Lite II +0.25 pps	270	20%	11.00	3.38
			celloflake + 5 pps gilsonite + 10% gel				
			+ 0.5% extender				
	TAIL	4,850'	50/50 Poz/G + 10% salt + 2% gel	1,150	35%	14.30	1.31
			+ 0.1% R-3				

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

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

FLOAT EQUIPMENT & CENTRALIZERS

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

ADDITIONAL INFORMATION

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

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

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

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

DRILLING ENGINEER: _____ **DATE:** _____

Nick Spence / Danny Showers / Chad Loesel

DRILLING SUPERINTENDENT: _____ **DATE:** _____

Kenny Gathings / Lovel Young

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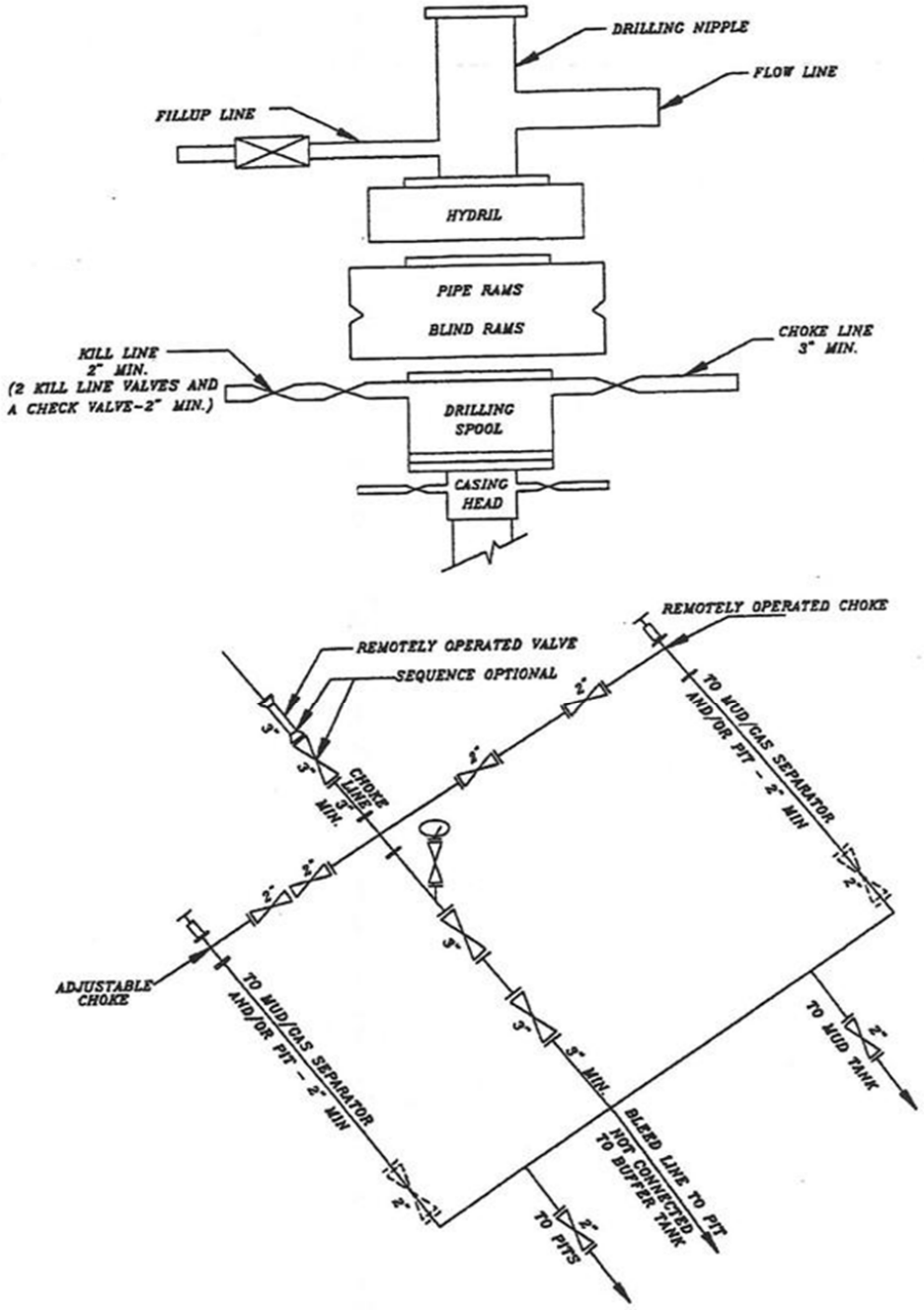
EXHIBIT A
NBU 1022-1P1CS



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

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Scientific Drilling
Rocky Mountain Operations

Project: UTAH - UTM (feet), NAD27, Zone 12N
Site: NBU 1022-1P PAD
Well: NBU 1022-1P1CS
Wellbore: OH
Design: PLAN #1 PRELIMINARY

Anadarko Petroleum Corporation

T M

Azimuths to True North
Magnetic North: 11.00°

Magnetic Field
Strength: 52311.4snT
Dip Angle: 65.86°
Date: 08/23/2011
Model: IGRF2010

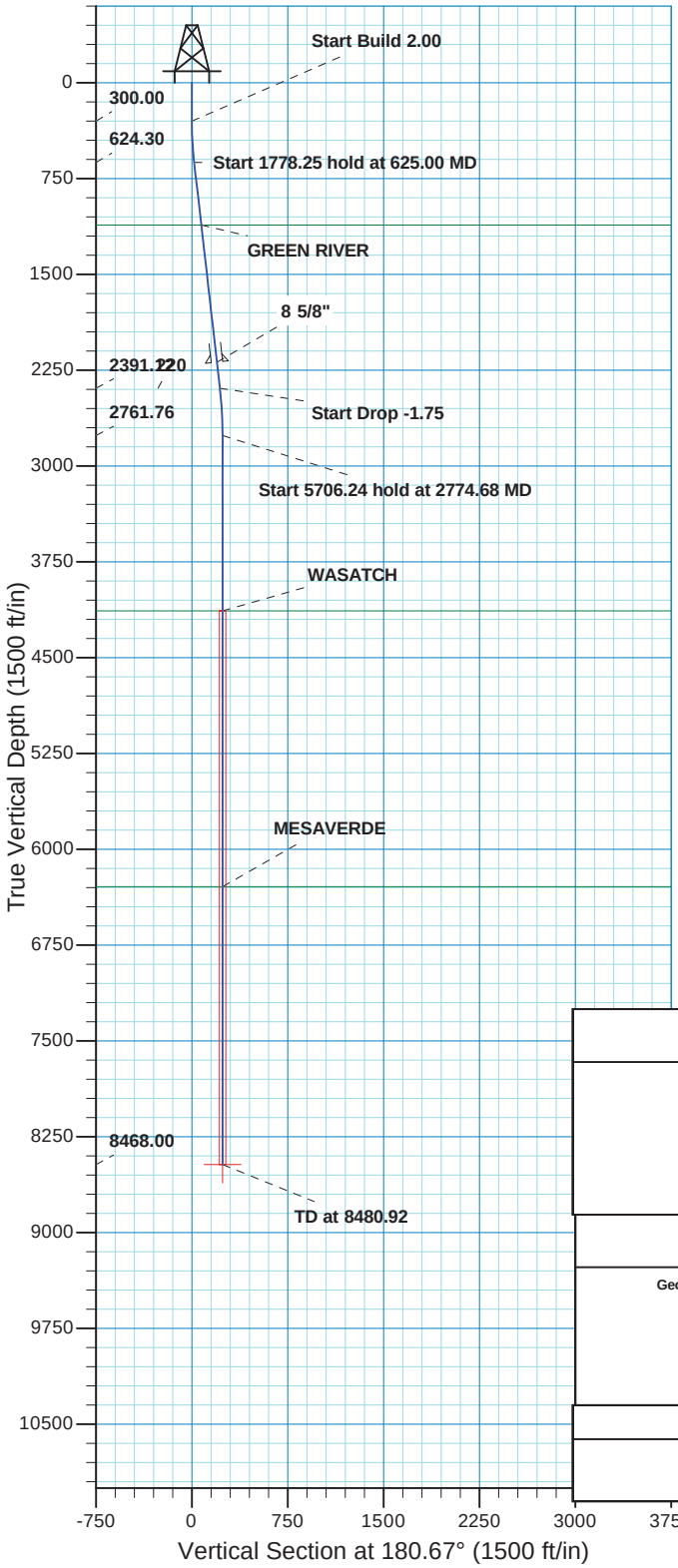
WELL DETAILS: NBU 1022-1P1CS

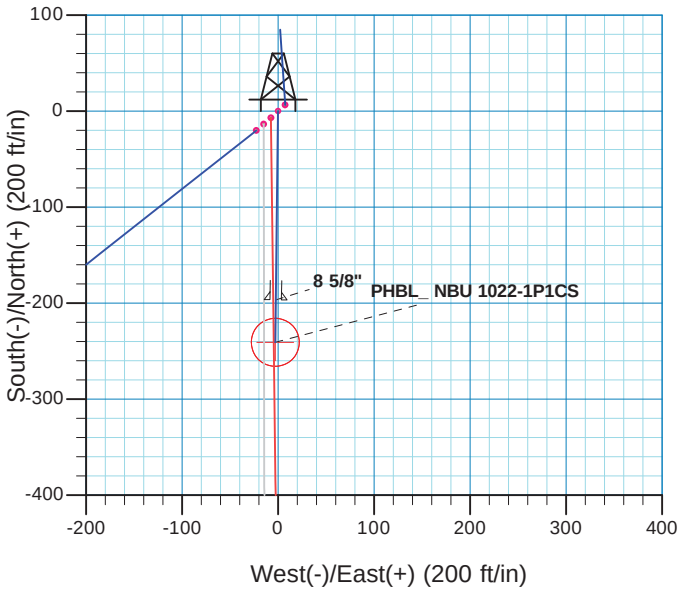
GL 5128 & KB 4
@ 5132.00ft (ASSUMED)

+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	14520656.56	2094322.64	39° 58' 25.968 N	109° 22' 47.640 W

DESIGN TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Shape
PHBL - plan hits target center	8468.00	-240.75	-2.80	14520415.81	2094324.21	39° 58' 23.588 N	109° 22' 47.676 W	Circle (Radius: 25.00)





SECTION DETAILS

MD	Inc	Azi	TVD	+N/-S	+E/-W	Dleg	TFace	VSect	
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	
625.00	6.50	180.67	624.30	-18.41	-0.21	2.00	180.67	18.42	
2403.25	6.50	180.67	2391.12	-219.70	-2.56	0.00	0.00	219.72	
2774.68	0.00	0.00	2761.76	-240.75	-2.80	1.75	180.00	240.76	
8480.92	0.00	0.00	8468.00	-240.75	-2.80	0.00	0.00	240.76	PHBL_ NBU 1022-1P1CS

PROJECT DETAILS: UTAH - UTM (feet), NAD27, Zone 12N

Geodetic System: Universal Transverse Mercator (US Survey Feet)
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Zone: Zone 12N (114 W to 108 W)
Location: SECTION 1 T10S R22E
System Datum: Mean Sea Level

FORMATION TOP DETAILS

TVDPath	MDPath	Formation
1113.00	1116.86	GREEN RIVER
4135.00	4147.92	WASATCH
6293.00	6305.92	MESAVERDE

CASING DETAILS

TVD	MD	Name	Size
2188.00	2198.81	8 5/8"	8.625

Plan: PLAN #1 PRELIMINARY (NBU 1022-1P1CS/OH)

Created By: RobertScott Date: 14:27, August 23 2011

REC

Scientific Drilling
Rocky Mountain Operations

US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N
NBU 1022-1P PAD
NBU 1022-1P1CS

OH

Plan: PLAN #1 PRELIMINARY

Standard Planning Report

23 August, 2011

Anadarko Petroleum Corporation

RECEIVED: Jan. 06, 2012

Scientific Drilling
Rocky Mountain Operations

SDI
Planning Report

Anadarko Petroleum Corporation

Database:	EDM5000-RobertS-Local	**Local Co-ordinate Reference:**	Well NBU 1022-1P1CS
Company:	US ROCKIES REGION PLANNING	**TVD Reference:**	GL 5128 & KB 4 @ 5132.00ft (ASSUMED)
Project:	UTAH - UTM (feet), NAD27, Zone 12N	**MD Reference:**	GL 5128 & KB 4 @ 5132.00ft (ASSUMED)
Site:	NBU 1022-1P PAD	**North Reference:**	True
Well:	NBU 1022-1P1CS	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1 PRELIMINARY		

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

Map System:	Universal Transverse Mercator (US Survey Feet)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Zone 12N (114 W to 108 W)		

Site NBU 1022-1P PAD, SECTION 1 T10S R22E

Site Position:		**Northing:**	14,520,663.26 usft	**Latitude:**	39° 58' 26.033 N
From:	Lat/Long	**Easting:**	2,094,330.08 usft	**Longitude:**	109° 22' 47.543 W
Position Uncertainty:	0.00 ft	**Slot Radius:**	13.200 in	**Grid Convergence:**	1.04 °

Well NBU 1022-1P1CS, 1161 FSL 493 FEL

Well Position	**+N/-S**	-6.56 ft	**Northing:**	14,520,656.57 usft	**Latitude:**	39° 58' 25.968 N
	+E/-W	-7.57 ft	**Easting:**	2,094,322.64 usft	**Longitude:**	109° 22' 47.640 W
Position Uncertainty		0.00 ft	**Wellhead Elevation:**		**Ground Level:**	5,128.00 ft

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	08/23/11	11.00	65.86	52,311

Design PLAN #1 PRELIMINARY

Audit Notes:

Version:		**Phase:**	PLAN	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	180.67

Plan Sections

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)	TFO (°)	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00	
625.00	6.50	180.67	624.30	-18.41	-0.21	2.00	2.00	0.00	180.67	
2,403.25	6.50	180.67	2,391.12	-219.70	-2.56	0.00	0.00	0.00	0.00	
2,774.68	0.00	0.00	2,761.76	-240.75	-2.80	1.75	-1.75	0.00	180.00	
8,480.92	0.00	0.00	8,468.00	-240.75	-2.80	0.00	0.00	0.00	0.00	PHBL_ NBU 1022-1P

RECEIVED: Jan. 06, 2012

Scientific Drilling
Rocky Mountain Operations

SDI
Planning Report

Anadarko Petroleum Corporation

Database:	EDM5000-RobertS-Local	**Local Co-ordinate Reference:**	Well NBU 1022-1P1CS
Company:	US ROCKIES REGION PLANNING	**TVD Reference:**	GL 5128 & KB 4 @ 5132.00ft (ASSUMED)
Project:	UTAH - UTM (feet), NAD27, Zone 12N	**MD Reference:**	GL 5128 & KB 4 @ 5132.00ft (ASSUMED)
Site:	NBU 1022-1P PAD	**North Reference:**	True
Well:	NBU 1022-1P1CS	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1 PRELIMINARY		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
100.00	0.00	0.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00
300.00	0.00	0.00	300.00	0.00	0.00	0.00	0.00	0.00	0.00
Start Build 2.00									
400.00	2.00	180.67	399.98	-1.75	-0.02	1.75	2.00	2.00	0.00
500.00	4.00	180.67	499.84	-6.98	-0.08	6.98	2.00	2.00	0.00
600.00	6.00	180.67	599.45	-15.69	-0.18	15.69	2.00	2.00	0.00
625.00	6.50	180.67	624.30	-18.41	-0.21	18.42	2.00	2.00	0.00
Start 1778.25 hold at 625.00 MD									
700.00	6.50	180.67	698.82	-26.90	-0.31	26.91	0.00	0.00	0.00
800.00	6.50	180.67	798.18	-38.22	-0.44	38.23	0.00	0.00	0.00
900.00	6.50	180.67	897.54	-49.54	-0.58	49.55	0.00	0.00	0.00
1,000.00	6.50	180.67	996.89	-60.86	-0.71	60.87	0.00	0.00	0.00
1,100.00	6.50	180.67	1,096.25	-72.18	-0.84	72.19	0.00	0.00	0.00
1,116.86	6.50	180.67	1,113.00	-74.09	-0.86	74.10	0.00	0.00	0.00
GREEN RIVER									
1,200.00	6.50	180.67	1,195.61	-83.50	-0.97	83.51	0.00	0.00	0.00
1,300.00	6.50	180.67	1,294.96	-94.82	-1.10	94.83	0.00	0.00	0.00
1,400.00	6.50	180.67	1,394.32	-106.14	-1.24	106.15	0.00	0.00	0.00
1,500.00	6.50	180.67	1,493.68	-117.46	-1.37	117.47	0.00	0.00	0.00
1,600.00	6.50	180.67	1,593.04	-128.78	-1.50	128.79	0.00	0.00	0.00
1,700.00	6.50	180.67	1,692.39	-140.10	-1.63	140.11	0.00	0.00	0.00
1,800.00	6.50	180.67	1,791.75	-151.42	-1.76	151.43	0.00	0.00	0.00
1,900.00	6.50	180.67	1,891.11	-162.74	-1.89	162.75	0.00	0.00	0.00
2,000.00	6.50	180.67	1,990.46	-174.06	-2.03	174.07	0.00	0.00	0.00
2,100.00	6.50	180.67	2,089.82	-185.38	-2.16	185.39	0.00	0.00	0.00
2,198.81	6.50	180.67	2,188.00	-196.56	-2.29	196.58	0.00	0.00	0.00
8 5/8"									
2,200.00	6.50	180.67	2,189.18	-196.70	-2.29	196.71	0.00	0.00	0.00
2,300.00	6.50	180.67	2,288.54	-208.02	-2.42	208.03	0.00	0.00	0.00
2,400.00	6.50	180.67	2,387.89	-219.34	-2.55	219.35	0.00	0.00	0.00
2,403.25	6.50	180.67	2,391.12	-219.70	-2.56	219.72	0.00	0.00	0.00
Start Drop -1.75									
2,500.00	4.81	180.67	2,487.40	-229.23	-2.67	229.25	1.75	-1.75	0.00
2,600.00	3.06	180.67	2,587.16	-236.09	-2.75	236.11	1.75	-1.75	0.00
2,700.00	1.31	180.67	2,687.08	-239.90	-2.79	239.91	1.75	-1.75	0.00
2,774.68	0.00	0.00	2,761.76	-240.75	-2.80	240.76	1.75	-1.75	0.00
Start 5706.24 hold at 2774.68 MD									
2,800.00	0.00	0.00	2,787.08	-240.75	-2.80	240.76	0.00	0.00	0.00
2,900.00	0.00	0.00	2,887.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,000.00	0.00	0.00	2,987.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,100.00	0.00	0.00	3,087.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,200.00	0.00	0.00	3,187.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,300.00	0.00	0.00	3,287.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,400.00	0.00	0.00	3,387.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,500.00	0.00	0.00	3,487.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,600.00	0.00	0.00	3,587.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,700.00	0.00	0.00	3,687.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,800.00	0.00	0.00	3,787.08	-240.75	-2.80	240.76	0.00	0.00	0.00
3,900.00	0.00	0.00	3,887.08	-240.75	-2.80	240.76	0.00	0.00	0.00

Scientific Drilling
Rocky Mountain Operations

SDI
Planning Report

Anadarko Petroleum Corporation

Database:	EDM5000-RobertS-Local	**Local Co-ordinate Reference:**	Well NBU 1022-1P1CS
Company:	US ROCKIES REGION PLANNING	**TVD Reference:**	GL 5128 & KB 4 @ 5132.00ft (ASSUMED)
Project:	UTAH - UTM (feet), NAD27, Zone 12N	**MD Reference:**	GL 5128 & KB 4 @ 5132.00ft (ASSUMED)
Site:	NBU 1022-1P PAD	**North Reference:**	True
Well:	NBU 1022-1P1CS	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1 PRELIMINARY		

Planned Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,000.00	0.00	0.00	3,987.08	-240.75	-2.80	240.76	0.00	0.00	0.00
4,100.00	0.00	0.00	4,087.08	-240.75	-2.80	240.76	0.00	0.00	0.00
4,147.92	0.00	0.00	4,135.00	-240.75	-2.80	240.76	0.00	0.00	0.00
WASATCH									
4,200.00	0.00	0.00	4,187.08	-240.75	-2.80	240.76	0.00	0.00	0.00
4,300.00	0.00	0.00	4,287.08	-240.75	-2.80	240.76	0.00	0.00	0.00
4,400.00	0.00	0.00	4,387.08	-240.75	-2.80	240.76	0.00	0.00	0.00
4,500.00	0.00	0.00	4,487.08	-240.75	-2.80	240.76	0.00	0.00	0.00
4,600.00	0.00	0.00	4,587.08	-240.75	-2.80	240.76	0.00	0.00	0.00
4,700.00	0.00	0.00	4,687.08	-240.75	-2.80	240.76	0.00	0.00	0.00
4,800.00	0.00	0.00	4,787.08	-240.75	-2.80	240.76	0.00	0.00	0.00
4,900.00	0.00	0.00	4,887.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,000.00	0.00	0.00	4,987.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,100.00	0.00	0.00	5,087.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,200.00	0.00	0.00	5,187.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,300.00	0.00	0.00	5,287.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,400.00	0.00	0.00	5,387.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,500.00	0.00	0.00	5,487.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,600.00	0.00	0.00	5,587.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,700.00	0.00	0.00	5,687.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,800.00	0.00	0.00	5,787.08	-240.75	-2.80	240.76	0.00	0.00	0.00
5,900.00	0.00	0.00	5,887.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,000.00	0.00	0.00	5,987.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,100.00	0.00	0.00	6,087.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,200.00	0.00	0.00	6,187.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,300.00	0.00	0.00	6,287.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,305.92	0.00	0.00	6,293.00	-240.75	-2.80	240.76	0.00	0.00	0.00
MESAVERDE									
6,400.00	0.00	0.00	6,387.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,500.00	0.00	0.00	6,487.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,600.00	0.00	0.00	6,587.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,700.00	0.00	0.00	6,687.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,800.00	0.00	0.00	6,787.08	-240.75	-2.80	240.76	0.00	0.00	0.00
6,900.00	0.00	0.00	6,887.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,000.00	0.00	0.00	6,987.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,100.00	0.00	0.00	7,087.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,200.00	0.00	0.00	7,187.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,300.00	0.00	0.00	7,287.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,400.00	0.00	0.00	7,387.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,500.00	0.00	0.00	7,487.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,600.00	0.00	0.00	7,587.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,700.00	0.00	0.00	7,687.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,800.00	0.00	0.00	7,787.08	-240.75	-2.80	240.76	0.00	0.00	0.00
7,900.00	0.00	0.00	7,887.08	-240.75	-2.80	240.76	0.00	0.00	0.00
8,000.00	0.00	0.00	7,987.08	-240.75	-2.80	240.76	0.00	0.00	0.00
8,100.00	0.00	0.00	8,087.08	-240.75	-2.80	240.76	0.00	0.00	0.00
8,200.00	0.00	0.00	8,187.08	-240.75	-2.80	240.76	0.00	0.00	0.00
8,300.00	0.00	0.00	8,287.08	-240.75	-2.80	240.76	0.00	0.00	0.00
8,400.00	0.00	0.00	8,387.08	-240.75	-2.80	240.76	0.00	0.00	0.00
8,480.92	0.00	0.00	8,468.00	-240.75	-2.80	240.76	0.00	0.00	0.00
TD at 8480.92 - PHBL_ NBU 1022-1P1CS									

Scientific Drilling
Rocky Mountain Operations

SDI
Planning Report

Anadarko Petroleum Corporation

Database:	EDM5000-RobertS-Local	**Local Co-ordinate Reference:**	Well NBU 1022-1P1CS
Company:	US ROCKIES REGION PLANNING	**TVD Reference:**	GL 5128 & KB 4 @ 5132.00ft (ASSUMED)
Project:	UTAH - UTM (feet), NAD27, Zone 12N	**MD Reference:**	GL 5128 & KB 4 @ 5132.00ft (ASSUMED)
Site:	NBU 1022-1P PAD	**North Reference:**	True
Well:	NBU 1022-1P1CS	**Survey Calculation Method:**	Minimum Curvature
Wellbore:	OH		
Design:	PLAN #1 PRELIMINARY		

Design Targets

Target Name - hit/miss target - Shape	Dip Angle (°)	Dip Dir. (°)	TVD (ft)	+N/-S (ft)	+E/-W (ft)	Northing (usft)	Easting (usft)	Latitude	Longitude
PHBL_ NBU 1022-1P1C - plan hits target center - Circle (radius 25.00)	0.00	0.00	8,468.00	-240.75	-2.80	14,520,415.81	2,094,324.21	39° 58' 23.588 N	109° 22' 47.676 W

Casing Points

Measured Depth (ft)	Vertical Depth (ft)	Name	Casing Diameter (in)	Hole Diameter (in)
2,198.81	2,188.00	8 5/8"	8.625	11.000

Formations

Measured Depth (ft)	Vertical Depth (ft)	Name	Lithology	Dip (°)	Dip Direction (°)
1,116.86	1,113.00	GREEN RIVER			
4,147.92	4,135.00	WASATCH			
6,305.92	6,293.00	MESAVERDE			

Plan Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
300.00	300.00	0.00	0.00	Start Build 2.00
625.00	624.30	-18.41	-0.21	Start 1778.25 hold at 625.00 MD
2,403.25	2,391.12	-219.70	-2.56	Start Drop -1.75
2,774.68	2,761.76	-240.75	-2.80	Start 5706.24 hold at 2774.68 MD
8,480.92	8,468.00	-240.75	-2.80	TD at 8480.92

RECEIVED: Jan. 06, 2012

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

NBU 1022-1P Pad

API #		**NBU 1022-1O4CS**		
	Surface:	1141 FSL / 515 FEL	SESE	Lot
	BHL:	106 FSL / 1816 FEL	SWSE	Lot
API #		**NBU 1022-1P1BS**		
	Surface:	1168 FSL / 485 FEL	SESE	Lot
	BHL:	1246 FSL / 491 FEL	SESE	Lot
API #4304739297		**NBU 1022-1P1CS (FKA NBU 631-01E)**		
	Surface:	1161 FSL / 493 FEL	SESE	Lot
	BHL:	920 FSL / 495 FEL	SESE	Lot
API #		**NBU 1022-1P4BS**		
	Surface:	1154 FSL / 500 FEL	SESE	Lot
	BHL:	582 FSL / 491 FEL	SESE	Lot
API #		**NBU 1022-1P4CS**		
	Surface:	1148 FSL / 508 FEL	SESE	Lot
	BHL:	270 FSL / 503 FEL	SESE	Lot

An Application for Permit to Drill (APD) was approved by the BLM on October 24, 2008 for the NBU 631-01E well location. A Sundry Notice under separate cover will be submitted to change the location and the well name to the NBU 1022-1P1CS.

