

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

5. LEASE DESIGNATION AND SERIAL NO.
ML-3085

6. IF INDIAN, ALLOTTEE OR TRIBE NAME
UTE TRIBAL LAND

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME, WELL NO.

9. A# WELL NO.
N. CHAPITA 106-32

10. FIELD AND POOL, OR WILDCAT
NORTH CHAPITA

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
SEC. 32, T8S, R22E

12. COUNTY OR PARISH
UINTAH

13. STATE
UTAH

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL DEEPEN

b. TYPE OF WELL
OIL WELL GAS WELL OTHER SINGLE ZONE MULTIPLE ZONE

2. NAME OF OPERATOR
EOG RESOURCES, INC.

3. ADDRESS AND TELEPHONE NO.
P.O. BOX 1815 VERNAL, UTAH 84078

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*
At surface 1881' FNL & 1950' FWL, SE/NW *630, 827E*
At proposed prod. zone *4,432, 718M*

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*
14.3 MILES SOUTHEAST OF OURAY, UTAH

15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drig. unit line, if any)
1881'

16. NO. OF ACRES IN LEASE
600

17. NO. OF ACRES ASSIGNED TO THIS WELL

18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT.
6700'

19. PROPOSED DEPTH
6700'

20. ROTARY OR CABLE TOOLS
ROTARY

21. ELEVATIONS (Show whether DF, RT, GR, etc.)
4722' GRADED GROUND

22. APPROX. DATE WORK WILL START*
NOVEMBER 1999

PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
11"	8 5/8"	24#	200'-220'	100-150 SX CLASS "G" + 2% CaCl ₂ + 1/4#/SX CELLOFLAKE 50/50 POZMIX: 1.3 Cu Ft/SX. 14.1PPG. EST. 1000 SX. FROM TD TO 400' ABOVE ZONES OF INTEREST. LIGHT CEMENT: 3.89 Cu Ft/SX 11PPG EST. 400 SX TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS.
OR 12 1/4"	9 5/8"	32.30#	200'-220'	
7 7/8"	4 1/2"	10.50#	6700'	

CONFIDENTIAL

- SEE ATTACHMENTS FOR:
- 8 POINT PLAN
 - BOPE SCHEMATIC
 - SURFACE USE AND OPERATING PLAN
 - LOCATION PLAT
 - LOCATION LAYOUT
 - TOPOGRAPHIC MAPS "A", "B" AND "C"
 - GAS SALES PIPELINE-MAP "D"
 - FACILITY DIAGRAM

EOG RESOURCES, INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER NATIONWIDE BOND #JP-0921

Pc: UTAH DIVISION OF OIL, GAS AND MINING

OCT 14 1999
DIV. OF OIL, GAS & MINING
DATE 10-7-1999

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

SIGNED *Paul J. Jett* TITLE Agent

(This space for Federal or State office use)
PERMIT NO. 43-047-3346 APPROVAL DATE _____