This Surface Use Plan of Operations (SUPO) or 13-point plan provides site-specific information for the above-referenced wells.

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 access roads (two-tracks). In accordance with Onshore Order #1, Kerr-McGee will, in accordance with BMPs, improve or maintain existing roads in a condition that is the same as or better than before operations began. New or reconstructed proposed access roads are discussed in Section B.

The existing roads will be maintained in a safe and usable condition. Maintenance for existing roads will continue until final abandonment and reclamation of well pads and/or other facilities, as applicable. Road maintenance will include, but is not limited to, blading, ditching, and/or culvert installation and cleanout. To ensure safe operating conditions, gravel surfacing will be performed where excessive rutting or erosion may occur. Dust control will be performed as necessary to ensure safe operating conditions.

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Roads, gathering lines and electrical distribution lines will occupy common disturbance corridors where possible. Where available, roadways will be used as the staging area and working space for installation of gathering lines. All disturbances located in the same corridor will overlap each other to the maximum extent possible, while maintaining safe and sound construction and installation practices. Unless otherwise approved or requested in site specific documents, in no case will the maximum disturbance widths of the access road and utility corridors exceed the widths specified in Part D of this document.

Please refer to Topo B, for existing roads.

B. New or Reconstructed Access Roads:

All new or reconstructed roads will be located, designed, and maintained to meet the standards of the BLM. BMPs. Described in the BLM's Surface Operating Standards for Oil and Gas Exploration and Development, 4th Edition (Gold Book) (USDI and USDA, 2007) and/or BLM Manual Section 9113 (1985) will be considered in consultation with the BLM in the design, construction, improvement and maintenance of all new or reconstructed roads. If a new road would cross a water of the United States, Kerr-McGee will adhere to the requirements of applicable Nationwide Permits of the Department of Army Corps of Engineers.

Each new well pad or pad expansion may require construction of a new access road and/or de-commissioning of an older road. Plans, routes, and distances for new roads and road improvements are provided in design packages, exhibits and maps for a project. Project-specific maps are submitted to depict the locations of existing, proposed, and/or decommissioned and include the locations for supporting structures, including, but not limited to, culverts, bridges, low water crossings, range infrastructure, and haul routes, as per OSO 1. Designs for cuts and fills, including spoils source and storage areas, are provided with the road designs, as necessary.

Where safety objectives can be met. As applicable, Kerr-McGee may use unimproved and/or two-track roads for lease operations, to lessen total disturbance.

Road designs will be based on the road safety requirements, traffic characteristics, environmental conditions, and the vehicles the road is intended to carry. Generally, newly constructed unpaved lease roads will be crowned and ditched with the running surfaces of the roads approximately 12-18 feet wide and a total road corridor width not to exceed 45 feet, except where noted in the road design for a specific project. Maximum grade will generally not exceed 8%. Borrow ditches will be back sloped 3:1 or less. Construction BMPs will be employed to control onsite and offsite erosion.

Where topography would direct storm water runoff to an access road or well pad, drainage ditches or other common drainage control facilities, such as V- or wing-ditches, will be constructed to divert surface water runoff. Drainage features, including culverts, will be constructed or installed prior to commencing other operations, including drilling or facilities placement. Riprap will be placed at the inlet and outlet at the culvert(s), as necessary.

Prior to construction, new access road(s) will be staked according to the requirements of OSO 1. Construction activity will not be conducted using frozen or saturated materials or during periods when significant watershed damage (e.g. rutting, extensive sheet soil erosion, formation of rills/gullies, etc.) is likely to occur. Vegetative debris will not be placed in or under fill embankments.

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New road maintenance will include, but is not limited to, blading, ditching, culvert installation and cleanout, gravel surfacing where excessive rutting or erosion may occur and dust control, as necessary to ensure safe operating conditions. All vehicular traffic, personnel movement, construction/restoration operations will be confined to the approved area and to existing roadways and/or access routes.

Snow removal will be conducted on an as-needed basis to accommodate safe travel. Snow removal will occur as necessary throughout the year, as will necessary drainage ditch construction. Removed snow may be stored on permitted well pads to reduce hauling distances and/or at the aerial extent of approved disturbance boundaries to facilitate snow removal for the remainder of the season.

If a county road crossing or encroachment permit is needed, it will be obtained prior to construction.

The following segments are "on-lease"

±1,280' (0.4 miles) – Section 1 T10S R22E (SE/4) – On-lease UTU011336, new access road from the edge of the pad to the 1021-1I intersection. Please refer to Topo B.

C. Location of Existing Wells:

A) Refer to Topo Map C.

D. Location of Existing and/or Proposed Facilities:

Should the well(s) prove productive, production facilities will be installed on the disturbed portion of each well pad. A berm will be constructed completely around production components (typically excluding dehy's and/or separators) that contain fluids (i.e. production tanks, produced liquids tanks). The berms will generally be constructed of compacted subsoil or corrugated metal, and will hold the capacity of the largest tank and have sufficient freeboard to accomodate a 25 year rainfall event. This includes pumping units. Aboveground structures constructed or installed onsite for 6 months or longer, will be painted a flat, non-reflective, earth-tone color chosen at the onsite in coordination with the BLM (typically Shadow Gray). A production facility layout is provided as part of a project-specific APD, ROW or NOS submission.

GAS GATHERING

Please refer to Exhibit A and Topo D- Pad and Pipeline Detail.

The gas gathering pipeline material: Steel line pipe. Surface = Bare pipe. Buried = Coated with fusion bonded epoxy coating (or equivalent).

Kerr-McGee proposes to install gas gathering lines to tie into a previously approved buried gas pipeline covered under ROW UTU-88692. The total of this proposed gas gathering from the meter to the approved 16" gas pipeline is ±2,850' and the individual segments are broken up as follows:

The following segments are "onlease", no ROW needed.

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±460’ (0.1 miles) – Section 1 T10S R22E (SE/4 SE/4) – On-lease UTU011336, BLM surface, New 6” buried gas gathering pipeline from the meter to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.

±1,345’ (0.3 miles) – Section 1 T10S R22E (SE/4) – On-lease UTU011336, BLM surface, New 6” buried gas gathering pipeline from the edge of the pad to the proposed 8" gas gathering pipeline at the NBU 1022-1I Pad intersection. Please refer to Exhibit A, Line 9.

±1,045’ (0.2 miles) – Section 1 T10S R22E (SE/4) – On-lease UTU011336, BLM surface, New 8” buried gas gathering pipeline from the NBU 1022-1I Pad intersection to the tie-in at the previously approved 16" gas gathering pipeline. Please refer to Exhibit A, Line 8. This pipeline will be used concurrently with the NBU 1022-1I Pad.

Kerr-McGee proposes to install liquid gathering lines to tie into a previously approved buried liquid pipeline covered under ROW UTU-88691. The total of this proposed liquid gathering from the separator to the approved liquid pipeline is ±2,850' and the individual segments are broken up as follows:

The following segments are "onlease", no ROW needed.

±460’ (0.1 miles) – Section 1 T10S R22E (SE/4 SE/4) – On-lease UTU011336, BLM surface, New 6” buried liquid gathering pipeline from the separator to the edge of the pad. Please refer to Topo D2 - Pad and Pipeline Detail.

±1,345’ (0.3 miles) – Section 1 T10S R22E (SE/4) – On-lease UTU011336, BLM surface, New 6” buried liquid gathering pipeline from the edge of the pad to the NBU 1022-1I Pad intersection. Please refer to Exhibit B, Line 9.

±1,045’ (0.2 miles) – Section 1 T10S R22E (SE/4) – On-lease UTU011336, BLM surface, New 6” buried liquid gathering pipeline from the NBU 1022-1I Pad intersection to the tie-in at the previously approved liquid gathering pipeline. Please refer to Exhibit B, Line 8. This pipeline will be used concurrently with the NBU 1022-1I Pad.

Pipeline Gathering Construction

Gathering (pipeline) infrastructure will be utilized to collect and transport gas and fluids from the wells which are owned and operated by Kerr McGee. Gas gathering pipeline(s,) gas lift, or liquids pipelines may be constructed to lie on the surface or be buried. 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. The area of disturbance during construction from the edge of road or well pad will typically be 30' in width. Where pipelines run cross country, the width of disturbance will typically be 45 ft for buried lines and 30 ft for surface lines. In addition, Kerr-McGee requests for a permanent 30' distrubance width that will be maintained for the portion adjacent to the road. The need for the 30' permanent distrubance width is for maintenance and repairs. Cross country permanent distrubance width also are required to be 30ft.

Above-ground installation will generally not require clearing of vegetation or blading of the surface, except where safety considerations necessitate earthwork. In some surface pipeline installation instances pipe cannot be constructed where it will lay. In these cases where an above-ground pipeline is constructed parallel and adjacent to a road, it will be welded/fused on the road and then lifted from the road to the pipeline route. In other cases where a pipeline route is not parallel and adjacent to a road (cross-country between sites), it will be welded/fused in place at a well pad, access road, or designated work area and pulled between connection locations with a suitable piece of equipment.

Buried pipelines will generally be installed parallel and adjacent to existing and/or newly constructed roads and within the permitted disturbance corridor. Buried pipelines may vary from 2 inches (typically fuel gas lines) to 24 inches (typically

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transportation lines) in diameter, but 6 to 16 inches is typical for a buried gas line. The diameter of liquids pipelines may vary from 2 inches to 12 inches, but 6 inches is the typical diameter. Gas lift lines may vary from 2 to 12 inches in diameter, but 6-inch diameter pipes are generally used for gas lift. If two or more pipelines are present (gas gathering, gas lift, and fluids), they will share a common trench where possible.

Typically, to install a buried pipeline, topsoil will be removed, windrowed and placed on the non-working side of the route for later reclamation. Because working room is limited, the spoil may be spread out across the working side and construction will take place on the spoil. The working side of the corridor will be used for pipe stringing, bending, welding and equipment travel. Small areas on the working side displaying ruts or uneven ground will be groomed to facilitate the safe passage of equipment. After the pipelines are installed, spoil will be placed back into the trench, and the topsoil will be redistributed over the disturbed corridor prior to final reclamation. Typical depth of the trench will be 6 feet, but depths may vary according to site-specific conditions (presence of bedrock, etc.). The proposed trench width for the pipeline would range from 18-48 inches.

The pipeline will be welded along the proposed route and lowered into place. Trenching equipment will cut through the soil or into the bedrock and create good backfill, eliminating the need to remove large rocks. The proposed buried pipeline will be visually and radiographically inspected and the entire pipeline will be pneumatically or hydrostatically tested before being placed into service. Routine vehicle traffic will be prevented from using pipeline routes as travel ways by posting signs at the route's intersection with an access road.

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.

If pipelines or roads encounter a drainage that could be subject to flooding or surface water during extreme precipitation events, Kerr-McGee will apply all applicable Army Corps mandates as well as the BLM's Hydraulic Considerations for Pipeline Crossings of Stream Channels (BLM Technical Note 423, April 2007). In addition, all stream and drainage

crossings will be evaluated to determine the need for stream alteration permits from the State of Utah Division of Water Rights and if necessary, required permits will be secured. Similarly, where a road or pipeline crossing exists the pipe will be butt welded and buried to a depth between 24 and 48 inches or more. Dirt roads will be cut and restored to a condition equivalent to the existing condition. All Uintah County road encroachment and crossing permits, where applicable, will be obtained prior to crossing construction. In no case will pressure testing of pipelines result in discharge of liquids to the surface. Pipeline signs will be installed along the route to indicate the pipeline proximity, ownership, and to provide emergency contact phone numbers. Above ground valves and lateral T's will be installed at various locations for production integrity and safety purposes.

Upon completion of the proposed buried pipeline, the entire area of disturbance will be reclaimed to the standards proposed in the Green River District Reclamation Guidelines. Please refer to section J for more details regarding final reclamation.

When no longer deemed necessary by the operator, Kerr-McGee or it's successor will consult with the BLM, Vernal Field Office before terminating of the use of the pipeline(s).

The Anadarko Completions Transportation System (ACTS) information:

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Please refer to Exhibit C for ACTs Lines

Kerr-McGee will use either a closed loop drilling system that will require one pit and one storage area to be constructed on the drilling pad or a traditional drilling operation with one pit. The storage area will be used to contain only the de-watered drill cuttings and will be lined and reclaimed according to traditional pit closure standards. The pit will be constructed to allow for completion operations. The completion operations pit is lined and will be used for the wells drilled on the pad or used as part of our Anadarko Completions Transportation (ACTS) system which is disussed in more detail below. 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/completion pit.

If Kerr-McGee does not use a closed loop system, it will construct a drilling reserve pit to contain drill cuttings and for use in completion operations. Depending on the location of the pit, its relation to future drilling locations, the reserve/completion pit will be utilized for the completion of the wells on that pad and/or be used as part of our ACTS system.

Kerr-McGee will use ACTS to optimize the completion processes for multiple pads across the project area which may include up to a section of development. ACTS will facilitate management of frac fluids by utilizing existing reserve pits and temporary, surface-laid aluminum liquids transfer lines between frac locations. The pit will be refurbished as follows when a traditional drill pit is used: mix and pile up drill cuttings with dry dirt, bury the original liner in the pit, walk bottom of pit with cat. Kerr-McGee will reline the pit with a 30 mil liner and double felt padding. The refurbished pit will be the same size or smaller as specified in the originally approved ROW/APD. The pit refurb will be done in a normal procedure and there will be no modification to the pit.

All four sides of the completions pit will be fenced in according to standard pit fencing procedures. Netting will be installed over all pits.

The collected hydrocarbons will be treated and sold at approved sales facilities. A loading rack with drip containment will also be installed where water trucks would unload and load to prevent damage caused from pulling hoses in and out of the pit .

ACTS will require temporarily laying multiple 6” aluminum water transfer lines on the surface between either existing or refurbished reserve pits. Please see the attached ACTS exhibit C for placement of the proposed temporary lines. The temporary aluminum transfer lines will be utilized to transport frac fluid being injected and/or recovered during the completion process and will be laid adjacent to existing access roads or pipeline corridors. Upon completion of the frac operation, the liquids transfer lines will be flushed with fresh water and purged with compressed air. The contents of the transfer lines will be flushed into a water truck for delivery to another ACTS location or a reserve pit.

The volume of frac fluid transported through a water transfer line will vary, but volume is projected to be approximately 1.75 bbls per 50-foot joint. Although the maximum working pressure is 125 psig, the liquids transfer lines will be operated at a pressure of approximately 30 to 40 psig. Kerr-McGee requests to keep the netted pit open for one year from first production of the first produced well on the pad. During this time the surrounding well location completion fluids may be recycled in this pit and utilized for other frac jobs in the area. After one year Kerr-McGee will backfill the pit and reclaim. If the pit is not needed for an entire year it will be backfilled and reclaimed earlier. Kerr-McGee understands that due to the temporary nature of this system, BLM considers this a casual use situation; therefore, no permanent ROW or temporary use plan will need to be issued by the BLM.

E. Location and Types of Water Supply:

Water for drilling and completion operations will be obtained from the following sources:

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Permit # 49-2307	JD Field Services	Green River- Section 15, T2N, R22E
Permit # 49-2321	R.N. Industries	White River- Section 2, T10S, R24E
Permit # 49-2319	R.N. Industries	White River- Various Sources
Permit # 49-2320	R.N. Industries	Green River- Section 33, T8S, R23E

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.

F. Construction Materials:

Construction operations will typically be completed with native materials found on location. 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 (described in site-specific documents). No construction materials will be removed from federal lands without prior approval from the BLM. A source location other than an on-location construction site will be designated either via a map or narrative within the project specific materials provided to the BLM.

G. Methods for Handling Waste:

All wastes subject to regulation will be handled in compliance with applicable laws to minimize the potential for leaks or spills to the environment. Kerr-McGee also maintains a Spill Control and Countermeasure Plan, which includes notification requirements, including the BLM, for all reportable spills of oil, produced liquids, and hazardous materials.

Any accidental release, such as a leak or spill in excess of the reportable quantity, as established by 40 CFR Part 117.3, will be reported as per the requirements of CERCLA, Section 102 B. If a release involves petroleum hydrocarbons or produced liquids, Kerr-McGee will comply with the notification requirements of NTL-3A. Drill cuttings and/or drilling fluids will be contained in the reserve/frac pit whether a closed loop system is used or not. Cuttings will be buried in pit(s) upon closure. Unless specifically approved by the BLM, no oil or other oil-based drilling additives, chromium/metals-based, or saline muds will be used during drilling. Only fresh water (as specified above), biodegradable polymer soap, bentonite clay, and/or non-toxic additives will be used in the mud system.

Pits will be constructed to minimize the accumulation of surface precipitation runoff into the pit (via appropriate placement of subsoil storage areas and/or construction of berms, ditches, etc). Should unexpected liquid petroleum hydrocarbons (crude oil or condensate) be encountered during drilling, completions or well testing, liquid petroleum hydrocarbons will either be contained in test tanks on the well site or evacuated by vacuum trucks and transported to an approved disposal/sales facility. Should petroleum hydrocarbons unexpectedly be released into a pit, they will be removed as soon as practical but in no case will they remain longer than 72 hours unless an alternate is approved by the BLM. Should timely removal not be feasible, the pit will be netted as soon as practical. Similarly, hydrocarbon removal will take place prior to the closure of the pit, unless authorization is provided for disposal via alternate pit closure methods (e.g. solidification).

The reserve and/or fracture stimulation pit will be lined with an impermeable liner. The liner will be a synthetic material 30 mil or thicker. The bottom and side walls of the pit will be void of any sharp rocks that could puncture the liner. The liner will be installed over smooth fill subgrade that is free of pockets, loose rocks, or other materials (i.e. sand, sifted dirt,

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bentonite, straw, etc.) that could damage the liner. After evaporation and when dry, the reserve pit liners will be cut off, ripped and/or folded back (as safety considerations allow) as near to the mud surface as possible and buried on location or hauled to a landfill prior to backfilling the pit with a minimum of five feet of soil material.

Where necessary and if conditions (freeboard, etc.) allow, produced liquids from newly completed wells may be temporarily disposed of into pits for a period not to exceed 90 days as per Onshore Order Number 7 (OSO 7). Subsequently, permanent approved produced water disposal methods will be employed in accordance with OSO 7 and/or as described in a Water Management Plan (WMP). Otherwise, fluids disposal locations and associated haul routes, for ROW consideration, are typically depicted on Topo A of individual projects. Revisions to the water source or method of transportation will be subject to written approval from the BLM.

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

Pits containing drilling cuttings, mud, and/or completions fluids will be allowed to dry. Any free fluids remaining after one year 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. Installation and operation of any sprinklers, pumps, and equipment will ensure that water spray or mist does not drift.

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 (trash and other solid waste including cans, paper, cable, etc.) 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. Immediately after removal of the drilling rig, all debris and other waste materials not contained within trash receptacles will be collected and removed from the well location.

For the protection of livestock and wildlife, all open pits (excluding flare pits) will be fenced 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. Siphons, catchments, and absorbent pads will be installed to keep hydrocarbons produced by the drilling rig or other equipment on location from entering the reserve pit. Hydrocarbons, contaminated pads, and/or soils will be disposed of in accordance with state and federal requirements.

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.

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

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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.

Hazardous materials may be contained in some grease or lubricants, solvents, acids, paint, and herbicides, among others as defined above. Kerr-McGee maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances that are used during the course of construction, drilling, completion, and production operations for this project. The transport, use, storage and handling of hazardous materials will follow procedures specified by federal and state regulations. Transportation of hazardous materials to the well location is regulated by the Department of Transportation (DOT) under 49 CFR, Parts 171-180. DOT regulations pertain to the packing, container handling, labeling, vehicle placarding, and other safety aspects.

Potentially hazardous materials used in the development or operation of wells will be kept in limited quantities on well sites and at the production facilities for short periods of time. Chemicals meeting the criteria for being an acutely hazardous material/substance or meet the quantities criteria per BLM Instruction Memorandum No. 93-344 will not be used.

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 (crude oil/condensate, produced water). They may also be kept in limited quantities on drilling sites (barite, diesel fuel, cement, cottonseed hulls etc.) for short periods of time during drilling or completion activities.

Fluids disposal and pipeline/haul routes are depicted on Topo Map A.

Any produced water separated from recoverable condensate from the proposed well will be contained in a water tank and will then be transported by pipeline and/or truck to one of the pre-approved disposal sites:

RNI in Sec. 5 T9S R22E
NBU #159 in Sec. 35 T9S R21E
Ace Oilfield in Sec. 2 T6S R20E
MC&MC in Sec. 12 T6S R19E
Pipeline Facility in Sec. 36 T9S R20E
Goat Pasture Evaporation Pond in SW/4 Sec. 16 T10S R22E
Bonanza Evaporation Pond in Sec. 2 T10S R23E

Or to one of the following Kerr-McGee active Salt Water Disposal (SWD) wells:

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. 34 T9S R21E

H. Ancillary Facilities:

No additional ancillary facilities are planned for this location.

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I. Well Site Layout:

The location, orientation and aerial extent of each drill pad, reserve/completion/flare pit (for closed loop or non-closed loop operations), 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 depending on whether a closed loop system is used. Surface distance may be less if using closed loop. But in either case, the area of distrubance will not exceed the maximum disturbance outlined in the attached exhibits.

For the protection of livestock and wildlife, all open pits and cellars will be fenced 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.

Each well will utilize either a centralized tank battery, centralized fluids management system, or have tanks installed on its pad. Production/ Produced Liquid tanks will be constructed, maintained, and operated to prevent unauthorized surface or subsurface discharges of liquids and to prevent livestock or wildlife entry. The tanks will be kept reasonably free from surface accumulations of liquid hydrocarbons. The tanks are not to be used for disposal of liquids from additional sources without prior approval of BLM.

J. Plans for Surface Reclamation:

The 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. Interim 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 may include pit evaporation, fluid removal, pit solidification, re-contouring, ripping, spreading top soil, seeding, and/or weed control. Interim reclamation will be performed in accordance with OSO 1, or written notification will be provided to the BLM for approval. Where feasible, drilling locations, reserve pits, or access routes not utilized for production operations will be re-contoured to a natural appearance.

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.

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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. Disposal of pit fluids and linings is discussed in Section G.

Final Reclamation

Final reclamation will be performed for unproductive wells and after 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 Kerr-McGee. The primary purpose of this inspection will be to review the existing conditions, or agree upon a revised final reclamation and abandonment plan. The BLM will be notified prior to commencement of reclamation operations. 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 the site to the approximate contour that existed prior to pad construction, final grading will be conducted over the entire surface of the well site and access road. The area will be ripped to a depth of 18 to 24 inches on 18 to 24-inch centers, where practical. The surface soil material will be pitted with small depressions to form longitudinal depressions 12 to 18 inches deep, where practical. The entire area will be uniformly covered with the depressions constructed perpendicular to the natural flow of water.

Reclamation of roads will be performed at the discretion of the BLM. 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 in accordance with the seeding specifications of the BLM.

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

Measures Common to Interim and Final Reclamation

Soil preparation will be conducted using a disk for areas in need of more soil preparation following site preparation. This will provide primary soil tillage to a depth no greater than 6 inches. Prior to reseeding, compacted areas will be scarified by ripping or chiseling to loosen compacted soils, promote water infiltration, and improve soil aeration and root penetration.

Seeding will occur year-round as conditions allow and will typically be accomplished through the use of a no-till rangeland style seed drill with a “picker box” in order to seed “fluffy” seed. Where drill seeding is not the preferred method, seed will be broadcast and then raked into the ground at double the rate of drill seeding. 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 seed mixes will be selected from a list provided by or approved by the BLM, or a specific seed mix will be proposed by Kerr-McGee to the BLM and used after its approval. The selected specific seed mix for each well location

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and road segment will be utilized while performing interim and final reclamation for each project. All seed will be certified and tags will be maintained by Kerr-McGee. Every effort will be made to obtain “cheat grass free seed”.

Seed Mix to be used for Well Site, Access Road, and Pipeline (as applicable):

Shadescale Mix	**Pure Live Seed lbs/acre**
Indian Ricegrass	3
Sandberg	0.75
Bottlebrush	1
Great Basin	0.5
Crested	1.5
Winterfat	0.25
Shadscale	1.5
Four-wing	0.75
Forage Kochia	0.25
Total	9.5

Additional soil amendments and/or stabilization may be required on sites with poor soils and/or excessive erosion potential. Where severe erosion can become a problem and/or the use of machinery is not practical, seed will be hand broadcast and raked with twice the specified amount of seed. Slopes 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, hydro-mulch, and/or bonded fiber matrix at a rate to achieve a minimum of 80 percent soil coverage. Soil amendments such as “Sustain” (an organic fertilizer that will be applied at the rate 1,800 – 2,100 lbs/acre with seed) may also be dry broadcast or applied with hydro-seeding equipment.

Weed Control

All weed management will be done in accordance with the Vernal BLM Surface Disturbance Weed Policy. Noxious weeds will be controlled, as applicable, on project areas. Monitoring and management of noxious and/or invasive weeds of concern will be completed annually until the project is deemed successfully reclaimed by the surface management agency and/or owner according to the Anadarko Integrated Weed Management Plan. Noxious weed infestations will be mapped using a GPS unit and submitted to the BLM with information required in the Vernal BLM Surface Disturbance Weed Policy. If herbicide is to be applied it will be done according to an approved Pesticide Use Permit (PUP), inclusive of applicable locations. All pesticide applications will be recorded using a Pesticide Application Record (PAR) and will be submitted along with a Pesticide Use Report (PUR) annually prior to Dec. 31.

Monitoring

Monitoring of reclaimed project areas will be completed annually during the growing season and actions to ensure reclamation success will be taken as needed. During the first two growing seasons an ocular methodology will be used to determine the success of the reclamation activities. During the 3rd growing season a 200 point line intercept (quantitative) methodology will be used to obtain basal cover. The goal is to have the reclaimed area reach 30% basal cover when compared to the reference site. If after three growing seasons the area has not reached 30% basal cover, additional reclamation activities may be necessary. Monitoring will continue until the reclaimed area reaches 75% basal cover of desirable vegetation when compared to the reference site. (Green River District Reclamation Guidelines)

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All monitoring reports will be submitted electronically to the Vernal BLM in the form of a geo-database no later than March 1st of the calendar year following the data collection.

K. Surface/Mineral Ownership:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435)781-4400

L. Other Information:

Cultural and Paleontological Resources

All personnel are strictly prohibited from collecting artifacts, any paleontological specimens or fossils, and from disturbing any significant cultural resources in the area. If artifacts, fossils, or any culturally sensitive materials are exposed or identified in the area of construction, all construction operations that would affect the newly discovered resource will cease, and Kerr-McGee will provide immediate notification to the BLM.

Resource Reports:

A Class I literature survey was completed in May 2011 by Montgomery Archaeological Consultants, Inc (MOAC). For additional details please refer to report MOAC 11-145.

A paleontological reconnaissance survey was completed in June, 2010 and July, 2011 by SWCA Environmental Consultants. For additional details please refer to reports UT11-14314-31, UT11-14314-32 and UT11-14314-33.

Biological field survey was completed in May and June of 2011 by Grasslands Consulting, Inc (GCI). For additional details please refer to reports GCI-518 and GCI 559.

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Proposed Action Annual Emissions Tables:

Table 1: Proposed Action Annual Emissions (tons/year)[1]

Pollutant	Development	Production	Total
NOx	3.8	0.12	3.92
CO	2.2	0.11	2.31
VOC	0.1	4.9	5
SO_2	0.005	0.0043	0.0093
PM_{10}	1.7	0.11	1.81
$PM_{2.5}$	0.4	0.025	0.425
Benzene	2.2E-03	0.044	0.046
Toluene	1.6E-03	0.103	0.105
Ethylbenzene	3.4E-04	0.005	0.005
Xylene	1.1E-03	0.076	0.077
n-Hexane	1.7E-04	0.145	0.145
Formaldehyde	1.3E-02	8.64E-05	1.31E-02

[1] Emissions include 1 producing well and associated operations traffic during the year in which the project is developed

Table 2: Proposed Action versus 2012 WRAP Phase III Emissions Inventory Comparison

Species	Proposed Action Production Emissions (ton/yr)	2012 Uintah Basin Emission Inventory[a] (ton/yr)	Percentage of Proposed Action to WRAP Phase III
NOx	19.6	16,547	0.12%
VOC	25	127,495	0.02%

[a] http://www.wrapair.org/forums/ogwg/PhaseIII_Inventory.html Uintah Basin Data

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

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

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

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

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

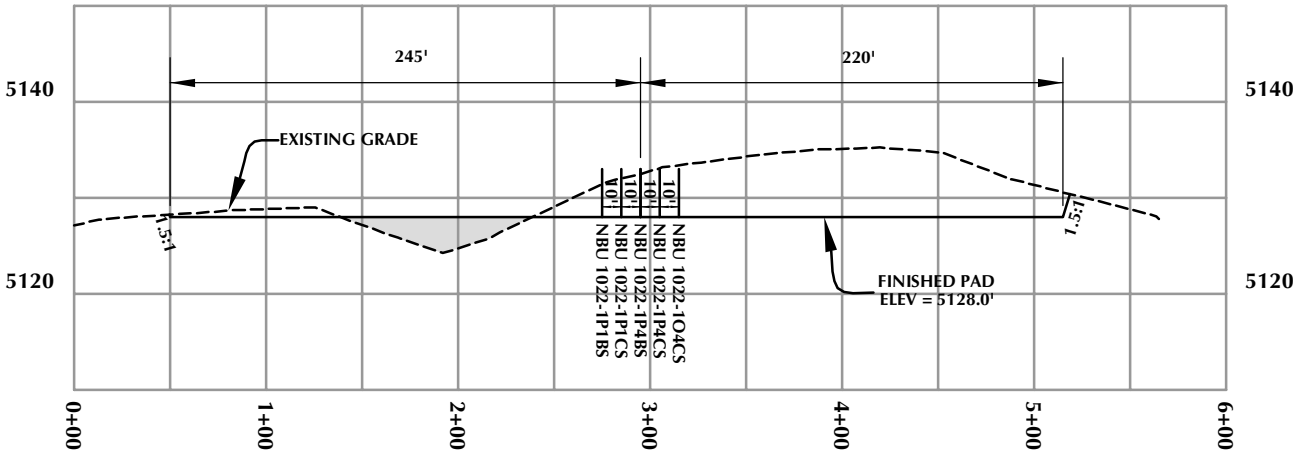
Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

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

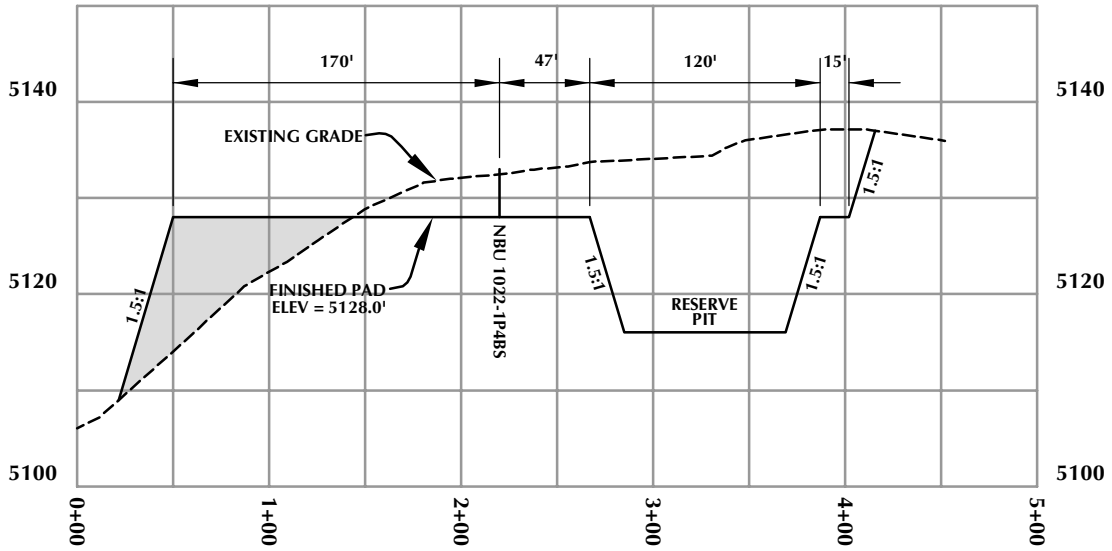
I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that I have full knowledge of the State and Federal laws applicable to this operation; that the statements made in this plan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

Gina T.Becker

October 11, 2011
Date



CROSS SECTION A-A'



CROSS SECTION B-B'

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

WELL PAD - NBU 1022-1P

WELL PAD - CROSS SECTIONS
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

609
CONSULTING, LLC
2155 North Main Street
Sheridan, WY 82801
Phone 307-674-0609
Fax 307-674-0182

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

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

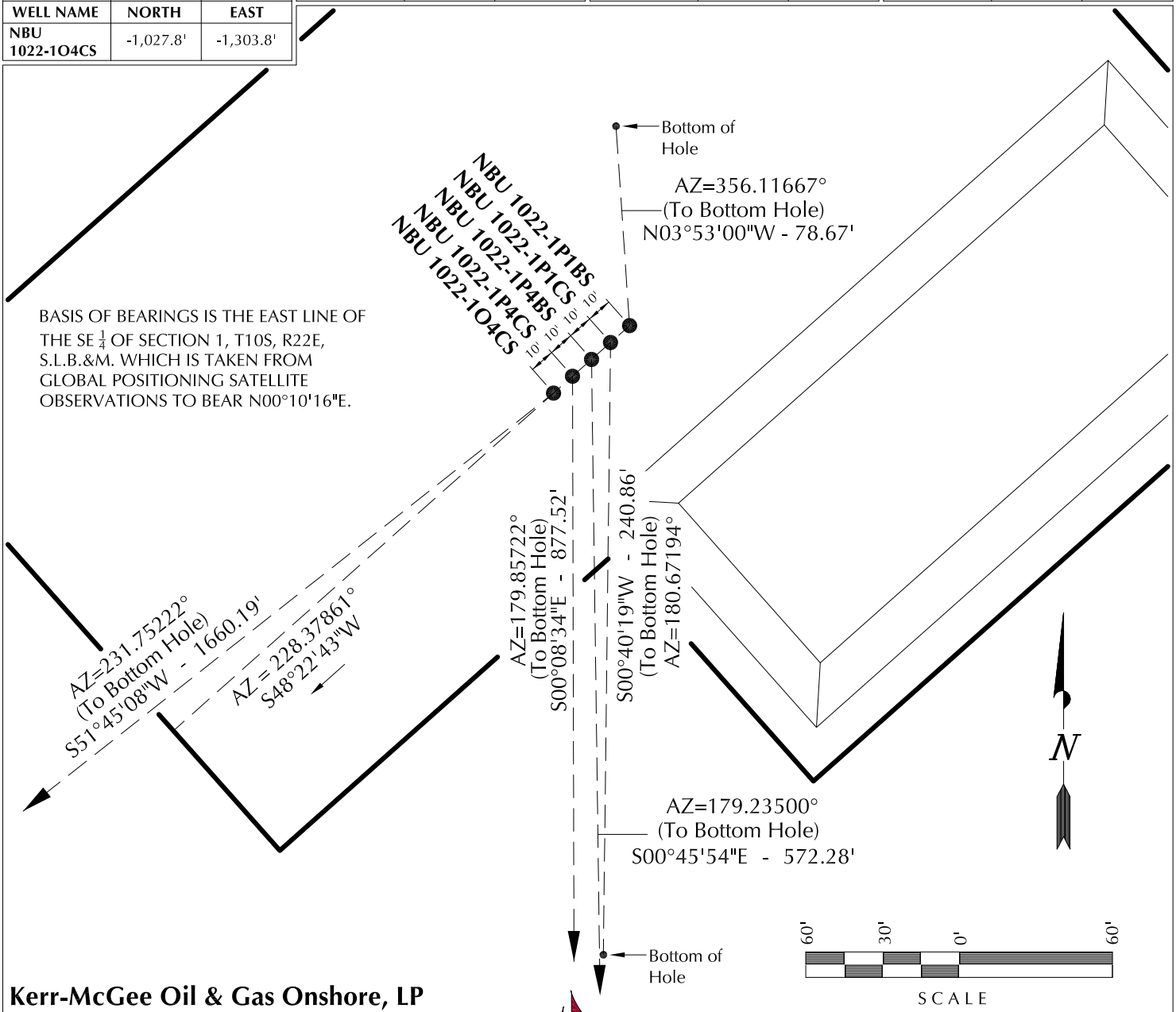
Scale: 1"=100' | Date: 5/13/11 | SHEET NO: 8 | 8 OF 17
REVISED:

K:\ANADARKO\2010\2010_39_NBU_FOCUS_SEC_1-1022\DWGS\NBU 1022-1P_NBU 1022-1P_20110217.dwg, 5/31/2011 1:02:36 PM, tiffany

WELL NAME	SURFACE POSITION					BOTTOM HOLE				
	NAD83		NAD27			NAD83		NAD27		
	LATITUDE	LONGITUDE	LATITUDE	LONGITUDE	FOOTAGES	LATITUDE	LONGITUDE	LATITUDE	LONGITUDE	FOOTAGES
NBU 1022-1P1BS	39°58'25.909" 39.973864°	109°22'49.991" 109.380553°	39°58'26.032" 39.973898°	109°22'47.542" 109.379873°	1168' FSL 485' FEL	39°58'26.685" 39.974079°	109°22'50.059" 109.380572°	39°58'26.808" 39.974113°	109°22'47.610" 109.379892°	1246' FSL 491' FEL
NBU 1022-1P1CS	39°58'25.844" 39.973845°	109°22'50.087" 109.380580°	39°58'25.967" 39.973880°	109°22'47.638" 109.379900°	1161' FSL 493' FEL	39°58'23.464" 39.973184°	109°22'50.126" 109.380591°	39°58'23.587" 39.973219°	109°22'47.678" 109.379910°	920' FSL 495' FEL
NBU 1022-1P4BS	39°58'25.778" 39.973827°	109°22'50.183" 109.380606°	39°58'25.901" 39.973861°	109°22'47.735" 109.379926°	1154' FSL 500' FEL	39°58'20.124" 39.972257°	109°22'50.092" 109.380581°	39°58'20.248" 39.972291°	109°22'47.643" 109.379901°	582' FSL 491' FEL
NBU 1022-1P4CS	39°58'25.712" 39.973809°	109°22'50.279" 109.380633°	39°58'25.836" 39.973843°	109°22'47.831" 109.379953°	1148' FSL 508' FEL	39°58'17.043" 39.971401°	109°22'50.262" 109.380628°	39°58'17.166" 39.971435°	109°22'47.813" 109.379948°	270' FSL 503' FEL
NBU 1022-1O4CS	39°58'25.647" 39.973791°	109°22'50.376" 109.380660°	39°58'25.770" 39.973825°	109°22'47.927" 109.379980°	1141' FSL 515' FEL	39°58'15.504" 39.970973°	109°23'07.130" 109.385314°	39°58'15.628" 39.971008°	109°23'04.681" 109.384633°	106' FSL 1816' FEL

RELATIVE COORDINATES - From Surface Position to Bottom Hole

WELL NAME	NORTH	EAST
NBU 1022-1P1BS	78.5'	-5.3'
NBU 1022-1P1CS	-240.8'	-2.8'
NBU 1022-1P4BS	-572.2'	7.6'
NBU 1022-1P4CS	-877.5'	2.2'
NBU 1022-1O4CS	-1,027.8'	-1,303.8'



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

WELL PAD - NBU 1022-1P

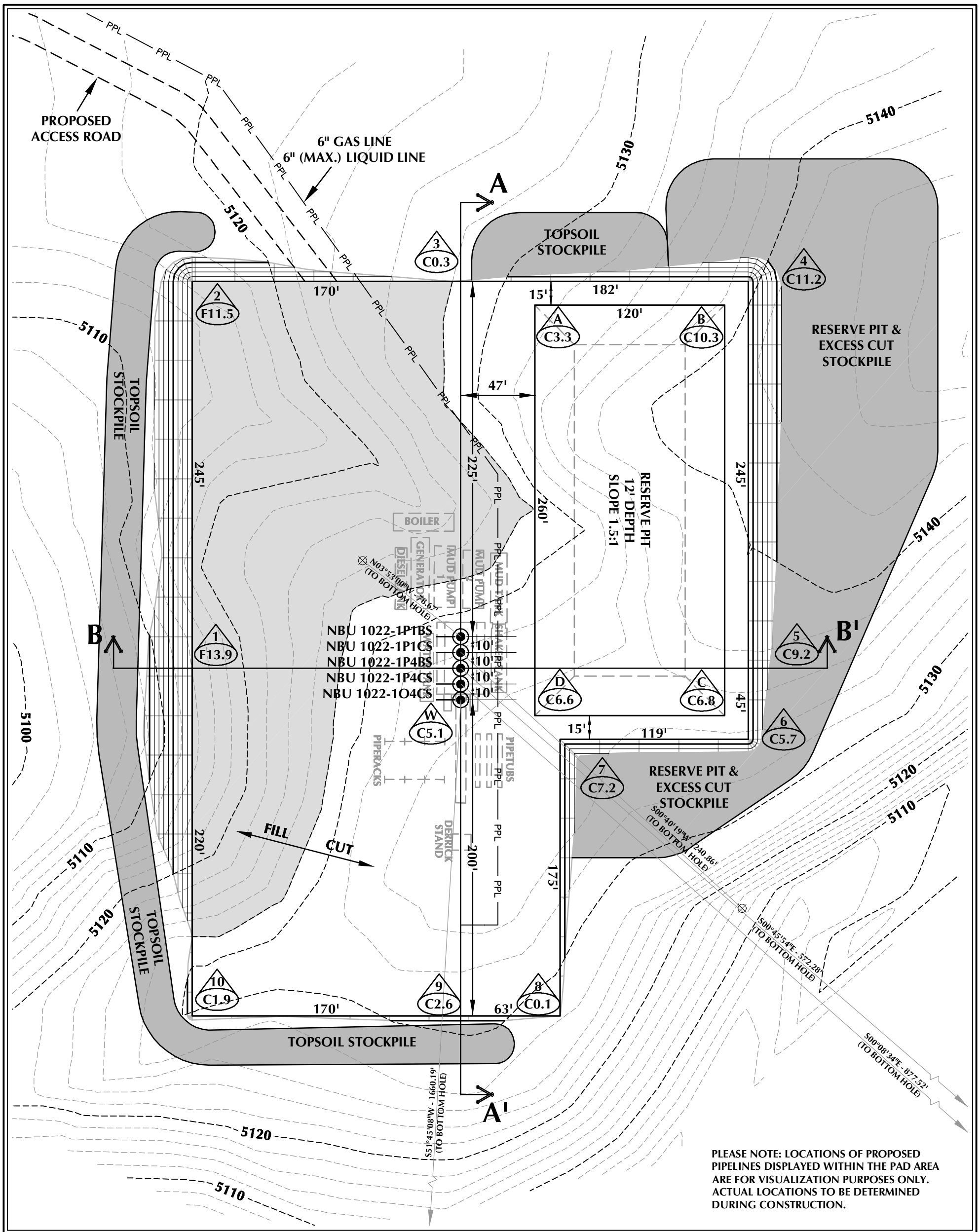
WELL PAD INTERFERENCE PLAT
WELLS - NBU 1022-1P1BS, NBU 1022-1P1CS, NBU 1022-1P4BS, NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E, S.L.B.&M., UINTAH COUNTY, UTAH.

609 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: 02-10-11	SURVEYED BY: R.Y.	SHEET NO: 6
DATE DRAWN: 02-25-11	DRAWN BY: E.M.S.	6 OF 17
SCALE: 1" = 60'	Date Last Revised:	

RECEIVED: Jan. 06, 2012



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

WELL PAD - NBU 1022-1P DESIGN SUMMARY

EXISTING GRADE @ CENTER OF WELL PAD = 5133.1'
FINISHED GRADE ELEVATION = 5128.0'
CUT SLOPES = 1.5:1
FILL SLOPES = 1.5:1
TOTAL WELL PAD AREA = 3.75 ACRES
TOTAL DISTURBANCE AREA = 5.37 ACRES
SHRINKAGE FACTOR = 1.10
SWELL FACTOR = 1.00

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

WELL PAD - NBU 1022-1P

WELL PAD - LOCATION LAYOUT
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

609
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 = 18,793 C.Y.
TOTAL FILL FOR WELL PAD = 16,476 C.Y.
TOPSOIL @ 6" DEPTH = 3,021 C.Y.
EXCESS MATERIAL = 2,317 C.Y.