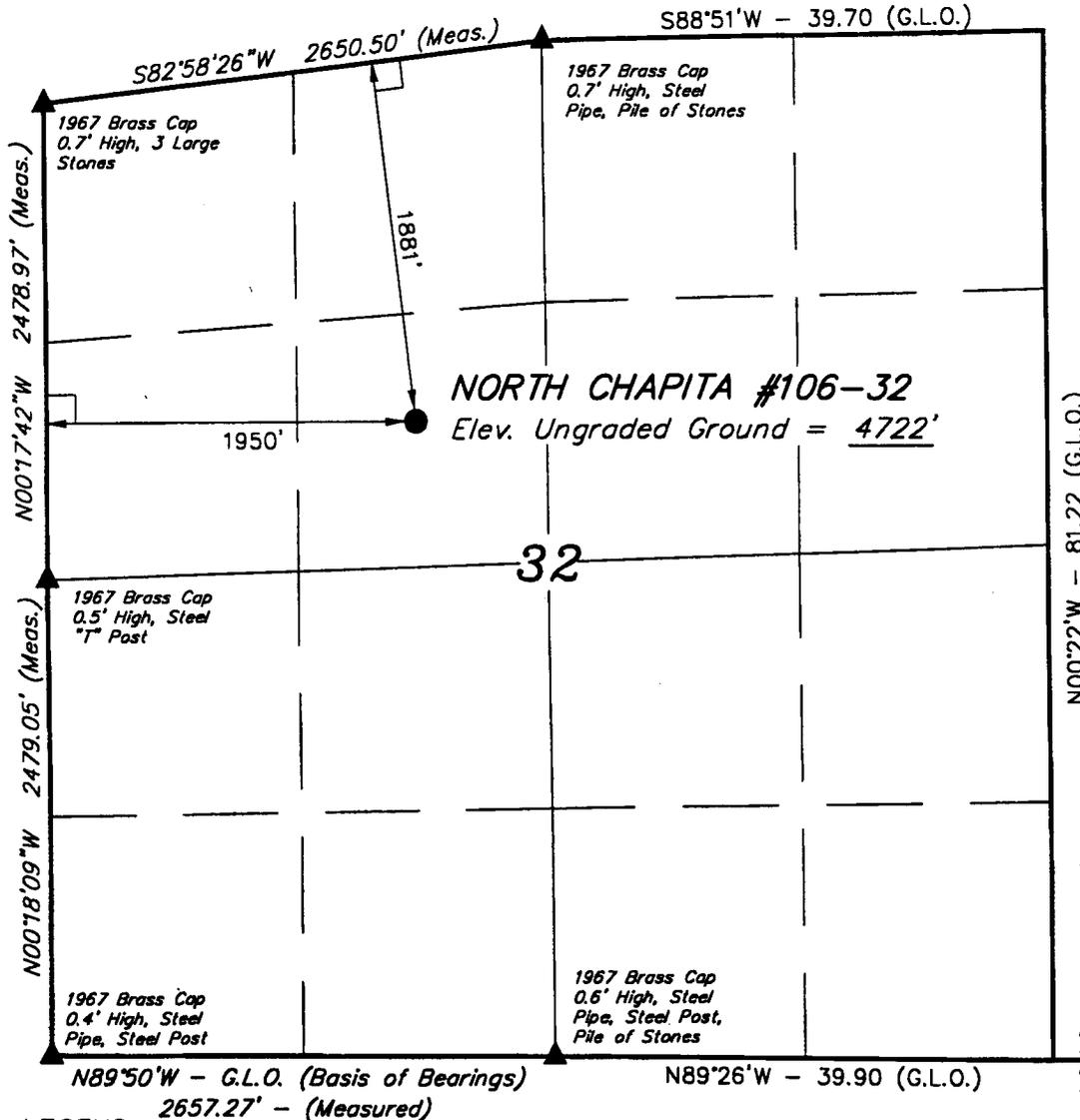
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY *Bradley G. Hill* TITLE RECLAMATION SPECIALIST III DATE 10/25/99

ENRON OIL & GAS CO.

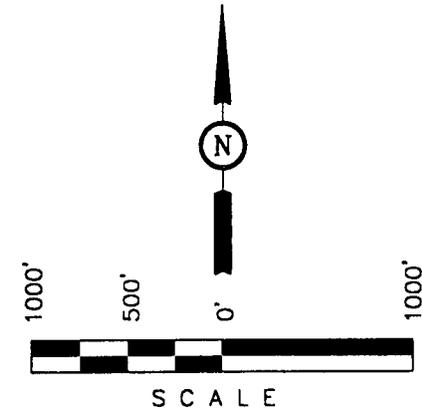
T8S, R22E, S.L.B.&M.

Well location, NORTH CHAPITA #106-32, located as shown in the SE 1/4 NW 1/4 of Section 32, T8S, R22E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHWEST CORNER OF SECTION 32, T8S, R22E, S.L.B.&M. TAKEN FROM THE RED WASH SW QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4724 FEET.



CERTIFICATE

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

Robert L. Stapp
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161219
 STATE OF UTAH
 KAY

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

SCALE 1" = 1000'	DATE SURVEYED: 08-26-99	DATE DRAWN: 09-17-99
PARTY G.S. M.A. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE ENRON OIL & GAS CO.	

LEGEND:

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

LATITUDE = 40°04'54"
 LONGITUDE = 109°27'57"

T8S
T9S

EIGHT POINT PLAN

NORTH CHAPITA 106-32
SE/NW, SEC. 32, T8S, R22E
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH	TYPE ZONES	MAXIMUM PRESSURE
Green River	2205		
Oil Shale	2205		
"H" Marker	3695		
"J" Marker	4310		
Base "M" Marker	4890		
Wasatch	5290		
Peters Point	5290	GAS	
Chapita Wells	5910	GAS	
Buck Canyon	6595	GAS	

CONFIDENTIAL

EST. TD 6700' Anticipated BHP 2900 PSI

2. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

3. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>MINIMUM SAFETY FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
11	0' - 220'	200' - 220'	8 5/8	24.0 #	J-55	ST&C	1370 PSI	2950 PSI	263,000#
or									
12 ¼	0' - 220'	200' - 220'	9 5/8	32.3 #	H-40	ST&C	1370 PSI	2270 PSI	254,000#
7 7/8	0' - 6700'	6700'	4 ½	10.5 #	J-55	ST&C	4010 PSI	4790 PSI	146,000#

If conductor drive pipe is used, it will be left in place if its total length is less than 20 feet below the surface. If the total length of the drive pipe is equal to or greater than 20 feet, it will be pulled prior to cementing surface casing, or it will be cemented in place. The minimum diameter of the conductor drive pipe will be 13 3/8".

All casing will be new or inspected.

EIGHT POINT PLAN

NORTH CHAPITA 106-32
SE/NW, SEC. 32, T8S, R22E
UINTAH COUNTY, UTAH

5. MUD PROGRAM

<u>INTERVAL</u>	<u>MUD TYPE</u>	<u>MUD WEIGHT</u>
0' - 220'	Air	NA
240' - 4000'	Air/Mist & Aerated Water	NA
4000' - TD	Air/3% KCL water or KCL substitute	NA

CONFIDENTIAL

Lost circulation probable from 1500' to 3000'+/-.

Sufficient mud inventory will be maintained on location during drilling to handle any adverse conditions that may arise.

6. VARIANCE REQUESTS:

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic ignitor or continuous pilot light on the blooie line. (Not required on aerated water system).
- B. EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. To reduce location excavation, the blooie line will be 75' in length.

7. EVALUATION PROGRAM:

Logs: Schlumberger Platform Express

AIT-GR-SP-CAL

T.D. to base of surface casing

FDC-CNL-GR-Cal-PE

T.D. to 3600'

Cores: None Programmed

DST: None Programmed

Completion: To be submitted at a later date.

Note: If hole conditions prevent the running of open hole logs, a cased hole Dipole Sonic/Neutron/Gr will be run in lieu of open hole logs.

EIGHT POINT PLAN

NORTH CHAPITA 106-32
SE/NW, SEC. 32, T8S, R22E
UINTAH COUNTY, UTAH

CONFIDENTIAL

8. ABNORMAL CONDITIONS:

None anticipated.

9. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Kelly Clock
- C. Stabbing Valve
- D. Visual Mud Monitoring

10. 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.