RESERVE PIT QUANTITIES

TOTAL CUT FOR RESERVE PIT
+/- 11,020 C.Y.
RESERVE PIT CAPACITY (2' OF FREEBOARD)
+/- 42,290 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

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

SCALE: 1"=60'	DATE: 5/13/11	SHEET NO:
REVISED: APF 12/8/11		7 7 OF 17

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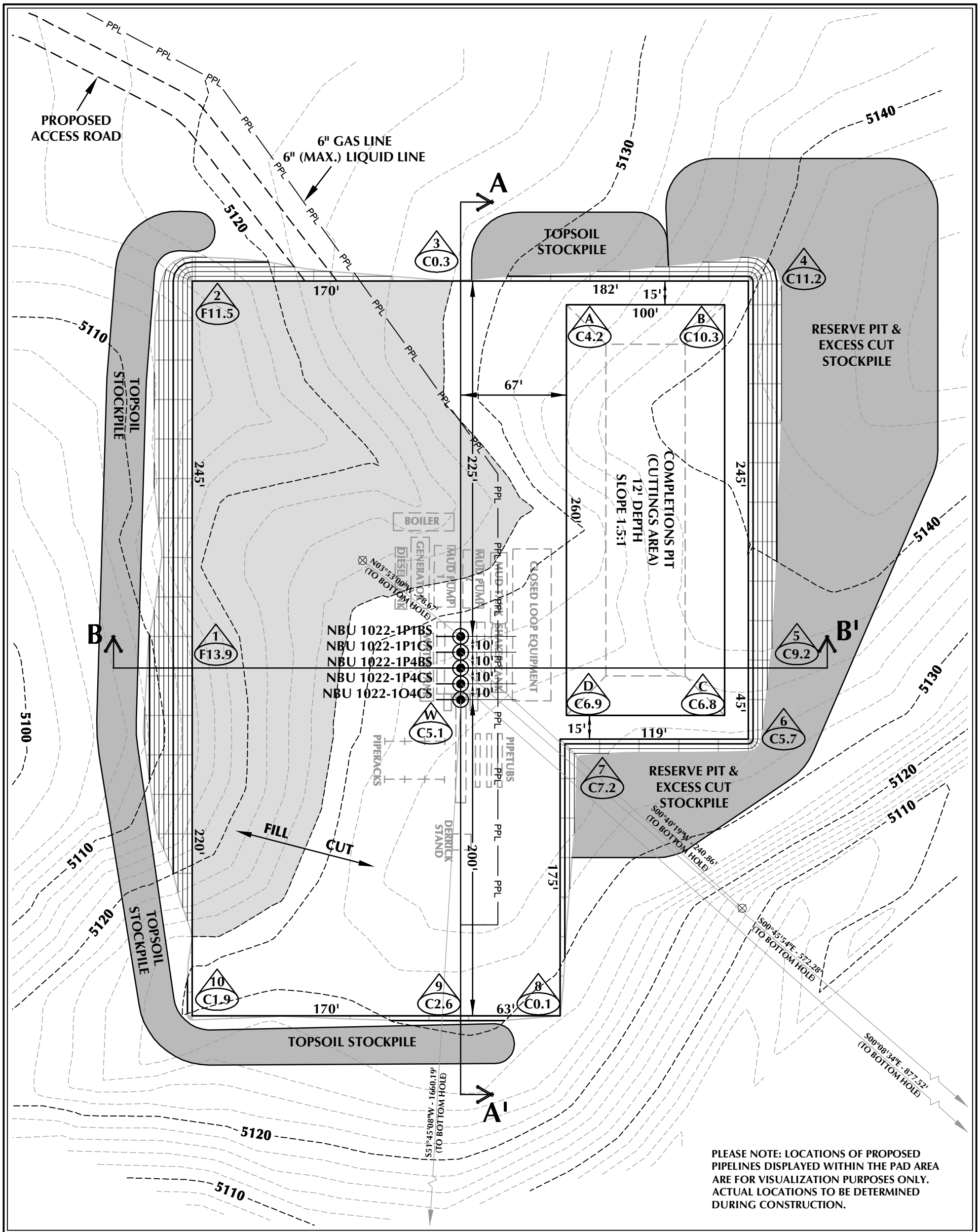

PLEASE NOTE: LOCATIONS OF PROPOSED PIPELINES DISPLAYED WITHIN THE PAD AREA ARE FOR VISUALIZATION PURPOSES ONLY. ACTUAL LOCATIONS TO BE DETERMINED DURING CONSTRUCTION.

WELL PAD - NBU 1022-1P (CLOSED LOOP) DESIGN SUMMARY

EXISTING GRADE @ CENTER OF WELL PAD = 5133.1'
FINISHED GRADE ELEVATION = 5128.0'
CUT SLOPES = 1.5:1
FILL SLOPES = 1.5:1
TOTAL WELL PAD AREA = 3.75 ACRES
TOTAL DISTURBANCE AREA = 5.37 ACRES
SHRINKAGE FACTOR = 1.10
SWELL FACTOR = 1.00

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

WELL PAD QUANTITIES

TOTAL CUT FOR WELL PAD = 18,793 C.Y.
TOTAL FILL FOR WELL PAD = 16,476 C.Y.
TOPSOIL @ 6" DEPTH = 3,021 C.Y.
EXCESS MATERIAL = 2,317 C.Y.

COMPLETIONS PIT QUANTITIES

TOTAL CUT FOR COMPLETIONS PIT +/- 8,870 C.Y.
COMPLETIONS PIT CAPACITY (2' OF FREEBOARD) +/- 33,770 BARRELS

WELL PAD - NBU 1022-1P

WELL PAD - LOCATION LAYOUT
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

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

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

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

SCALE: 1"=60' | DATE: 10/5/11 | SHEET NO: 7B 7B OF 17
REVISED: APF 12/8/11

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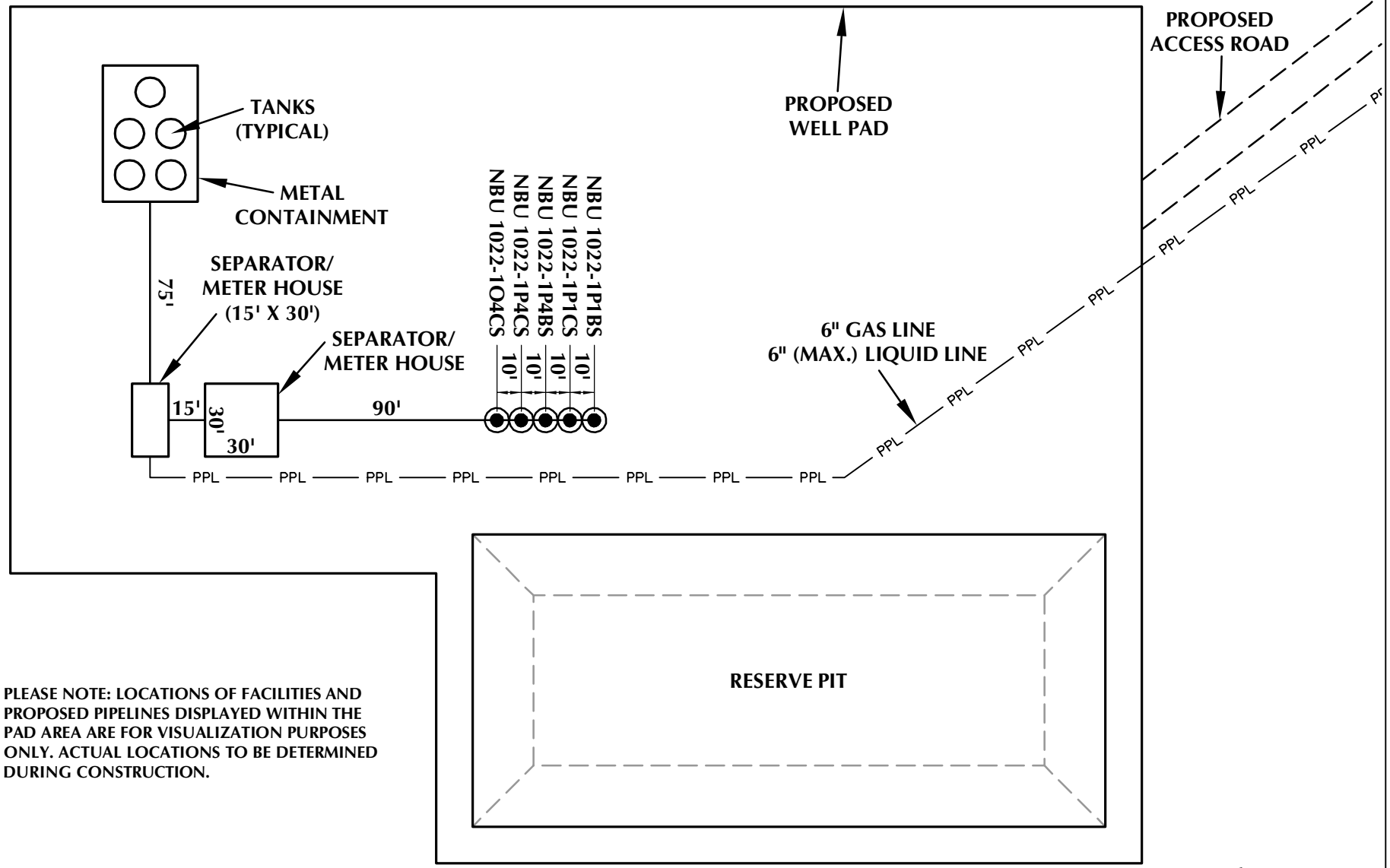

Kerr-McGee Oil & Gas Onshore, LP
1099 18th Street - Denver, Colorado 80202

WELL PAD - NBU 1022-1P

WELL PAD - FACILITIES DIAGRAM
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

609
CONSULTING, LLC
2155 North Main Street
Sheridan, WY 82801
Phone 307-674-0609
Fax 307-674-0182

WELL PAD LEGEND

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

HORIZONTAL 0 30' 60' 1" = 60'

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

Scale: 1"=60' | Date: 5/13/11 | SHEET NO: 9 | 9 OF 17
REVISED:

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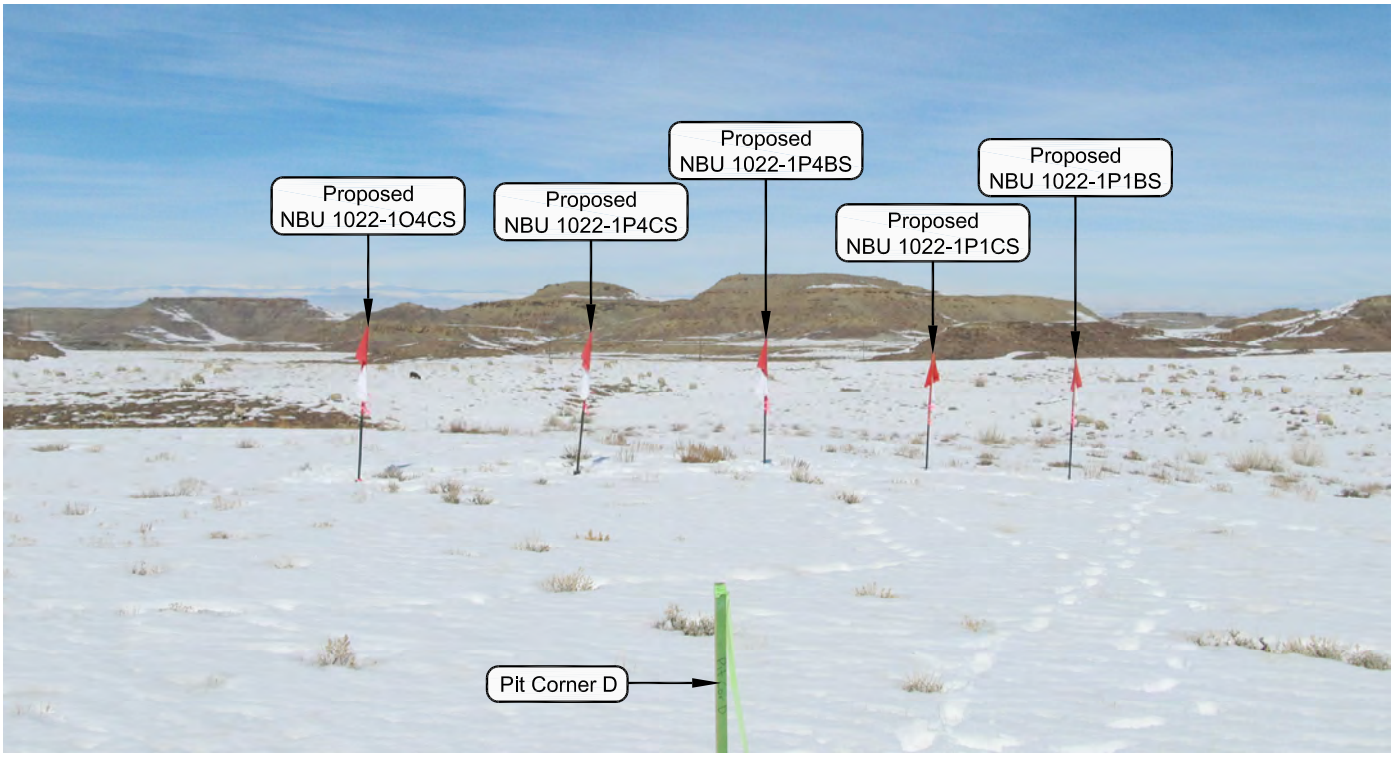


PHOTO VIEW: FROM PIT CORNER D TO LOCATION STAKE CAMERA ANGLE: NORTHERLY

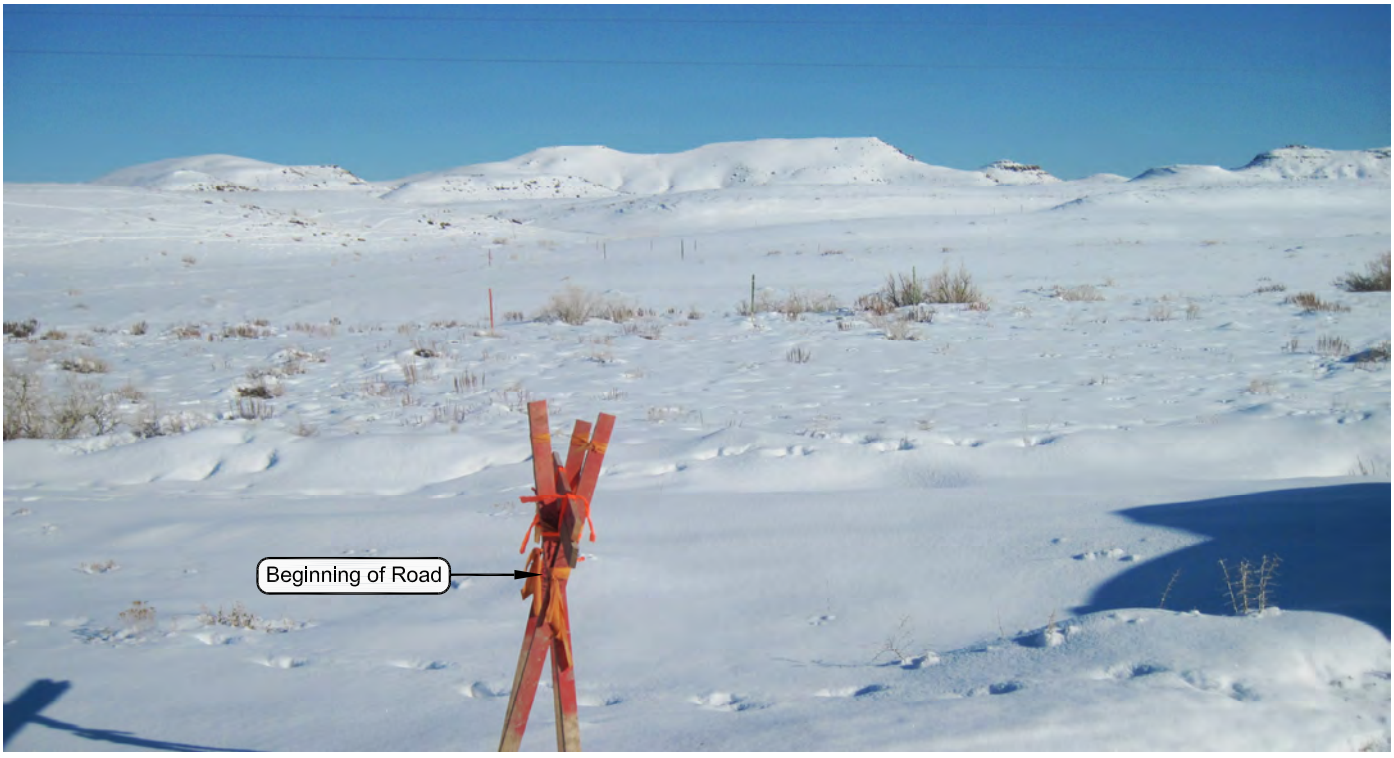


PHOTO VIEW: FROM BEGINNING OF PROPOSED ROAD CAMERA ANGLE: SOUTHEASTERLY

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

WELL PAD - NBU 1022-1P

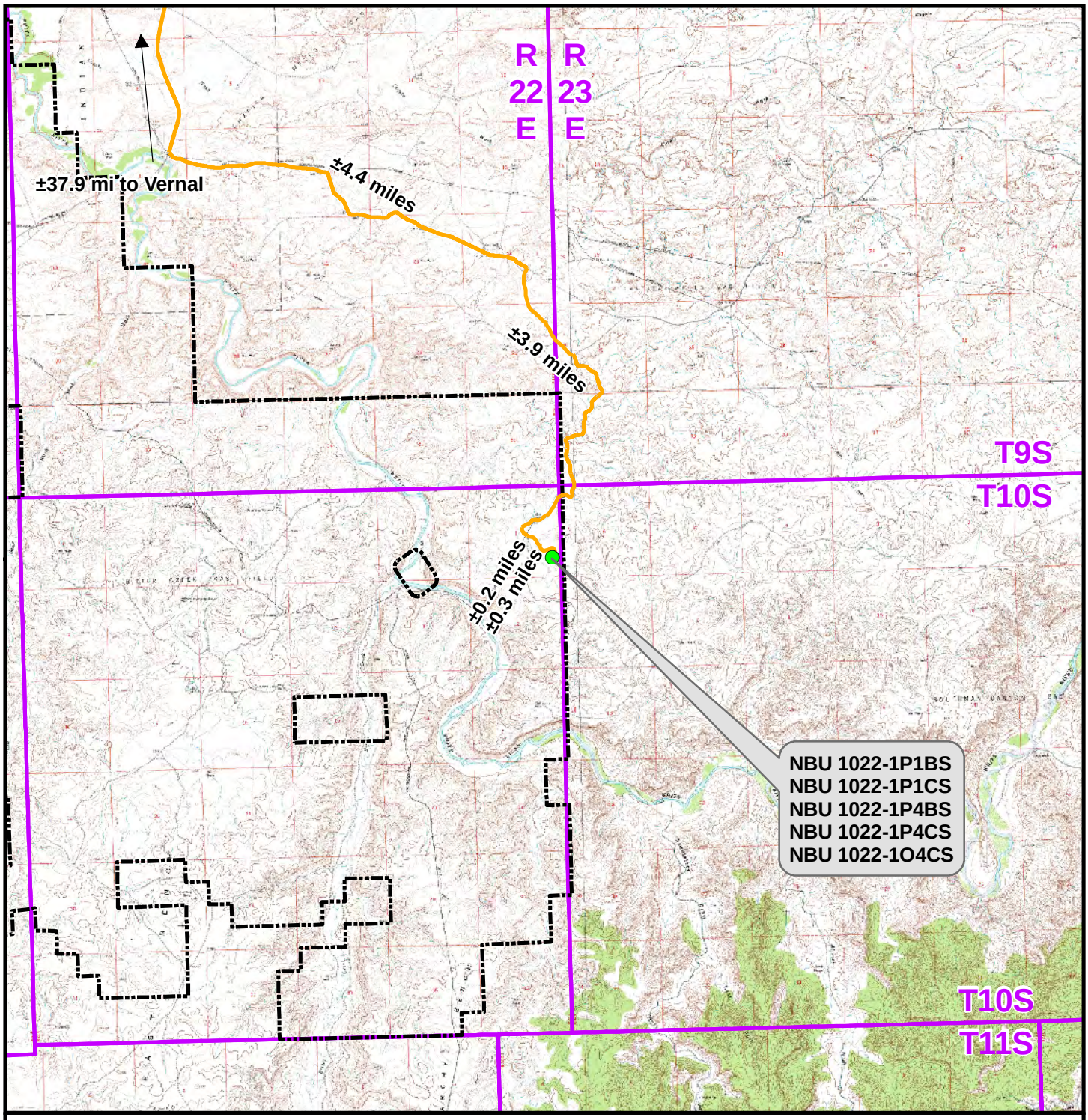
LOCATION PHOTOS
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH.

609
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: 02-28-11	PHOTOS TAKEN BY: M.S.B.	SHEET NO: 10
DATE DRAWN: 03-01-11	DRAWN BY: E.M.S.	10 OF 17
Date Last Revised:		

RECEIVED: Jan. 06, 2012



Legend

Distance From Well Pad - NBU 1022-1P To Unit Boundary: ±485ft

Proposed Well Location

Natural Buttes Unit Boundary

Access Route - Proposed

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

WELL PAD - NBU 1022-1P

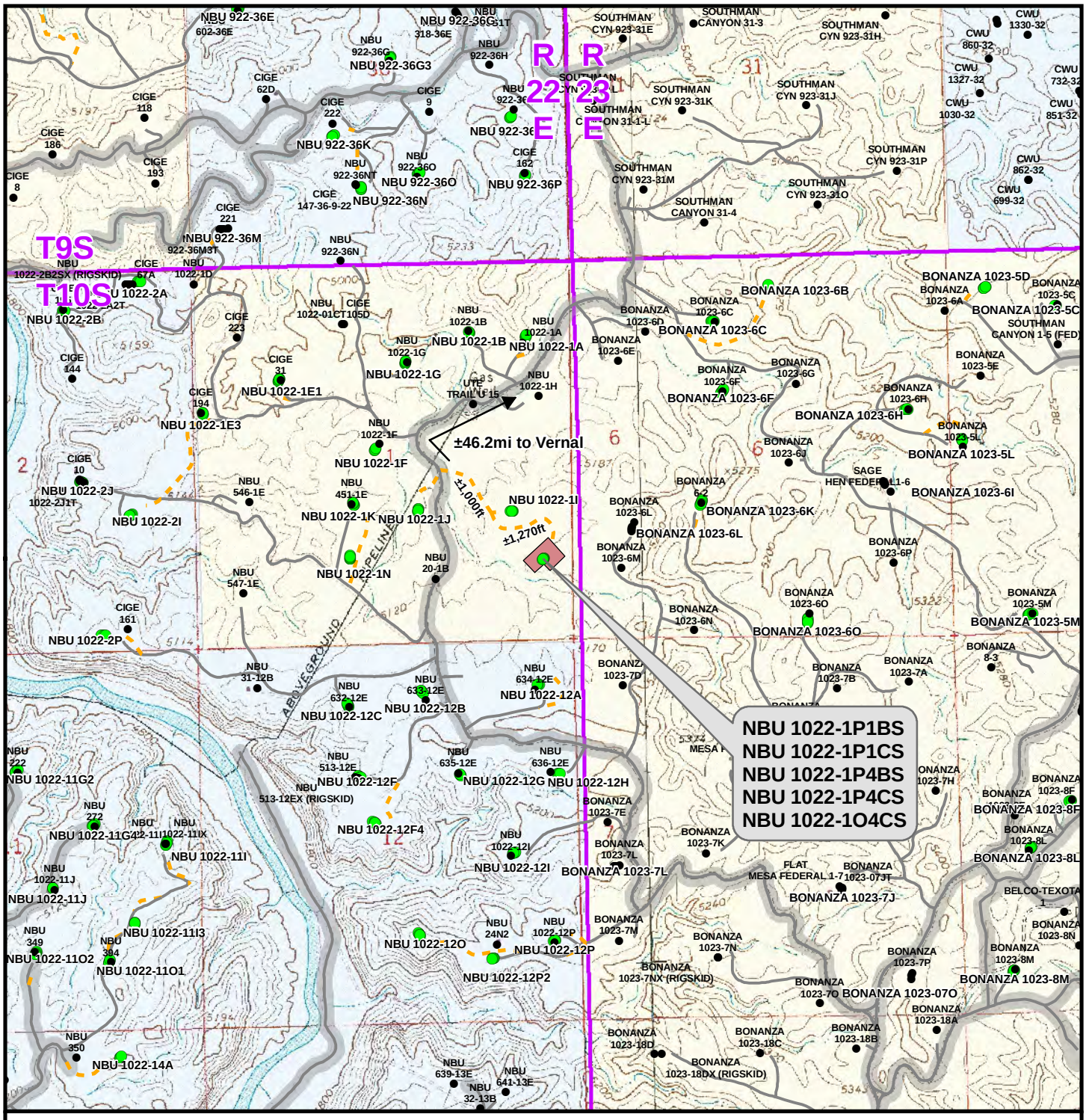
TOPO A
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