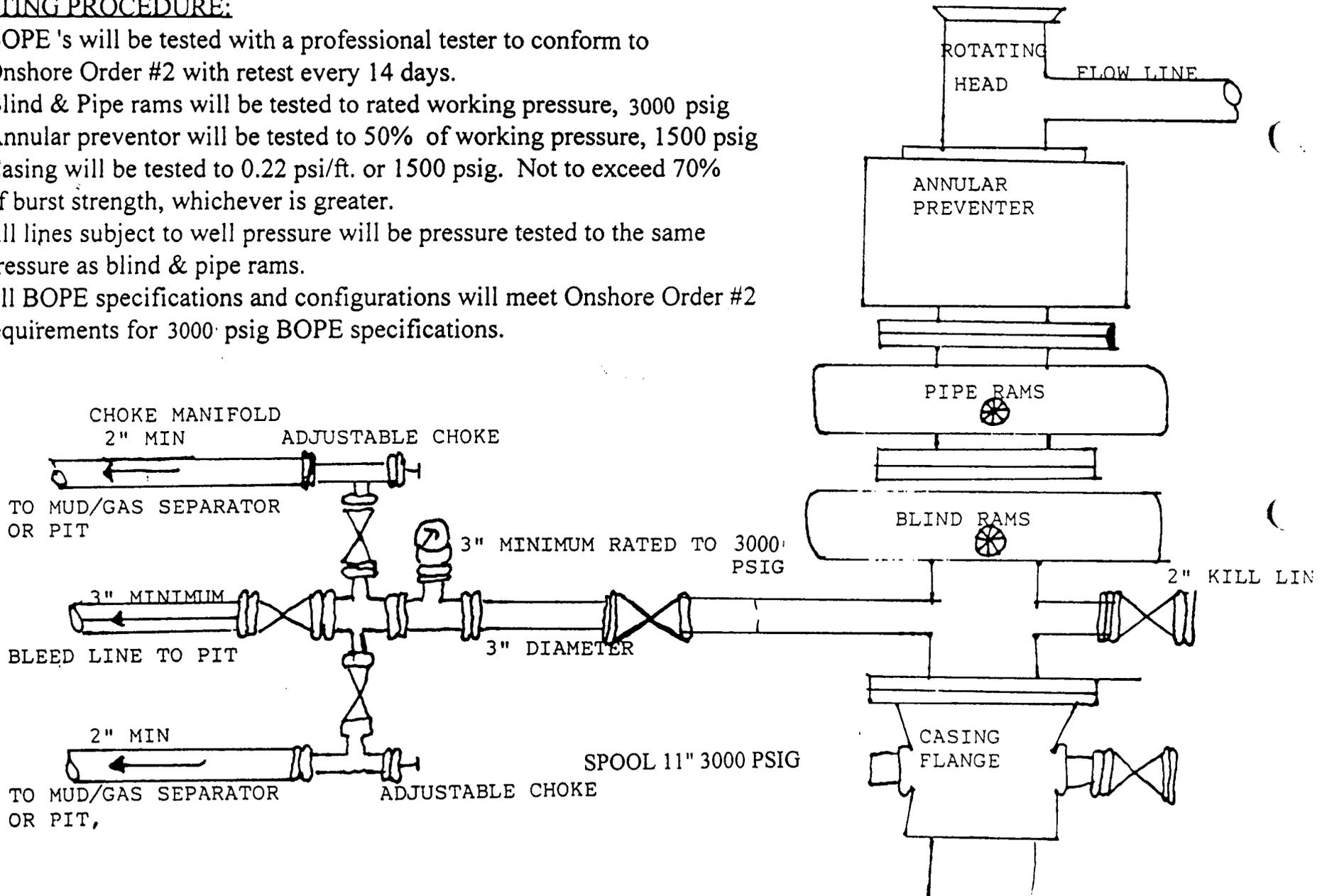
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 RATED.
 CASING FLANGE IS 11" 3000 PSIG RATED.
 BOPE 11" 3000 PSIG

TESTING PROCEDURE:

1. BOPE 's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig
3. Annular preventor will be tested to 50% of working pressure, 1500 psig
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



**CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL**

Company/Operator: EOG Resources, Inc.
Well Name & Number: North Chapita 106-32
Lease Number: ML-3085
Location: 1881' FNL & 1950' FWL, SE/NW, Sec. 32, T8S, R22E
S.L.B.&M., Uintah County
Surface Ownership: Ute Indian Tribe

NOTIFICATION REQUIREMENTS

Location Construction - forty-eight (48) hours prior to construction of location and access roads.

Location Completion - prior to moving on the drilling rig.

Spud Notice: - at least twenty-four (24) hours prior to spudding the well.

Casing String and Cementing - twenty-four (24) hours prior to running casing and cementing all casing strings.

BOP and related Equipment Tests - twenty-four (24) hours prior to running casing and tests.

First Production Notice well - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite 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 14.3 miles southeast of Ouray, 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. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.4 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, 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.

New or reconstructed roads will be centerlined - flagged at time of location staking.

All travel will be confined to existing access road Right-of-Way. 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 & Gas Exploration and Development, (1989).

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, 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 30 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 crossings nor shall the drainages be blocked by the roadbed. Erosion of

drainage ditches by run off 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 them avoided.