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

N

Scale: 1:100,000	NAD83 USP Central	Sheet No: 11 of 17
Drawn: JFE	Date: 13 May 2011	
Revised:	Date:	

RECEIVED: Jan. 06, 2012



Legend

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

Total Proposed Road Length: ±1,270ft

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

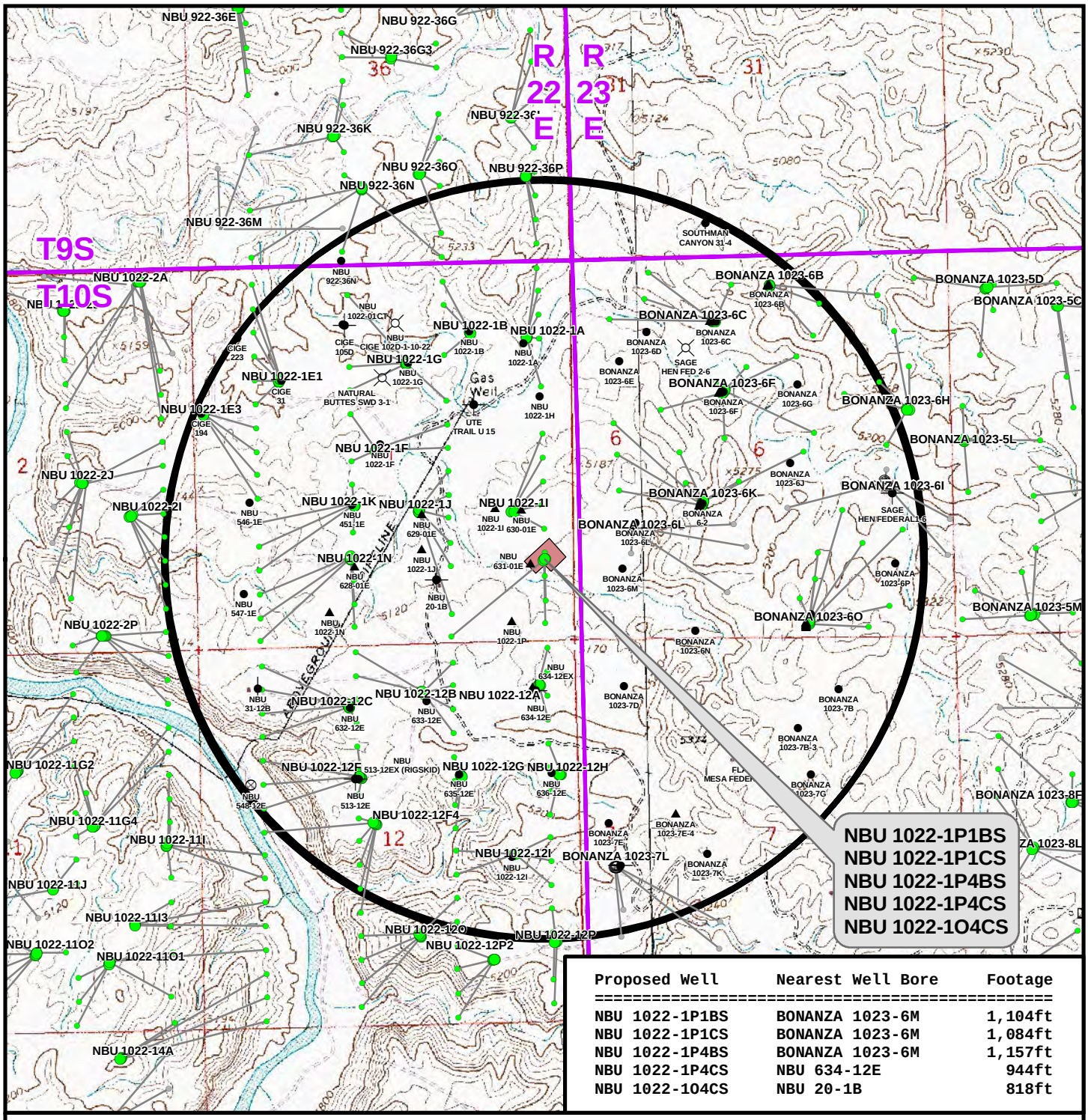
WELL PAD - NBU 1022-1P

TOPO B
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

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

N

Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No:	12 of 17
Drawn: JFE	Date: 13 May 2011		
Revised: TL	Date: 8 Dec 2011		



Proposed Well	Nearest Well Bore	Footage
NBU 1022-1P1BS	BONANZA 1023-6M	1,104ft
NBU 1022-1P1CS	BONANZA 1023-6M	1,084ft
NBU 1022-1P4BS	BONANZA 1023-6M	1,157ft
NBU 1022-1P4CS	NBU 634-12E	944ft
NBU 1022-1O4CS	NBU 20-1B	818ft

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

Legend

- Well - Proposed
- Bottom Hole - Proposed
- Well Pad
- Well Path
- Bottom Hole - Existing
- Well - 1 Mile Radius

- Producing
- Active
- Spudded (Drilling commenced: Not yet completed)
- Approved permit (APD); not yet spudded
- New Permit (Not yet approved or drilled)
- Inactive
- Drilling Operations Suspended
- Temporarily-Abandoned
- Shut-In
- Plugged and Abandoned
- Location Abandoned
- Dry hole marker, buried
- Returned APD (Unapproved)

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

WELL PAD - NBU 1022-1P

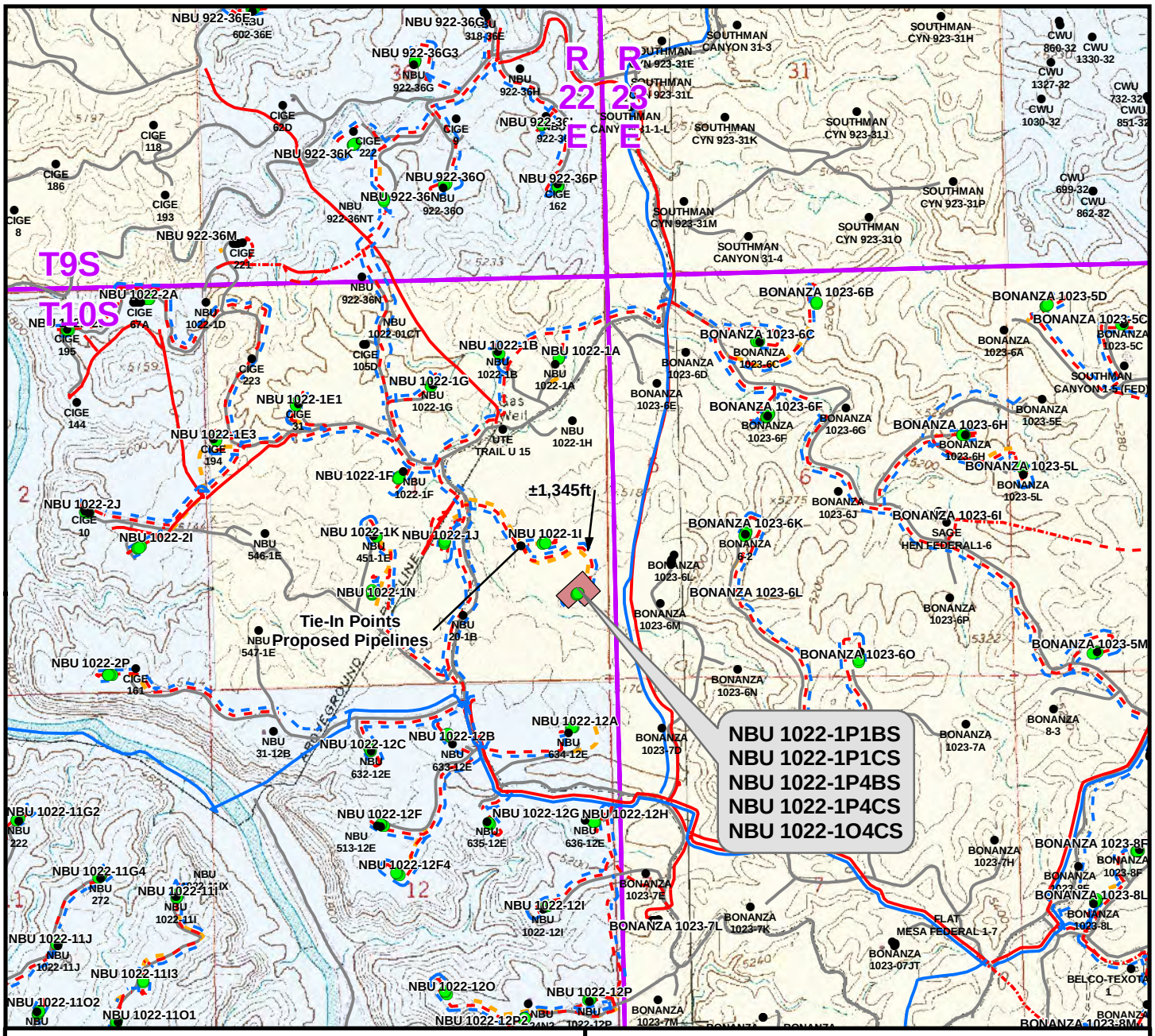
TOPO C
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

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

N

Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No: 13 of 17	
Drawn: JFE	Date: 13 May 2011		
Revised:	Date:		

RECEIVED: Jan. 06, 2012



Proposed Liquid Pipeline	Length
Buried 6"(Max.) (Meter House to Edge of Pad)	±460ft
Buried 6"(Max.) (Edge of Pad to 1I Intersection)	±1,345ft
TOTAL PROPOSED BURIED LIQUID PIPELINE =	±1,805ft

Proposed Gas Pipeline	Length
Buried 6" (Meter House to Edge of Pad)	±460ft
Buried 6" (Edge of Pad to 1I Intersection)	±1,345ft
TOTAL PROPOSED BURIED GAS PIPELINE =	±1,805ft

Legend

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

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

WELL PAD - NBU 1022-1P

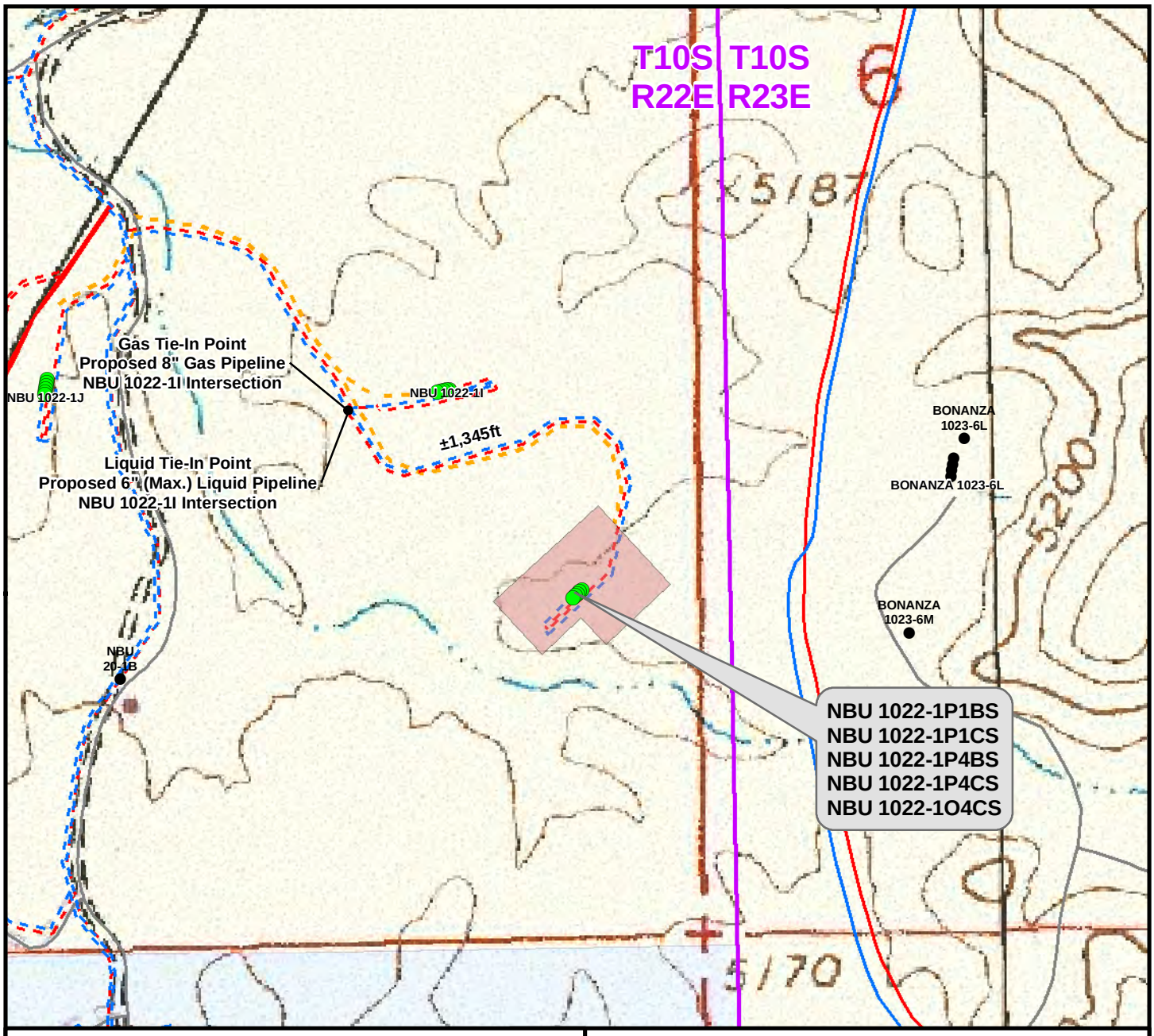
TOPO D
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

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

N

Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No: 14 of 17
Drawn: JFE	Date: 13 May 2011	
Revised:	Date:	

RECEIVED: Jan. 06, 2012



Proposed Liquid Pipeline	Length
Buried 6"(Max.) (Meter House to Edge of Pad)	±460ft
Buried 6"(Max.) (Edge of Pad to 1I Intersection)	±1,345ft
TOTAL PROPOSED BURIED LIQUID PIPELINE =	±1,805ft

Proposed Gas Pipeline	Length
Buried 6" (Meter House to Edge of Pad)	±460ft
Buried 6" (Edge of Pad to 1I Intersection)	±1,345ft
TOTAL PROPOSED BURIED GAS PIPELINE =	±1,805ft

Legend

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

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

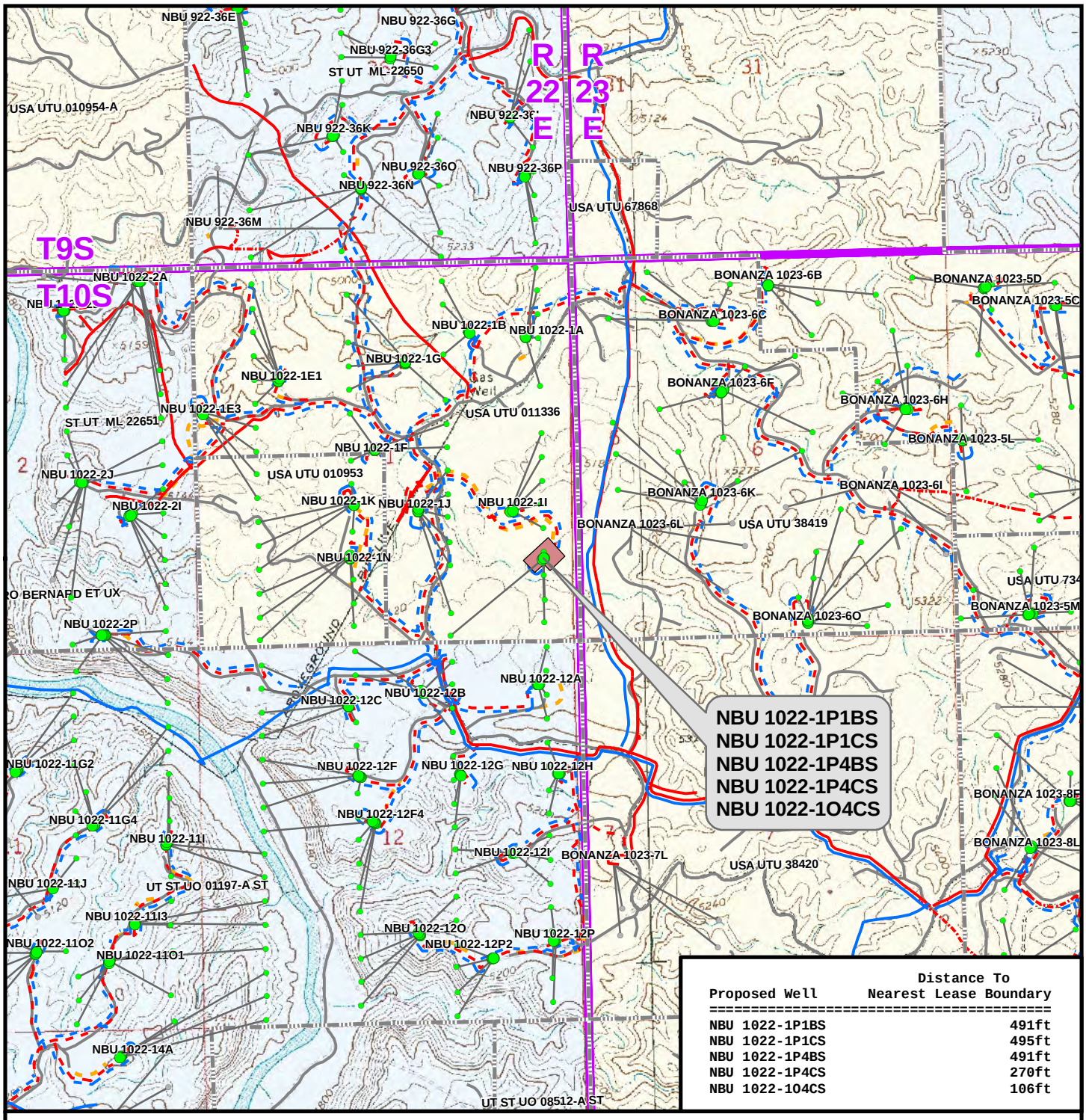
WELL PAD - NBU 1022-1P

TOPO D2 (PAD & PIPELINE DETAIL)
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

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

N

Scale: 1" = 500ft	NAD83 USP Central	Sheet No: 15 of 17	
Drawn: JFE	Date: 13 May 2011		
Revised:	Date:		



Proposed Well	Distance To Nearest Lease Boundary
NBU 1022-1P1BS	491ft
NBU 1022-1P1CS	495ft
NBU 1022-1P4BS	491ft
NBU 1022-1P4CS	270ft
NBU 1022-1O4CS	106ft

Legend

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

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

WELL PAD - NBU 1022-1P

TOPO E
NBU 1022-1P1BS,
NBU 1022-1P1CS, NBU 1022-1P4BS,
NBU 1022-1P4CS & NBU 1022-1O4CS
LOCATED IN SECTION 1, T10S, R22E,
S.L.B.&M., UINTAH COUNTY, UTAH

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

N

Scale: 1" = 2,000ft	NAD83 USP Central	Sheet No:	
Drawn: JFE	Date: 13 May 2011	16	16 of 17
Revised:	Date:		

RECEIVED: Jan. 06, 2012

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

September 28, 2011

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

Re: Directional Drilling R649-3-11
NBU 1022-1P1CS
T10S-R22E
Section 1: SESE/SESE
Surface: 1161' FSL, 493' FEL
Bottom Hole: 920' FSL, 495' FEL
Uintah County, Utah

Dear Ms. Mason:

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

- Kerr-McGee's NBU 1022-1P1CS is located within the Natural Buttes Unit area.
- Kerr-McGee is permitting this well as a directional well in order to minimize surface disturbance. Locating the well at the surface location and directionally drilling from this location, Kerr-McGee will be able to utilize the existing road and pipelines in the area.
- Furthermore, Kerr-McGee certifies that it is the sole working interest owner within 460 feet of the entire directional well bore.

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

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Joseph D. Johnson
Landman

RECEIVED: Jan. 06, 2012

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

1. TYPE OF WELL Gas Well	**5.LEASE DESIGNATION AND SERIAL NUMBER:** UTU011336
	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES
2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.	**8. WELL NAME and NUMBER:** NBU 1022-1P1CS
	9. API NUMBER: 43047392970000
3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6526	**9. FIELD and POOL or WILDCAT:** NATURAL BUTTES
4. LOCATION OF WELL **FOOTAGES AT SURFACE:** 1161 FSL 0493 FEL **QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:** Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S	**COUNTY:** UINTAH **STATE:** UTAH

11.

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 5/11/2012	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	✓ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

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

Approved by the Utah Division of Oil, Gas and Mining

Date: May 21, 2012

By:

NAME (PLEASE PRINT) Gina Becker **PHONE NUMBER** 720 929-6086	**TITLE** Regulatory Analyst II
SIGNATURE N/A	**DATE** 5/11/2012

The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047392970000

API: 43047392970000
Well Name: NBU 1022-1P1CS
Location: 1161 FSL 0493 FEL QTR SESE SEC 01 TWNP 100S RNG 220E MER S
Company Permit Issued to: KERR-MCGEE OIL & GAS ONSHORE, L.P.
Date Original Permit Issued: 5/14/2007

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

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

Signature: Gina Becker **Date:** 5/11/2012
Title: Regulatory Analyst II **Representing:** KERR-MCGEE OIL & GAS ONSHORE, L.P.

RECEIVED: May. 11, 2012

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: UTU011336

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-1P1CS

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

9. API NUMBER: 43047392970000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6526

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1161 FSL 0493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☑ SPUD REPORT Date of Spud: 8/8/2012	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

MIRU TRIPLE A BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7# SCHEDULE 10 CONDUCTOR PIPE. CMT W/28 SX READY MIX. SPUD WELL LOCATION ON 8/8/2012 AT 11:00 HRS.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
August 10, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Cara Mahler	720 929-6029	Regulatory Analyst I
SIGNATURE N/A		**DATE** 8/10/2012

SUBMIT AS EMAIL | Print Form

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 NBU 1022-1P1CS
Qtr/Qtr SESE Section 1 Township 10S Range 22E
Lease Serial Number UTU011336
API Number 4304739297

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

Date/Time 08/07/2012 15:00 HRS AM ☐ PM ☐

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

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

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

Date/Time 09/06/2012 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

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
4304752379	NBU 1022-1P1BS		SESE	1	10S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	8/7/2012			8/20/2012	

Comments: MIRU BUCKET RIG.
SPUD WELL LOCATION ON 8/7/2012 AT 10:00 HRS. WSMVD BHL: SESE

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739297	NBU 1022-1P1CS		SESE	1	10S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	8/8/2012			8/20/2012	

Comments: MIRU BUCKET RIG.
SPUD WELL LOCATION ON 8/8/2012 AT 11:00 HRS. WSMVD BHL:

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304752380	NBU 1022-1P4BS		SESE	1	10S	22E	UINTAH
Action Code	**Current Entity Number**	**New Entity Number**	**Spud Date**			**Entity Assignment Effective Date**	
B	99999	2900	8/7/2012			8/20/2012	

Comments: MIRU BUCKET RIG.
SPUD WELL LOCATION ON 8/7/2012 AT 13:30 HRS. WSMVD BHL: SESE

ACTION CODES:

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

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

CARA MAHLER
Name (Please Print)

Signature

REGULATORY ANALYST
Title

8/10/2012
Date

(5/2000)

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
U-011336

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 1022-1P1CS

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

9. API NUMBER:
43047392970000

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

PHONE NUMBER:
720 929-6526

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1161 FSL 0493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 10/3/2012	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

No Activity for the month of September 2012. Well TD at 2,290.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
October 05, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Lindsey Frazier	720 929-6857	Regulatory Analyst II
SIGNATURE		**DATE**
N/A		10/3/2012

RECEIVED: Oct. 03, 2012

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
U-011336

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 1022-1P1CS

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

9. API NUMBER:
43047392970000

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

PHONE NUMBER:
720 929-6515

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1161 FSL 0493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 11/5/2012	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
No Activity for the month of October 2012. Well TD at 2,290.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
November 05, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jaime Scharnowske	720 929-6304	Regulartory Analyst
SIGNATURE		**DATE**
N/A		11/5/2012

RECEIVED: Nov. 05, 2012

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: U-011336

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-1P1CS

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

9. API NUMBER: 43047392970000

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

PHONE NUMBER: 720 929-6526

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1161 FSL 0493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 12/4/2012	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

No Activity for the month of November 2012. Well TD at 2,290.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
December 05, 2012

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Lindsey Frazier	720 929-6857	Regulatory Analyst II
SIGNATURE N/A		**DATE** 12/4/2012

RECEIVED: Dec. 04, 2012

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

5.LEASE DESIGNATION AND SERIAL NUMBER: U-011336

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-1P1CS

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

9. API NUMBER: 43047392970000

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

PHONE NUMBER: 720 929-6526

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1161 FSL 0493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 2/1/2013	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

FINISHED DRILLING TO 8,510' ON 1/31/2013. CEMENTED PRODUCTION CASING. RELEASED PIONEER 54 RIG ON 2/1/2013. DETAILS OF CASING AND CEMENT WILL BE INCLUDED WITH THE WELL COMPLETION REPORT. WELL IS WAITING ON FINAL COMPLETION ACTIVITIES

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
February 11, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Laura Abrams	720 929-6356	Regulatory Analyst II
SIGNATURE N/A		**DATE** 2/8/2013

RECEIVED: Feb. 08, 2013

State of Utah - Notification Form

Operator Anadarko Petroleum Rig Name/# PIONEER 54
Submitted By KENNY MORRIS Phone Number 435-790-2921
Well Name/Number NBU 1022-1P1CS
Qtr/Qtr SE/SE Section 1 Township 10S Range 22E
Lease Serial Number UTU-011336
API Number 43047392970000

Casing – Time casing run starts, not cementing times.

☒ Production Casing
☐ Other

Date/Time 1/31/2013 08:00 AM ☒ PM ☐

BOPE

☐ Initial BOPE test at surface casing point
☐ Other

Date/Time _ _____ AM ☐ PM ☐

Rig Move
Location To: NBU1022-O1P PAD

Date/Time _ _ AM ☐ PM ☐

RECEIVED
JAN 30 2013
DIV. OF OIL, GAS & MINING

Remarks NBU 1022-O1P PAD WELL 2 OF 5

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
U-011336

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 1022-1P1CS

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

9. API NUMBER:
43047392970000

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

PHONE NUMBER:
720 929-6526

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1161 FSL 0493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 2/6/2013	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Multi-Phase Meter

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

The operator is requesting the option to measure total gas produced from a pad, and to allocate gas production to the individual wells on the pad based upon multi-phase flow measurement at each well and periodic well tests. Please see the attached documents. Thank you. The wells on the NBU 1022-01P pad include: NBU 1022-1O4CS (4304752383), NBU 1022-1P1BS (4304752379), NBU 1022-1P1CS (4304739297), NBU 1022-1P4BS (4304752380), and NBU 1022-1P4CS (4304752385).

Approved by the Utah Division of Oil, Gas and Mining

Date: February 25, 2013

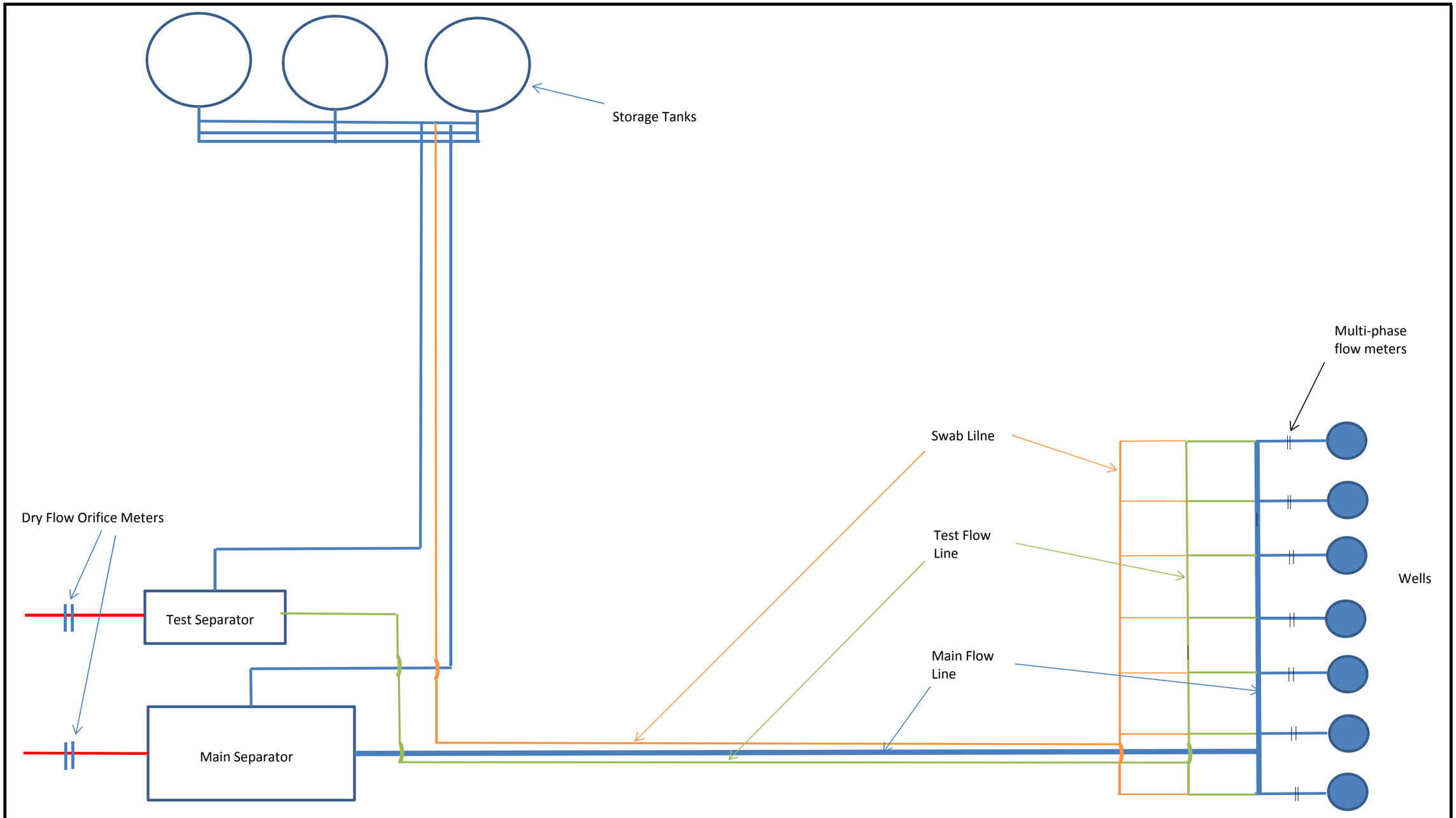
By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Jaime Scharnowske	720 929-6304	Regulartory Analyst
SIGNATURE		**DATE**
N/A		2/6/2013

RECEIVED: Feb. 06, 2013

The fluids from each well will be measured utilizing a multi-phase flow meter and then directed to a common separator for all wells on the pad. Liquids would be directed to tanks and the gas from all the wells measured through a calibrated orifice meter. The volume of gas measured through this meter, plus fuel gas consumed on location, will be the volume of gas that is produced from the pad. Gas volume for each individual well on the pad will be based on an allocation formula utilizing the total pad volume measured plus fuel gas consumed and the calculated volume from each well utilizing the multi-phase flow meters. The multi-phase flow meter volume calculation will be calibrated by periodic individual well tests.

RECEIVED: Feb. 06, 2013



Location Diagram with Multi-phase flow meters, main separator, test separator and associated storage tanks and flowlines.
28-Jun-12

RECEIVED: Feb. 06, 2013

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: U-011336

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-1P1CS

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

9. API NUMBER: 43047392970000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779 **PHONE NUMBER:** 720 929-6526

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1161 FSL 0493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 4/3/2013	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

Started completing the well. Well TD at 8,510

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
April 04, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Teena Paulo	720 929-6236	Staff Regulatory Specialist
SIGNATURE N/A		**DATE** 4/3/2013

RECEIVED: Apr. 03, 2013

FORM 9

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

5.LEASE DESIGNATION AND SERIAL NUMBER: U-011336

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-1P1CS

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

9. API NUMBER: 43047392970000

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

PHONE NUMBER: 720 929-6526

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 1161 FSL 0493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 01 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 4/4/2013	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
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	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

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

The subject well was placed on production on 04/04/2013. The Chronological Well History will be submitted with the well completion report.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
April 09, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Luke Urban	720 929-6501	Regulatory Specialist
SIGNATURE N/A		**DATE** 4/8/2013

RECEIVED: Apr. 08, 2013

API Well Number: 43047392970000

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. UTU011336

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

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. UTU63047A

2. Name of Operator KERR MCGEE OIL&GAS ONSHORE LP Contact: TEENA PAULO E-Mail: teena.paulo@anadarko.com

8. Lease Name and Well No. NBU 1022-1P1CS

3. Address PO BOX 173779 DENVER, CO 80217

3a. Phone No. (include area code) Ph: 720-929-6236

9. API Well No. 43-047-39297

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

At surface SESE 1161FSL 493FEL 39.973845 N Lat, 109.380580 W Lon

At top prod interval reported below SESE 921FSL 502FEL

At total depth SESE 919FSL 507FEL

10. Field and Pool, or Exploratory NATURAL BUTTES

11. Sec., T., R., M., or Block and Survey or Area Sec 1 T10S R22E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 08/08/2012

15. Date T.D. Reached 01/31/2013

16. Date Completed ☐ D & A ☐ Ready to Prod. 04/04/2013

17. Elevations (DF, KB, RT, GL)* 5147 KB

18. Total Depth: MD 8510 TVD 8500

19. Plug Back T.D.: MD 8449 TVD 8439

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
AIDN/GR/ML-BHP/GR/ML-CBL/GR/CCL/TEMP

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☐ No ☒ Yes (Submit analysis)

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20.000	14.000	36.7	0	40		28			
11.000	8.625	28.0	0	2277		945		0	
7.875	4.500	11.6	0	8494		1438		870	

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7908							

25. Producing Intervals

Formation	Top	Bottom
A) MESAVERDE	6474	8321
B)		
C)		
D)		

26. Perforation Record

Perforated Interval	Size	No. Holes	Perf. Status
6474 TO 8321	0.360	159	OPEN

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

Depth Interval	Amount and Type of Material
6474 TO 8321	PUMP 9,749 BBLS SLICK H2O & 204,905 LBS 30/50 OTTAWA SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
04/04/2013	04/05/2013	24	→	0.0	2312.0	0.0			FLOWS FROM WELL

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
20/64	1704 SI	2389.0	→	0	2312	0		PGW

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

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

ELECTRONIC SUBMISSION #205301 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

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

RECEIVED: Apr. 25, 2013

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
				GREEN RIVER	1245
				BIRD'S NEST	1591
				MAHOGANY	1835
				WASATCH	4150
				MESAVERDE	6287

32. Additional remarks (include plugging procedure):
The first 210 ft of the surface hole was drilled with a 12 1/4 inch bit. The remainder of the surface hole was drilled with an 11 inch bit. DQX csg was run from surface to 4975 ft; LTC csg was run from 4975 ft. to 8494 ft. Attached is the chronological well history, perforation report and final survey.

33. Circle enclosed attachments:

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

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

Electronic Submission #205301 Verified by the BLM Well Information System.
For KERR MCGEE OIL&GAS ONSHORE,LP, sent to the Vernal

Name *(please print)* TEENA PAULO Title STAFF REGULATORY SPECIALIST

Signature (Electronic Submission) Date 04/24/2013

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

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

RECEIVED: Apr. 25, 2013

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE		Spud Date: 9/15/2012	
Project: UTAH-UINTAH	Site: NBU 1022-01P PAD		Rig Name No: PROPETRO 11/11, PIONEER 54/54
Event: DRILLING	Start Date: 8/21/2012		End Date: 2/1/2013
Active Datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
9/15/2012	19:00 - 19:30	0.50	DRLSUR	06	A	P		PICK UP 12.25" BIT & 8" MUD MOTOR & TIH
	19:30 - 20:30	1.00	DRLSUR	02	D	P		DRILL 12.25" SURFACE HOLE F/ 44'- 210' ROP= 166' @ 166 FPH WOB= 5/15K RPM= 45- POWERHEAD /// 79- MUD MOTOR UP/DN/RT= 37/33/34 SPP- ON/OFF= 800/400 M.W. 8.4# VIS 27 465 GPM PUMP RATE /// NO AIR TORQUE- ON/OFF=2600/1000 NOV - ONLINE
	20:30 - 21:30	1.00	DRLSUR	06	A	P		TOOH & LAY DOWN 12.25" BIT
	21:30 - 23:30	2.00	DRLSUR	06	A	P		PICK UP 11" BIT & DIR. TOOLS, SCRIBE & TIH
	23:30 - 0:00	0.50	DRLSUR	02	D	P		DRILL 11" SURFACE HOLE F/ 210'- 270' ROP= 60' @ 120 FPH WOB= 18/20K RPM= 50- POWERHEAD /// 79- MUD MOTOR UP/DN/RT= 40/34/35 ~ 5 K DRAG SPP- ON/OFF= 700/400 M.W. 8.4# VIS 28 465 GPM PUMP RATE /// NO AIR TORQUE- ON/OFF= 3000/1200 HOLE IN GOOD SHAPE NOV - ONLINE 100% RETURNS
9/16/2012	0:00 - 4:00	4.00	DRLSUR	02	D	P		DRILL 11" SURFACE HOLE F/ 270'- 910' ROP= 640' @ 160 FPH WOB= 18/20K RPM= 50- POWERHEAD /// 79- MUD MOTOR UP/DN/RT= 52/40/48 ~ 4 K DRAG SPP- ON/OFF= 1050/800 M.W. 8.4# VIS 28 465 GPM PUMP RATE /// NO AIR TORQUE- ON/OFF= 3000/1200 HOLE IN GOOD SHAPE 1.5' RIGHT OF TARGET LINE 113' / 12.5% SLIDE NOV - ONLINE 100% RETURNS
	4:00 - 8:00	4.00	DRLSUR	02	D	P		DRILL 11" SURFACE HOLE F/ 910'- 1480' ROP= 570' @ 142.5 FPH WOB= 18/20K RPM= 50- POWERHEAD /// 79- MUD MOTOR UP/DN/RT= 63/47/58 ~ 6K DRAG SPP- ON/OFF= 1200/950 M.W. 8.4# VIS 28 465 GPM PUMP RATE /// NO AIR TORQUE- ON/OFF= 3000/1200 HOLE IN GOOD SHAPE NOV - ONLINE 100% RETURNS

RECEIVED: Apr. 25, 2013

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE		Spud Date: 9/15/2012
Project: UTAH-UINTAH	Site: NBU 1022-01P PAD	Rig Name No: PROPETRO 11/11, PIONEER 54/54
Event: DRILLING	Start Date: 8/21/2012	End Date: 2/1/2013
Active Datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	8:00 - 13:30	5.50	DRLSUR	02	D	P		DRILL 11" SURFACE HOLE F/ 1480'-2290' ROP= 810' @ 147 FPH WOB= 18/20K RPM= 50- POWERHEAD /// 79- MUD MOTOR UP/DN/RT= 78/61/69 ~ 9K DRAG SPP- ON/OFF= 1650/1400 M.W. 8.4# VIS 28 LOST RETURNS @ 1470' 465 GPM PUMP RATE // AIR @ 2400 CFM TORQUE- ON/OFF= 3000/1200 HOLE IN GOOD SHAPE .5' ABOVE & 2' LEFT OF TARGET LINE 215'/ 9.6% SLIDE NOV - ONLINE
	13:30 - 15:30	2.00	DRLSUR	05	D	P		CIRCULATE & CONDITION HOLE FOR 8-5/8" SURFACE CSG
	15:30 - 18:00	2.50	DRLSUR	06	A	P		LAY DOWN DRILL STRING & DIR. TOOLS
	18:00 - 18:30	0.50	CSGSUR	12	A	P		MOVE PIPE RACKS AND CATWALK. PULL DIVERTER HEAD. RIG UP TO RUN CSG. MOVE CSG INTO POSITION TO P/U.
	18:30 - 20:30	2.00	CSGSUR	12	C	P		PJSM /// RUM 51 JT'S, 8-5/8", 28#, J-55, LT&C CSG /// SHOE SET @ 2261' & BAFFLE @ 2215'
	20:30 - 21:00	0.50	CSGSUR	12	B	P		CIRCULATE CSG /// RUN 200' OF 1" DOWN BACK SIDE /// RIG DOWN CARRIER & MOVE RIG OFF WELL /// INSTALL CEMENT HEAD IN CSG
	21:00 - 0:00	3.00	CSGSUR	12	E	P		RIG UP PRO PETRO PUMP TRUCK /// TEST LINES TO 1500 PSI /// PUMP 130 BBL'S WATER AHEAD FOLLOWED BY 20 BBL GEL WATER SPACER /// TAIL = 300 sx CLASS G CMT + 2% CACL2 + 1/4#/ sx FLOCELE @ 15.8 WT & 1.15 YIELD /// DROP PLUG & DISPLACE W/ 134 BBL'S WATER /// PLUG DN @ 22:08 09/16/2012 /// BUMP PLUG W/ 400 PSI /// FINAL LIFT = 110 PSI /// CHECK FLOAT- DID NOT HOLD ~ SHUT IN FOR 4 HOURS /// NO CIRCULATION & NO CMT TO SURFACE /// PUMP 175 sx CLASS G CMT @ 15.8 WT & 1.15 YIELD + 4% CACL2 + 1/4# FLOCELE DN 1" /// NO CMT TO SURFACE /// PUMP 2 MORE TOP OUT'S FOR A TOTAL OF 495 sx CLASS G CMT @ 15.8 WT & 1.15 YIELD + 4% CACL2 + 1/4# FLOCELE /// CMT TO SURFACE /// RELEASE RIG @ 00:00 09/17/2012
1/28/2013	0:00 - 0:30	0.50	MIRU3	01	C	P		SKID ON AND CENTER OVER HOLE
	0:30 - 1:00	0.50	PRPSPD	14	A	P		NIPPLE UP BOP,CENTER RIG OVER HOLE
	1:00 - 5:00	4.00	PRPSPD	15	A	P		HELD SAFETY MEETING, R/U & TEST BOPE, TEST PIPE RAMS, BLIND RAMS, INNER-OUTER BOP VALVES, CHOKE VALVES, FLOOR VALVES TO 250 LOW, 5000 HIGH, ANN 2500, SURFACE CASING 1500 FOR 30 MIN'S,NITROGEN PRECHARGE AFTER FUNCTION 1600 PSI
	5:00 - 5:30	0.50	PRPSPD	14	B	P		INSTALL WEARBUSHING
	5:30 - 8:00	2.50	PRPSPD	06	A	P		PICK UP BIT & MUD MTR,SCRIBE DIRECTIONAL TOOLS,TRIP IN HOLE TO 2180
	8:00 - 9:00	1.00	DRLPRC	02	F	P		DRILL CEMENT AND SHOE TRACK 2180 TO 2305

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE		Spud Date: 9/15/2012
Project: UTAH-UINTAH	Site: NBU 1022-01P PAD	Rig Name No: PROPETRO 11/11, PIONEER 54/54
Event: DRILLING	Start Date: 8/21/2012	End Date: 2/1/2013
Active Datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	9:00 - 16:00	7.00	DRLPRC	02	B	P		CLOSED LOOP SYSTEM,SPUD 7.875 HOLE DRILL F/2305 TO 3665=1360 AVG 170 WOB / 18-20 RPM TOP DRIVE 55-60 (2 PUMPS) - SPM 200 GPM 586 MW 8.7 PPG VIS 31 TRQ ON/OFF =6/4K PSI ON /OFF 1700/1400, DIFF 200-500 PU/SO/RT =110/85/90 K SLIDE =69 ROT=1291 NOV / 2- DEWATER 27'N 20'W OF CENTER 0 DRILL FLARE, 0 CONN FLARE PUMPING CAL CARB AND LCM SWEEPS EVERY 300' PRECAUTIONARY
	16:00 - 16:30	0.50	DRLPRV	07	A	P		RIG SERVICE,CHECK OUT CLUTCH #2 PUMP
	16:30 - 0:00	7.50	DRLPRV	02	B	P		1 PUMP DRILLING,(#2 PUMP CLUTCH BURNT UP) CLOSED LOOP SYSTEM, DRILL F/3665 TO 4520=855 AVG 114 WOB /15- 18 RPM TOP DRIVE 55-60 MTR 80 (1 PUMPS) - SPM 120 GPM 351 MW 8.9 PPG VIS 30 TRQ ON/OFF =9/4K PSI ON /OFF 1950/1500, DIFF 200-500 PU/SO/RT =130/110/118 K SLIDE =4% FOOTAGE 6% TIME ROT=96% FTG 94% TIME NOV / 2-CONVENTIONAL 6 NORTH 16 WEST OF CENTER 0 DRILL FLARE, 0 CONN FLARE PUMPING CAL CARB AND LCM SWEEPS EVERY 300' PRECAUTIONARY ADDING LIG FOR LOGS BOP DRILL
1/29/2013	0:00 - 8:00	8.00	DRLPRV	02	B	P		CLOSED LOOP SYSTEM, DRILL F/4520 TO 5480=960 AVG 120 WOB /18-22 RPM TOP DRIVE 55-60 MTR 133 (2 PUMPS) - SPM 200 GPM 580 MW 8.9 PPG VIS 36 TRQ ON/OFF =9/4K PSI ON /OFF 2200/1800, DIFF 200-500 PU/SO/RT =154/120/130 K SLIDE =30 ROT=930 NOV / 2-CONVENTIONAL,DEWATER @9# 1 NORTH 12 WEST OF CENTER 0 DRILL FLARE, 0 CONN FLARE PUMPING CAL CARB AND LCM SWEEPS EVERY 300' PRECAUTIONARY ADDING LIG FOR LOGS

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE		Spud Date: 9/15/2012	
Project: UTAH-UINTAH	Site: NBU 1022-01P PAD		Rig Name No: PROPETRO 11/11, PIONEER 54/54
Event: DRILLING	Start Date: 8/21/2012		End Date: 2/1/2013
Active Datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	8:00 - 16:30	8.50	DRLPRV	02	B	P		CLOSED LOOP SYSTEM, DRILL F/5480 TO 6224=744 AVG 87 WOB /18-22 RPM TOP DRIVE 55-60 MTR 133 (2 PUMPS) - SPM 200 GPM 580 MW 8.9 PPG VIS 36 TRQ ON/OFF =9/5K PSI ON /OFF 2200/1800, DIFF 200-500 PU/SO/RT =160/130/140 K SLIDE =48 ROT=696 NOV / 2-CONVENTIONAL,DEWATER @9# 4 SOUTH 5 WEST OF CENTER 0 DRILL FLARE, 0 CONN FLARE PUMPING CAL CARB AND LCM SWEEPS EVERY 300' PRECAUTIONARY ADDING LIG FOR LOGS BOP DRILL DAYLIGHTS
	16:30 - 17:00	0.50	DRLPRV	07	A	P		RIG SERVICE
	17:00 - 0:00	7.00	DRLPRV	02	B	P		CLOSED LOOP SYSTEM, DRILL F/6224 TO 6800=576AVG 82 WOB /18-22 RPM TOP DRIVE 55-60 MTR 130 (2 PUMPS) - SPM 200 GPM 580 MW 9.0 PPG VIS 35 TRQ ON/OFF =9/5K PSI ON /OFF 2200/1800, DIFF 200-500 PU/SO/RT =160/130/140 K SLIDE =40' 5% ROT=536 95% NOV / 2-CONVENTIONAL,DEWATER @9# 5' NORTH 9' WEST OF CENTER 0 DRILL FLARE, 0 CONN FLARE PUMPING CAL CARB AND LCM SWEEPS EVERY 300' PRECAUTIONARY ADDING LIG FOR LOGS
1/30/2013	0:00 - 8:00	8.00	DRLPRV	02	B	P		CLOSED LOOP SYSTEM, DRILL F/6800 TO 7457', 657' @ 82.1' PH WOB /18-22 RPM TOP DRIVE 55-60 MTR 130 (2 PUMPS) - SPM 200 GPM 580 MW 9.0 PPG VIS 35 TRQ ON/OFF =9/5K PSI ON /OFF 2250/1900, DIFF 200-500 PU/SO/RT =160/130/140 K SLIDE = 13' IN .33 HRS = 39.4' PH ROT= 644' IN 7.67 HRS = 83.9' PH NOV / 2-CONVENTIONAL,DEWATER @9# 7' NORTH 6 WEST OF CENTER 0 DRILL FLARE, 0 CONN FLARE

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US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE		Spud Date: 9/15/2012
Project: UTAH-UINTAH	Site: NBU 1022-01P PAD	Rig Name No: PROPETRO 11/11, PIONEER 54/54
Event: DRILLING	Start Date: 8/21/2012	End Date: 2/1/2013
Active Datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	8:00 - 16:00	8.00	DRLPRV	02	B			CLOSED LOOP SYSTEM, DRILL F/ 7457 TO 8026', 569' @ 71.1' PH WOB /18-22 RPM TOP DRIVE 55-60 MTR 130 (2 PUMPS) - SPM 200 GPM 580 MW 8.7 PPG VIS 35 TRQ ON/OFF =9/5K PSI ON /OFF 2250/1900, DIFF 200-500 PU/SO/RT =160/140/155 K SLIDE = 45' IN 1.16 HRS = 38.8' PH ROT= 524' IN 6.84 HRS = 76.6' PH NOV / 2-DEWATER @8.7# 4' NORTH, 5 WEST OF CENTER 0 DRILL FLARE, 10' CONN FLARE
	16:00 - 16:30	0.50	DRLPRV	07	A	P		SERVICE RIG
	16:30 - 0:00	7.50	DRLPRV	02	B	P		CLOSED LOOP SYSTEM, DRILL F/ 8026' TO 8313', 287' @ 38.3' PH WOB /18-22 RPM TOP DRIVE 55-60 MTR 130 (2 PUMPS) - SPM 160 GPM 468 DISPLACE HOLE WITH 11.8 PPG, 37 VIS MW 11.8 PPG VIS 40 TRQ ON/OFF =9/7K PSI ON /OFF 2500/2100, DIFF 200-400 PU/SO/RT = 175-150-160 K SLIDE = 0 ROT= 100% NOV / 2-BYPASS 1' NORTH 12' W WEST OF CENTER 0' DRILL FLARE, 5' CONN FLARE BOP DRILL 69 SEC, F/T ANN & HCR VALVE
1/31/2013	0:00 - 4:30	4.50	DRLPRV	02	B	P		CLOSED LOOP SYSTEM, DRILL F/ 8313' TO 8510', 197' @ 43.7' PH WOB /18-22 RPM TOP DRIVE 55-60 MTR 130 (2 PUMPS) - SPM 160 GPM 468 DISPLACE HOLE WITH 11.8 PPG, 37 VIS MW 11.9 PPG VIS 40 TRQ ON/OFF =9/7K PSI ON /OFF 2500/2100, DIFF 200-400 PU/SO/RT = 175-150-160 K SLIDE = 0 ROT= 100% NOV / 2-BYPASS 1' NORTH 12' W WEST OF CENTER 0' DRILL FLARE, 5' CONN FLARE
	4:30 - 6:00	1.50	DRLPRV	05	C	P		CIRC & COND WELL BORE CLEAN, 2 BOTTOMS UP
	6:00 - 11:30	5.50	DRLPRV	06	B	P		TRIP OUT,RABBIT PIPE, L/D DIR TOOLS & STAND BACK MONEL'S, L/D MM & BIT
	11:30 - 12:00	0.50	DRLPRV	07	A	P		SERVICE RIG, CHANGE FILTERS ON TOP DRIVE
	12:00 - 15:30	3.50	DRLPRV	06	B	P		TRIP IN HOLE WITH THRUBIT FOR LOGS
	15:30 - 16:00	0.50	DRLPRV	03	A	P		WASH & REAM TO BOTTOM, 20' FILL
	16:00 - 18:00	2.00	DRLPRV	05	A	P		CIRC OUT GAS & CLEAN HOLE FOR THRUBIT LOGS

RECEIVED: Apr. 25, 2013

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE		Spud Date: 9/15/2012	
Project: UTAH-UINTAH	Site: NBU 1022-01P PAD		Rig Name No: PROPETRO 11/11, PIONEER 54/54
Event: DRILLING	Start Date: 8/21/2012		End Date: 2/1/2013
Active Datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	18:00 - 0:00	6.00	EVALPR	11	C	P		HELD SAFETY MEETING WITH THRUBIT & RIG CREWS, R/U & RUN TRIPLE COMBO TO BOTTOM OF DRILL PIPE, LAND, SEAT, F/T UNLATCH, PULL WIRELINE OUT OF HOLE, LOG OUT OF HOLE @ 40' PER MIN WITH LOGGING TOOL ON DRILL PIPE
2/1/2013	0:00 - 3:30	3.50	EVALPR	11	D	P		RUN THRUBIT -TRIPLE COMBO LOGS, DEPTH 8452'
	3:30 - 4:00	0.50	CSGPRO	14	B	P		PULL WEAR BUSHING
	4:00 - 10:30	6.50	CSGPRO	12	C	P		HELD SAFETY MEETING WITH RIG & CASING CREWS, R/U & RUN 199 JTS 4.5" I-80 PROD CASING, SHOE @ 8474, FLOAT @ 8431, LAND CASING WITH 90 K
	10:30 - 11:30	1.00	CSGPRO	05	A	P		CIRC & COND HOLE DOWN CASING
	11:30 - 16:30	5.00	CSGPRO	12	E	P		HELD SAFETY MEETING, R/U & PSI TEST LINES TO 4500, DROP BOTTOM PLUG, PUMP 25 BBLS SPACER, LEAD (PL 2), 480 SACK 1.98 YLD 12.5 PPG, TAIL (50:50), 14.3 PPG 1.32 YLD 955 SACKS, SHUT DOWN CLEAN LINES, DROP TOP PLUG & DISPLACE WITH 131 BBLS CLAYCARE WATER, BUMP PLUG @ 2900 PSI, 500 OVER FINAL LIFT OF 2400, FULL RETURNS THOUGHOUT JOB WITH 10 BBLS WATER SPACER TO TANKS, 1.5 BBLS BACK TO INVENTORY, EST TOP OF LEAD 400', TAIL 3645'
	16:30 - 18:00	1.50	CSGPRO	14	A	P		FLUSH STACK, SET PACKOFF, CLEAN PITS, PREPARE TO SKID, RELEASE RIG TO THE NBU 1022-1P4BS @ 18:00 - 2/1/13

1 General

1.1 Customer Information

Company	US ROCKIES REGION
Representative	
Address	

1.2 Well/Wellbore Information

Well	NBU 1022-1P1CS BLUE	Wellbore No.	OH
Well Name	NBU 1022-1P1CS	Wellbore Name	NBU 1022-1P1CS
Report No.	1	Report Date	3/25/2013
Project	UTAH-UINTAH	Site	NBU 1022-01P PAD
Rig Name/No.		Event	COMPLETION
Start Date	3/19/2013	End Date	4/4/2013
Spud Date	9/15/2012	Active Datum	RKB @5,147.00usft (above Mean Sea Level)
UWI	SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0		

1.3 General

Contractor		Job Method		Supervisor	
Perforated Assembly		Conveyed Method			

1.4 Initial Conditions

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

1.5 Summary

Gross Interval	6,474.0 (usft)-6,321.0 (usft	Start Date/Time	3/25/2013 12:00AM
No. of Intervals	47	End Date/Time	3/25/2013 12:00AM
Total Shots	159	Net Perforation Interval	53.00 (usft)
Avg Shot Density	3.00 (shot/ft)	Final Surface Pressure	
		Final Press Date	

2 Intervals

2.1 Perforated Interval

Date	Formation/ Reservoir	CCL@ (usft)	CCL-TS (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diameter (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
3/25/2013 12:00AM	MESAVERDE/			6,474.0	6,475.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	

2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-TS (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diameter (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
3/25/2013 12:00AM	MESAVERDE/			6,532.0	6,533.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			6,539.0	6,540.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			6,576.0	6,577.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			6,660.0	6,662.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			6,912.0	6,913.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			6,937.0	6,939.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,000.0	7,001.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,009.0	7,011.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,066.0	7,067.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,093.0	7,094.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,120.0	7,122.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,161.0	7,163.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,285.0	7,286.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,323.0	7,324.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,343.0	7,344.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,364.0	7,365.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,382.0	7,383.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,406.0	7,408.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,433.0	7,434.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,442.0	7,443.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,460.0	7,461.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	

2.1 Perforated Interval (Continued)

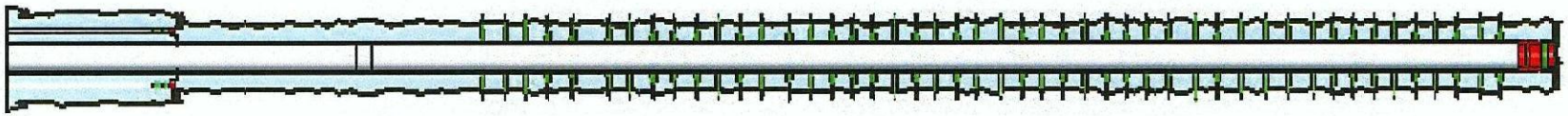
Date	Formation/ Reservoir	CCL@ (usft)	CCL-TS (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diameter (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
3/25/2013 12:00AM	MESAVERDE/			7,472.0	7,473.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,541.0	7,542.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,564.0	7,565.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,581.0	7,582.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,602.0	7,603.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,636.0	7,637.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,661.0	7,662.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,673.0	7,674.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,684.0	7,685.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,727.0	7,728.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,835.0	7,836.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,868.0	7,869.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			7,926.0	7,927.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,014.0	8,015.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,054.0	8,055.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,133.0	8,134.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,150.0	8,151.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,160.0	8,161.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,183.0	8,184.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,200.0	8,201.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,221.0	8,222.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	

2.1 Perforated Interval (Continued)

Date	Formation/ Reservoir	CCL@ (usft)	CCL-TS (usft)	MD Top (usft)	MD Base (usft)	Shot Density (shot/ft)	Misfires/ Add. Shot	Diameter (in)	Carr Type /Stage No	Carr Size (in)	Phasing (°)	Charge Desc /Charge Manufacturer	Charge Weight (gram)	Reason	Misrun
3/25/2013 12:00AM	MESAVERDE/			8,230.0	8,231.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,258.0	8,259.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,308.0	8,309.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	
3/25/2013 12:00AM	MESAVERDE/			8,320.0	8,321.0	3.00		0.360	EXP/	3.375	120.00		23.00	PRODUCTION	

3 Plots

3.1 Wellbore Schematic



US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE		Spud Date: 9/15/2012	
Project: UTAH-UINTAH	Site: NBU 1022-01P PAD		Rig Name No: SWABBCO 8/8
Event: COMPLETION	Start Date: 3/19/2013		End Date: 4/4/2013
Active Datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
2/26/2013	-							
3/19/2013	8:00 - 9:00	1.00	SUBSPR	33	C	P		FILL SURFACE CSG. MIRU CAMERON QUICK TEST. PRESSURE TEST CSG & FRAC VALVES 1ST PSI TEST T/ 7000 PSI. HELD FOR 15 MIN LOST 64 PSI. NO COMMUNICATION OR MIGRATION WITH SURFACE CSG BLEED OFF PSI. PRESSURE TEST 8 5/8 X 4 1/2 TO 515 PSI HELD FOR 5 MIN LOST -52 PSI,BLED PSI OFF, REINSTALLED POP OFF SWIFN
3/22/2013	8:00 - 13:00	5.00	SUBSPR	37	B	P		HSM, CLOSING VALVES WHILE RUNNING IN HOLE, PERF STG 1)PU 3 1/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHASING. RIH PERF AS PER PERF DESIGN. POOH.
3/25/2013	7:00 - 8:30	1.50	FRAC	48		P		HSM, OVER HEAD LOADS, PRESSURE TEST SURFACE LINE TO=8,500# W/ 700# LOSS IN 15 MIN.
3/26/2013	7:00 - 7:15	0.25	FRAC	48		P		HSM, OPENING & CLOSING VALVES
	7:15 - 17:30	10.25	FRAC	36	B	P		REFER TO STIMULATION PJR FOR FLUID, SAND AND CHEMICAL VOLUMES, ALL STAGES WERE PERFORATED ACCORDING TO PERF RECORD IN OPEN WELLS, ALL STAGES WERE STIMULATED TO VENDOR POST JOB REPORT. ALL PLUGS ARE HALIBURTON 8K CBPS FRAC STG #1] WHP=1,519#, BRK DN PERFS=3,622#, @=4.7 BPM, INTIAL ISIP=2,504#, FG=.74, FINAL ISIP=2,553#, FG=.75, SET PLUG & PERFORATE STG #2 FRAC STG #2] WHP=2,314#, BRK DN PERFS=4,117#, @=4.7 BPM, INTIAL ISIP=2,324#, FG=.73, FINAL ISIP=2,605#, FG=.76, SET PLUG & PERFORATE STG #3 FRAC STG #3] WHP=2,181#, BRK DN PERFS=3,492#, @=5.1 BPM, INTIAL ISIP=2,033#, FG=.70, FINAL ISIP=2,289#, FG=.73, SET PLUG & PERFORATE STG #4 FRAC STG #4] WHP=1,452#, BRK DN PERFS=3,919#, @=4.1 BPM, INTIAL ISIP=2,250#, FG=.74, FINAL ISIP=2,118#, FG=.72, SWIFN
3/27/2013	6:30 - 6:45	0.25	FRAC	48		P		HSM, PROPER PPE

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE		Spud Date: 9/15/2012	
Project:: UTAH-UINTAH	Site: NBU 1022-01P PAD		Rig Name No: SWABBCO 8/8
Event: COMPLETION	Start Date: 3/19/2013		End Date: 4/4/2013
Active Datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	6:45 - 18:00	11.25	FRAC	36	B	P		SET PLUG PERFORATE STG #5 FRAC STG #5] WHP=1,215#, BRK DN PERFS=3,146#, @=4.9 BPM, INTIAL ISIP=1,968#, FG=.71, FINAL ISIP=2,040#, FG=.72, SET PLUG AND PERFORATE STG #6 FRAC STG #6] WHP=1,160#, BRK DN PERFS=4,707#, @=4.8 BPM, INTIAL ISIP=2,511#, FG=.79, FINAL ISIP=2,263#, FG=.76, SET PLUG AND PERFORATE STG #7 FRAC STG #7] WHP=1,685#, BRK DN PERFS=2,871#, @=5.1 BPM, INTIAL ISIP=1,805#, FG=.70, FINAL ISIP=2,475#, FG=.79, SET PLUUG AND PERFORATE STG #8 FRAC STG #8] WHP=403#, BRK DN PERFS=2,724#, @=5.1 BPM, INTIAL ISIP=1,475#, FG=.66, FINAL ISIP=2,184#, FG=.77, TOTAL BBLS=9,749 TOTAL SAND=204,905#
4/3/2013	7:00 - 7:15	0.25	DRLOUT	48		P		HSM, JSA
	7:15 - 10:15	3.00	DRLOUT	30	A	P		RD, MOVE OVER TO NBU 1022-1P1CS, MIRU, ND WH, NU BOP'S, RU FLOOR & TBG EQUIP
	10:15 - 15:15	5.00	DRLOUT	31	I	P		P/U TBG, REMOVE THREAD PROTECTORS, TALLY & DRIFT TBG TO KILL PLUG, MIRU PWR SWVL, BREAK CIRC, PRESS TEST BOP TO 3,000 PSI FOR 15 MIN, LOST 0 PSI
	15:15 - 17:00	1.75	DRLOUT	44	C	P		C/O 10' SAND, TAG 1ST PLUG @ 6,424' DRL PLUG IN 3 MIN. 0 PSI INCREASE, RIH, CSG PRESS 0 C/O 10' SAND, TAG 2ND PLUG @ 6,692' DRL PLUG IN 3 MIN. 700 PSI INCREASE, RIH, CSG PRESS 100 CIRC & LET WELL CLEAN UP FOR 30 MIN, D/O REMAINING PLUGS IN AM, EOT @ 6,727', SWI, SDFN
4/4/2013	7:00 - 7:15	0.25	DRLOUT	48		P		HSM, JSA

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE	Spud Date: 9/15/2012	
Project: UTAH-UINTAH	Site: NBU 1022-01P PAD	Rig Name No: SWABBCO 8/8
Event: COMPLETION	Start Date: 3/19/2013	End Date: 4/4/2013
Active Datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (usft)	Operation
	7:15 - 15:00	7.75	DRLOUT	44	C	P		2500# SICP, OPEN WELL BLEED OFF PRESS, OPEN RAMS, FINISH D/O REMAINING 6 PLUGS C/O 30' SAND, TAG 3RD PLUG @ 7,041' DRL PLUG IN 5 MIN. 0 PSI INCREASE, RIH, CSG PRESS 100 C/O 20' SAND, TAG 4TH PLUG @ 7,193' DRL PLUG IN 4 MIN. 0 PSI INCREASE, RIH, CSG PRESS 200 C/O 30' SAND, TAG 5TH PLUG @ 7,423' DRL PLUG IN 4 MIN. 0 PSI INCREASE, RIH, CSG PRESS 250 C/O 65' SAND, TAG 6TH PLUG @ 7,626' DRL PLUG IN 7 MIN. 0 PSI INCREASE, RIH, CSG PRESS 400 C/O 30' SAND, TAG 7TH PLUG @ 7,899' DRL PLUG IN 3 MIN. 0 PSI INCREASE, RIH, CSG PRESS 450 C/O 15' SAND, TAG 8TH PLUG @ 8,173' DRL PLUG IN 3 MIN. 900 PSI INCREASE, RIH, CSG PRESS 500 PBTD @ 8,449', BTM PERF @ 8,321', RIH TO 8,449'(PBTD), 128' PAST BTM PERF W/ 266 JTS 2 3/8" TBG, LD 17 JTS, PU & STRIP IN TBG HANGER & LAND TBG W/ 150 JTS 2 3/8" J-55, 6' L-80 SUB & 99 JTS L-80, EOT @ 7,907.57' RD FLOOR & TBG EQUIP, ND BOPS, NU WH, DROP BALL TO SHEAR OFF BIT W/ 1,800 PSI. LET BIT FALL FOR 20 MIN, CSG 3,000 PSI TURN OVER TO FLOWBACK CREW KB= 19' 4 1/16"= .83' TBG DELIVERED 315 JTS 150 JTS 2-3/8" J-55 = 4,737.66' 150 JTS J-55 & 164 JTS L-80 L-80 SUB= 6' TBG USED 249 JTS 100 JTS 2-3/8" L-80= 3,142.39' TBG RETURNED 66 JTS POBS= 2.20' EOT @ 7,907.57' TWTR= 9,750 BBLS TWR= 1,500 BBLS TWLTR= 8,250 BBLS
	15:00 - 15:00	0.00	DRLOUT	50				WELL TURNED TO SALES @ 1420 HR ON 4/4/2013. 2204 MCFD, 1920 BWPD, FCP 2171#, FTP 1862#, 20/64" CK.

API Well Number: 43047392970000

Scientific Drilling

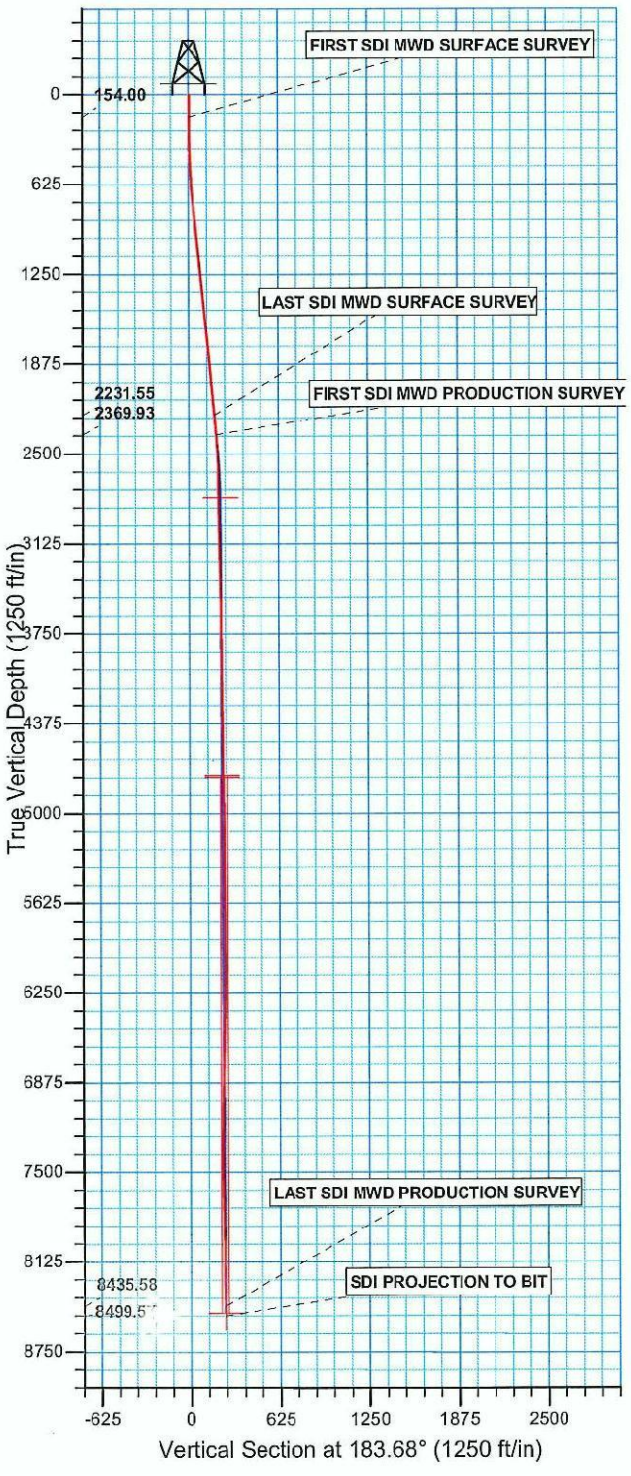
Project: UTAH - UTM (feet), NAD27, Zone 12N
Site: NBU 1022-1P PAD
Well: NBU 1022-1P1CS
Wellbore: OH
Design: OH

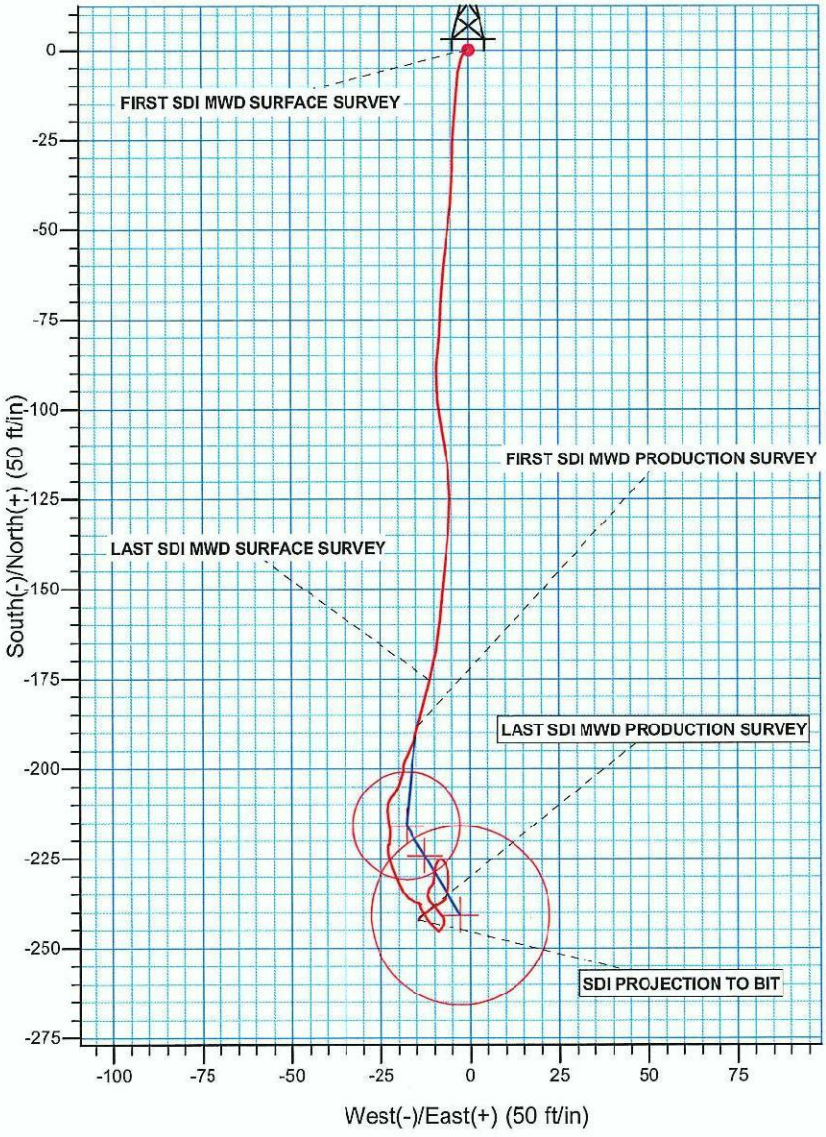
Anadarko Petroleum Corporation

WELL DETAILS: NBU 1022-1P1CS					
GL 5128 & KB 19 @ 5147.00ft (PIONEER 54)					
+N/-S	+E/-W	Northing	Easting	Latitude	Longitude
0.00	0.00	14520656.56	2094322.64	39.9738800	-109.3799000

Azimuths to True North
Magnetic North: 11.00°

Magnetic Field
Strength: 52311.3snT
Dip Angle: 65.86°
Date: 08/23/2011
Model: IGRF2010





PROJECT DETAILS: UTAH - UTM (feet), NAD27, Zone 12N	
Geodetic System:	Universal Transverse Mercator (US Survey Feet)
Datum:	NAD 1927 (NADCON CONUS)
Ellipsoid:	Clarke 1866
Zone:	Zone 12N (114 W to 108 W)
Location:	SECTION 1 T10S R22E
System Datum:	Mean Sea Level

Design: OH (NBU 1022-1P1CS/OH)	
Created By: Gabe Kendall	Date: 15:32, February 05 2013

RECEIVED: Apr. 25, 2013

Scientific Drilling

US ROCKIES REGION PLANNING

UTAH - UTM (feet), NAD27, Zone 12N
NBU 1022-1P PAD
NBU 1022-1P1CS

OH

Design: OH

Standard Survey Report

05 February, 2013

Anadarko Petroleum Corporation

Scientific Drilling

SDI
Survey Report

Anadarko Petroleum Corporation

Company:	US ROCKIES REGION PLANNING	**Local Co-ordinate Reference:**	Well NBU 1022-1P1CS
Project:	UTAH - UTM (feet), NAD27, Zone 12N	**TVD Reference:**	GL 5128 & KB 19 @ 5147.00ft (PIONEER 54)
Site:	NBU 1022-1P PAD	**MD Reference:**	GL 5128 & KB 19 @ 5147.00ft (PIONEER 54)
Well:	NBU 1022-1P1CS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 5000.1 Single User Db

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

Map System:	Universal Transverse Mercator (US Survey Feet)	**System Datum:**	Mean Sea Level
Geo Datum:	NAD 1927 (NADCON CONUS)		
Map Zone:	Zone 12N (114 W to 108 W)		

Site NBU 1022-1P PAD, SECTION 1 T10S R22E

Site Position:		**Northing:**	14,520,663.26 usft	**Latitude:**	39.9738980
From:	Lat/Long	**Easting:**	2,094,330.08 usft	**Longitude:**	-109.3798730
Position Uncertainty:	0.00 ft	**Slot Radius:**	13.200 in	**Grid Convergence:**	1.04 °

Well NBU 1022-1P1CS, 1161 FSL 493 FEL

Well Position	**+N/-S**	0.00 ft	**Northing:**	14,520,656.57 usft	**Latitude:**	39.9736800
	+E/-W	0.00 ft	**Easting:**	2,094,322.64 usft	**Longitude:**	-109.3799000
Position Uncertainty		0.00 ft	**Wellhead Elevation:**	ft	**Ground Level:**	5,128.00 ft

Wellbore OH

Magnetics	Model Name	Sample Date	Declination (°)	Dip Angle (°)	Field Strength (nT)
	IGRF2010	08/23/11	11.00	65.86	52311

Design OH

Audit Notes:

Version:	1.0	**Phase:**	ACTUAL	**Tie On Depth:**	0.00

Vertical Section:	Depth From (TVD) (ft)	+N/-S (ft)	+E/-W (ft)	Direction (°)
	0.00	0.00	0.00	183.68

Survey Program Date 02/05/13

From (ft)	To (ft)	Survey (Wellbore)	Tool Name	Description
15.00	2,240.00	Survey #1 SDI MWD SURFACE (OH)	SDI MWD	SDI MWD - Standard ver 1.0.1
2,379.00	8,510.00	Survey #2 SDI MWD PRODUCTION (OH)	SDI MWD	SDI MWD - Standard ver 1.0.1

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
15.00	0.00	0.00	15.00	0.00	0.00	0.00	0.00	0.00	0.00
154.00	0.18	248.61	154.00	-0.08	-0.20	0.09	0.13	0.13	0.00
FIRST SDI MWD SURFACE SURVEY									
183.00	0.44	240.52	183.00	-0.15	-0.34	0.17	0.91	0.90	-27.90
211.00	0.26	259.94	211.00	-0.22	-0.50	0.25	0.76	-0.64	69.36
239.00	0.53	219.25	239.00	-0.33	-0.64	0.37	1.33	0.96	-145.32
267.00	0.44	225.05	267.00	-0.50	-0.80	0.55	0.37	-0.32	20.71
296.00	0.97	218.90	295.99	-0.77	-1.03	0.84	1.84	1.83	-21.21
325.00	1.06	215.74	324.99	-1.18	-1.35	1.26	0.37	0.31	-10.90

RECEIVED: Apr. 25, 2013

Scientific Drilling

SDI
Survey Report

Anadarko Petroleum Corporation

Company:	US ROCKIES REGION PLANNING	**Local Co-ordinate Reference:**	Well NBU 1022-1P1CS
Project:	UTAH - UTM (feet), NAD27, Zone 12N	**TVD Reference:**	GL 5128 & KB 19 @ 5147.00ft (PIONEER 54)
Site:	NBU 1022-1P PAD	**MD Reference:**	GL 5128 & KB 19 @ 5147.00ft (PIONEER 54)
Well:	NBU 1022-1P1CS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 5000.1 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
354.00	1.23	207.58	353.98	-1.67	-1.65	1.78	0.81	0.59	-28.21
444.00	2.29	193.41	443.94	-4.28	-2.51	4.43	1.26	1.18	-15.72
534.00	3.61	184.80	533.82	-8.85	-3.16	9.04	1.54	1.47	-9.57
624.00	5.36	185.50	623.54	-15.86	-3.80	16.07	1.95	1.94	0.78
714.00	5.89	182.51	713.11	-24.66	-4.41	24.89	0.67	0.59	-3.32
804.00	5.89	179.96	802.63	-33.89	-4.61	34.12	0.29	0.00	-2.83
894.00	5.63	186.91	892.18	-42.89	-5.14	43.13	0.83	-0.29	7.72
984.00	5.72	188.14	981.74	-51.71	-6.30	52.01	0.17	0.10	1.37
1,074.00	5.89	184.45	1,071.28	-60.76	-7.30	61.10	0.46	0.19	-4.10
1,164.00	5.98	182.86	1,160.79	-70.04	-7.89	70.41	0.21	0.10	-1.77
1,254.00	5.98	184.01	1,250.31	-79.40	-8.45	79.78	0.13	0.00	1.28
1,344.00	5.80	185.41	1,339.83	-88.61	-9.21	89.01	0.26	-0.20	1.56
1,434.00	5.72	171.97	1,429.38	-97.58	-9.01	97.95	1.50	-0.09	-14.93
1,524.00	5.80	170.30	1,518.93	-106.50	-7.62	106.77	0.21	0.09	-1.86
1,614.00	6.05	171.83	1,608.44	-115.68	-6.18	115.83	0.33	0.28	1.70
1,704.00	5.60	179.22	1,697.98	-124.76	-5.44	124.85	0.97	-0.50	8.21
1,794.00	5.45	186.38	1,787.56	-133.40	-5.86	133.50	0.78	-0.17	7.96
1,884.00	5.55	186.05	1,877.15	-141.98	-6.79	142.12	0.12	0.11	-0.37
1,974.00	5.45	185.85	1,966.74	-150.56	-7.68	150.74	0.11	-0.11	-0.22
2,064.00	5.10	183.39	2,056.35	-158.80	-8.36	159.01	0.46	-0.39	-2.73
2,154.00	5.54	190.61	2,145.97	-167.06	-9.39	167.32	0.89	0.49	8.02
2,240.00	5.72	194.90	2,231.55	-175.29	-11.26	175.65	0.53	0.21	4.99
LAST SDI MWD SURFACE SURVEY									
2,379.00	5.14	194.51	2,369.93	-188.01	-14.60	188.56	0.42	-0.42	-0.28
FIRST SDI MWD PRODUCTION SURVEY									
2,474.00	2.99	206.28	2,464.69	-194.35	-16.76	195.02	2.42	-2.26	12.39
2,569.00	1.79	197.80	2,559.60	-197.98	-18.31	198.75	1.31	-1.26	-8.93
2,663.00	0.45	180.68	2,653.58	-199.75	-18.77	200.54	1.45	-1.43	-18.21
2,758.00	0.84	185.70	2,748.57	-200.82	-18.84	201.61	0.41	0.41	5.28
2,852.00	1.28	199.44	2,842.56	-202.49	-19.26	203.31	0.54	0.47	14.62
2,947.00	1.81	195.71	2,937.52	-204.94	-20.02	205.80	0.57	0.56	-3.93
3,042.00	1.39	227.39	3,032.49	-207.16	-21.27	208.10	1.01	-0.44	33.35
3,136.00	0.35	208.13	3,126.48	-208.19	-22.25	209.18	1.13	-1.11	-20.49
3,231.00	0.88	196.70	3,221.47	-209.14	-22.59	210.16	0.57	0.56	-12.03
3,326.00	0.92	187.18	3,316.46	-210.60	-22.90	211.63	0.16	0.04	-10.02
3,421.00	1.67	174.65	3,411.43	-212.73	-22.87	213.76	0.84	0.79	-13.19
3,515.00	1.58	172.86	3,505.40	-215.38	-22.58	216.39	0.11	-0.10	-1.90
3,610.00	0.32	131.75	3,600.38	-216.86	-22.22	217.84	1.43	-1.33	-43.27
3,705.00	1.16	187.80	3,695.37	-217.99	-22.15	218.96	1.07	0.88	59.00
3,800.00	1.52	185.19	3,790.35	-220.19	-22.39	221.18	0.38	0.38	-2.75
3,895.00	0.48	346.37	3,885.34	-221.06	-22.60	222.06	2.08	-1.09	169.66
3,989.00	0.42	201.41	3,979.34	-221.00	-22.82	222.01	0.91	-0.06	-154.21
4,084.00	0.67	183.21	4,074.33	-221.88	-22.98	222.90	0.32	0.26	-19.16

RECEIVED: Apr. 25, 2013

Scientific Drilling

SDI
Survey Report

Anadarko Petroleum Corporation

Company:	US ROCKIES REGION PLANNING	**Local Co-ordinate Reference:**	Well NBU 1022-1P1CS
Project:	UTAH - UTM (feet), NAD27, Zone 12N	**TVD Reference:**	GL 5128 & KB 19 @ 5147.00ft (PIONEER 54)
Site:	NBU 1022-1P PAD	**MD Reference:**	GL 5128 & KB 19 @ 5147.00ft (PIONEER 54)
Well:	NBU 1022-1P1CS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 5000.1 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
4,178.00	0.80	176.05	4,168.33	-223.08	-22.96	224.10	0.17	0.14	-7.62
4,273.00	0.99	158.99	4,263.31	-224.51	-22.62	225.50	0.34	0.20	-17.96
4,368.00	1.40	169.90	4,358.29	-226.42	-22.13	227.37	0.49	0.43	11.48
4,462.00	0.34	149.99	4,452.28	-227.79	-21.78	228.72	1.16	-1.13	-21.18
4,558.00	0.92	155.96	4,548.28	-228.74	-21.33	229.64	0.61	0.60	6.22
4,652.00	1.13	157.90	4,642.26	-230.29	-20.67	231.14	0.23	0.22	2.06
4,747.00	1.43	155.50	4,737.24	-232.24	-19.83	233.03	0.32	0.32	-2.53
4,841.00	1.49	155.66	4,831.21	-234.42	-18.84	235.14	0.06	0.06	0.17
4,936.00	1.49	117.34	4,926.18	-236.11	-17.23	236.73	1.03	0.00	-40.34
5,031.00	1.76	113.81	5,021.14	-237.27	-14.80	237.73	0.30	0.28	-3.72
5,126.00	0.53	302.60	5,116.13	-237.62	-13.84	238.02	2.41	-1.29	-180.22
5,222.00	0.08	268.40	5,212.12	-237.38	-14.28	237.81	0.49	-0.47	-35.63
5,317.00	0.60	156.33	5,307.12	-237.84	-14.14	238.26	0.67	0.55	-117.97
5,412.00	0.86	161.04	5,402.12	-238.97	-13.71	239.36	0.28	0.27	4.96
5,507.00	1.08	148.92	5,497.10	-240.41	-13.02	240.75	0.32	0.23	-12.76
5,602.00	1.52	143.10	5,592.08	-242.18	-11.80	242.44	0.48	0.46	-6.13
5,697.00	0.12	23.53	5,687.07	-243.10	-11.00	243.31	1.67	-1.47	-125.86
5,791.00	0.19	127.88	5,781.07	-243.11	-10.84	243.30	0.26	0.07	111.01
5,886.00	0.42	161.13	5,876.06	-243.53	-10.60	243.71	0.30	0.24	35.00
5,981.00	1.02	131.84	5,971.06	-244.43	-9.86	244.56	0.72	0.63	-30.83
6,076.00	0.57	132.70	6,066.05	-245.31	-8.88	245.38	0.47	-0.47	0.91
6,170.00	1.32	16.35	6,160.04	-244.59	-8.24	244.61	1.76	0.80	-123.78
6,265.00	0.92	45.04	6,255.02	-243.00	-7.39	242.97	0.71	-0.42	30.20
6,360.00	1.61	323.41	6,350.00	-241.39	-7.64	241.38	1.83	0.73	-85.93
6,454.00	1.31	317.54	6,443.97	-239.54	-9.16	239.63	0.36	-0.32	-6.24
6,549.00	1.16	324.89	6,538.95	-237.95	-10.44	238.13	0.23	-0.16	7.74
6,644.00	0.73	301.34	6,633.94	-236.85	-11.51	237.10	0.60	-0.45	-24.79
6,739.00	1.48	3.59	6,728.92	-235.31	-11.95	235.59	1.38	0.79	65.53
6,834.00	1.18	29.10	6,823.90	-233.23	-11.40	233.48	0.69	-0.32	26.85
6,929.00	0.69	45.78	6,918.89	-231.97	-10.51	232.17	0.58	-0.52	17.56
7,024.00	1.49	356.19	7,013.87	-230.34	-10.19	230.52	1.23	0.84	-52.20
7,119.00	1.07	15.82	7,108.85	-228.26	-10.03	228.43	0.63	-0.44	20.66
7,214.00	0.91	15.20	7,203.83	-226.68	-9.59	226.82	0.17	-0.17	-0.65
7,309.00	0.65	41.26	7,298.82	-225.54	-9.03	225.66	0.46	-0.27	27.43
7,404.00	0.32	80.18	7,393.82	-225.09	-8.42	225.17	0.47	-0.35	40.97
7,499.00	0.61	134.31	7,488.82	-225.40	-7.79	225.44	0.52	0.31	56.98
7,594.00	1.04	152.34	7,583.81	-226.52	-7.03	226.50	0.52	0.45	18.98
7,688.00	1.49	165.32	7,677.78	-228.46	-6.33	228.39	0.56	0.48	13.81
7,783.00	1.83	182.11	7,772.74	-231.17	-6.07	231.08	0.62	0.36	17.67
7,878.00	2.22	190.47	7,867.69	-234.49	-6.46	234.42	0.51	0.41	8.80
7,973.00	1.26	239.00	7,962.64	-236.84	-7.69	236.84	1.76	-1.01	51.08
8,067.00	0.89	243.76	8,056.63	-237.69	-9.23	237.80	0.40	-0.39	5.06
8,162.00	0.99	231.73	8,151.62	-238.53	-10.54	238.71	0.23	0.11	-12.66
8,256.00	1.13	234.12	8,245.60	-239.57	-11.92	239.85	0.16	0.15	2.54

RECEIVED: Apr. 25, 2013

Scientific Drilling

SDI
Survey Report

Anadarko Petroleum Corporation

Company:	US ROCKIES REGION PLANNING	**Local Co-ordinate Reference:**	Well NBU 1022-1P1CS
Project:	UTAH - UTM (feet), NAD27, Zone 12N	**TVD Reference:**	GL 5128 & KB 19 @ 5147.00ft (PIONEER 54)
Site:	NBU 1022-1P PAD	**MD Reference:**	GL 5128 & KB 19 @ 5147.00ft (PIONEER 54)
Well:	NBU 1022-1P1CS	**North Reference:**	True
Wellbore:	OH	**Survey Calculation Method:**	Minimum Curvature
Design:	OH	**Database:**	EDM 5000.1 Single User Db

Survey

Measured Depth (ft)	Inclination (°)	Azimuth (°)	Vertical Depth (ft)	+N/-S (ft)	+E/-W (ft)	Vertical Section (ft)	Dogleg Rate (°/100ft)	Build Rate (°/100ft)	Turn Rate (°/100ft)
8,351.00	0.81	239.29	8,340.59	-240.47	-13.26	240.82	0.35	-0.34	5.44
8,446.00	0.67	208.30	8,435.58	-241.30	-14.10	241.71	0.44	-0.15	-32.62
LAST SDI MWD PRODUCTION SURVEY									
8,510.00	0.67	208.30	8,499.57	-241.96	-14.46	242.39	0.00	0.00	0.00
SDI PROJECTION TO BIT									

Design Annotations

Measured Depth (ft)	Vertical Depth (ft)	Local Coordinates +N/-S (ft)	Local Coordinates +E/-W (ft)	Comment
154.00	154.00	-0.08	-0.20	FIRST SDI MWD SURFACE SURVEY
2,240.00	2,231.55	-175.29	-11.26	LAST SDI MWD SURFACE SURVEY
2,379.00	2,369.93	-188.01	-14.60	FIRST SDI MWD PRODUCTION SURVEY
8,446.00	8,435.58	-241.30	-14.10	LAST SDI MWD PRODUCTION SURVEY
8,510.00	8,499.57	-241.96	-14.46	SDI PROJECTION TO BIT

Checked By: _____ Approved By: _____ Date: _____

RECEIVED: Apr. 25, 2013

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

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
U-011336

SUNDRY NOTICES AND REPORTS ON WELLS

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

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:
NATURAL BUTTES

1. TYPE OF WELL
Gas Well

8. WELL NAME and NUMBER:
NBU 1022-1P1CS

2. NAME OF OPERATOR:
Kerr-McGee Oil & Gas Onshore, LP

9. API NUMBER:
43047392970000

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

PHONE NUMBER:
720-929-6485

9. FIELD and POOL or WILDCAT:
NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
1161 FSL 493 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: SESE Section: 1 Township: 10S Range: 22E Meridian: S

COUNTY:
UINTAH

STATE:
UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
✓ SUBSEQUENT REPORT Date of Work Completion: 6/17/2019	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: WELLBORE CLEANOU

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
A WELLBORE CLEANOUT HAS BEEN COMPLETED ON THE SUBJECT WELL. PLEASE SEE THE ATTACHED OPERATIONS SUMMARY REPORT FOR DETAILS.

April 02, 2020
Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Teisha Black	435 781-9724	Regulatory Analyst
SIGNATURE		**DATE**
N/A		6/17/2019

RECEIVED: Jun. 17, 2019

US ROCKIES REGION

Operation Summary Report

Well: NBU 1022-1P1CS BLUE		Spud date: 9/15/2012	
Project: UTAH-UINTAH	Site: NBU 1022-01P PAD		Rig name no.: ROCKY MOUNTAIN WELL SERVICE 3/3
Event: WELL WORK EXPENSE	Start date: 5/30/2019		End date: 5/31/2019
Active datum: RKB @5,147.00usft (above Mean Sea Level)	UWI: SE/SE/0/10/S/22/E/1/0/0/26/PM/S/1161/E/0/493/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD from (usft)	Operation
5/30/2019	9:00 - 10:00	1.00	MAINT	30	A	P		MOVE IN RIG & EQUIP & RIG UP
	10:00 - 11:00	1.00	MAINT	30	F	P		MOVE IN, RU RIG & EQUIP, FCSG & TBG 50, PSI, CONTROL WITH 40 BBLS, ND TREE PU TBG SLIGHTLY STUCK CAME FREE, NU BOPES & TBG EQUIP,
	11:00 - 15:30	4.50	MAINT	31	S	P		RU SCAN TECH SCAN OUT OF HOLE W/ 99 JTS L-80 ALL YELLOW BAND, 150 JTS, J-55 44 YELLOW BAND, 106 RED BAND. LIGHT SCALE FROM JTS 190-200 (6015-6330') MEDIUM SCALE FROM JTS 201-207 (6330-6552') INTERNAL WALL LOSS, AND BENT JOINTS, RD SCAN TECH
	15:30 - 17:30	2.00	MAINT	31	O	P		PREP & TALLY & RIH WITH 3 7/8" MILL, POBS, 1.875 XN-NIPPLE, AND 110 JTS 2 3/8 TO 3540' SWIFN
5/31/2019	7:00 - 7:15	0.25	MAINT	48	B	P		SM/JSA, NOISE, PINCH POINT, BROACHING
	7:15 - 9:30	2.25	MAINT	31	O	P		SICP 130, BWD, RIH W/ 139 JTS , 249 TOTAL TAGGED @ 7960 , RU SWIVEL, & FOAM & N2 UNITS
	9:30 - 13:30	4.00	MAINT	31	H	P		PU CIRC 1 HR, DRILL FROM 7960 TO 7965 ' FELL FREE TO 8146, DRILLED HARD SCALE FROM 8146 TO 8200' FELL FREE TO 8418, 97' BBP RD SWIVEL LD 3 JTS PUMP ACID CIRC CLEAN LAY DOWN EXCESS TBG LAND ON HANGER WITH 247 JTS @ 7905 L-80 & J-55
	13:30 - 14:30	1.00	MAINT	31	Y	P		BROACHED TBG TO NIPPLE GOOD
	14:30 - 16:00	1.50	MAINT	31	1	P		RD TBG EQUIP, ND BOPES, NU TREE, POB @ 850 PSI, CIRC WELL, RD RIG & EQUIP

RECEIVED: Jun. 17, 2019

Division of Oil, Gas and Mining
Operator Change/Name Change Worksheet-for State use only

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									

see operator file

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

OPERATOR CHANGES DOCUMENTATION:

1. Sundry or legal documentation was received from the **FORMER** operator on: 8/11/2020
2. Sundry or legal documentation was received from the **NEW** operator on: 8/11/2020
3. 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.

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

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

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

RECEIVED

AUG 11 2020

DIV OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT or CA AGREEMENT NAME: NATURAL BUTTES
8. WELL NAME and NUMBER: CIGE 20
9. API NUMBER: 43047304850000
10. FIELD AND POOL, OR WILDCAT:

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: UINTAH
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		
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	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☐ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☒ OTHER: Transfer remediation liabilities
	☐ CONVERT WELL TYPE	☐ 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 Aubree Besant DATE July 17, 2020

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AUG 11 2020
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(This space for State use only)

APPROVED

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

(See Instructions on Reverse Side)

(5/2000)