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

3. LOCATION OF EXISTING WELLS WITHIN A ONE MILE RADIUS OF PROPOSED WELL LOCATION

- A. Water wells - None
- B. Abandoned wells - None
- C. Temporarily abandoned wells - None
- D. Disposal wells - None
- E. Drilling wells - None
- F. Producing wells - 4*
- G. Shut in wells - None
- H. Injection wells - None

(*See attached TOPO map "C" for location)

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

- 1. Tank batteries - None
- 2. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of well head valves, separator, dehy, 210 Bbl condensate tank, meter house, and attached piping.
See attached facility diagram.
- 3. Oil gathering lines - None
- 4. Gas gathering lines - A 4 ½" gathering line will be buried from dehy to the edge of the location.
- 5. Injection lines - None
- 6. Disposal lines - None
- 7. Surface pits - None

B. OFF WELL PAD

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 41/2" OD steel above ground natural gas pipeline will be laid approximately 1800' from proposed location to a point in the SE/4 of Section 32, T8S, R22E, where it will tie into Questar Pipeline Co.'s

existing line. Proposed pipeline crosses BIA administered lands, thus a Right-of -Way grant will be required.

3. Proposed pipeline will be a 4 ½ “ OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

The production facilities will be placed on the West side of the location.

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 required will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a construction in the unit or other lease or unit boundary change), the BIA will process a change in authorization to the appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from the Ouray Brine Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by Target Trucking Inc..
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIAL

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Tribal Land.
- C. 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 an approved waste disposal facility.
4. Produced waste water will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. During the 90 day period, an application for approval of a permanent disposal method and location, together with the required water analysis, will be submitted for the AO's approval.
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 be 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.

Burning of trash will not be allowed. All trash must be contained in a trash cage and hauled away to an approved disposal site at the completion of the drilling activities.

On BIA administered land:

The reserve pit will be constructed so as not to leak, break, or allow discharge.

The reserve pit shall be lined.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with Onshore Order No. 7, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES

- A. No airstrips or camps are planned for this well.

9. WELLSITE 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 North side 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 well head and 30 feet from the reserve pit fence.

The stockpiled topsoil will be stored on the South side.

Access to the well pad will be from the East.

N/A Diversion ditch(es) shall be constructed on the _____ side of the location (above/below) the cut slope, draining to the _____.

N/A Soil compacted earthen berm(s) shall be placed on the _____ side(s) of the location between the _____.

N/A The drainage(s) shall be diverted around the sides of the well pad location.

N/A The reserve pit and/or pad locations shall be constructed long and narrow for topographic reasons _____.

N/A Corner # will be rounded off to minimize excavation.

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 distance 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 the 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 BIA or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on Tribal land, or any fence between Tribal land and private land, the operator will contact the BIA, 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 RESTORATION OF SURFACE

A. 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. The reserve pit will be reclaimed within 12 months from the date of well completion. Before any dirt work takes place, the reserve pit will be completely dry and all cans, barrels, pipe, fluid, and hydrocarbons, will be removed.

Contact appropriate surface management agency for required seed mixture.

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 BIA will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP

Access road: Tribal

Location: Tribal

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 AO. Within five working days the AO 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 AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO 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 AO 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 AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO 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 BIA, or the appropriate County Extension Office. On BIA administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of 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 Tribal Lands after the conclusion of drilling operations or at any other time without BIA authorization. However, if BIA authorization is obtained, it is only a temporary measure to allow time to

make arrangements for permanent storage on commercial facilities. (The BIA does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

- N/A No construction or drilling activities shall be conducted between _____ and _____ because of _____.
- N/A No surface occupancy will be allowed within 1,000 feet of any sage grouse strutting ground.
- N/A No construction or exploration activities are permitted within a 1.5 mile radius of sage grouse strutting grounds from April 1 to June 30.
- N/A There shall be no surface disturbance within 600 feet of live water (includes stock tanks, springs, and guzzlers).
- N/A No cottonwood trees will be removed or damaged.
- N/A Pond will be constructed according to BIA specifications approximately _____ feet _____ of the location, as flagged on the onsite.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

EOG Resources, Inc.	EOG Resources, Inc.	Ed Trotter
P.O. Box 250	P.O. Box 1815	P.O. Box 1910
Big Piney, WY 83113	Vernal, UT 84078	Vernal, UT 84078
Jim Schaefer	George McBride	Telephone: (435)789-4120
Telephone (307)276-3331	Telephone (435)789-0790	Fax: (435)789-1420

All lease 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 approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The BIA office shall be notified upon site completion prior to moving on the drilling rig.

Certification

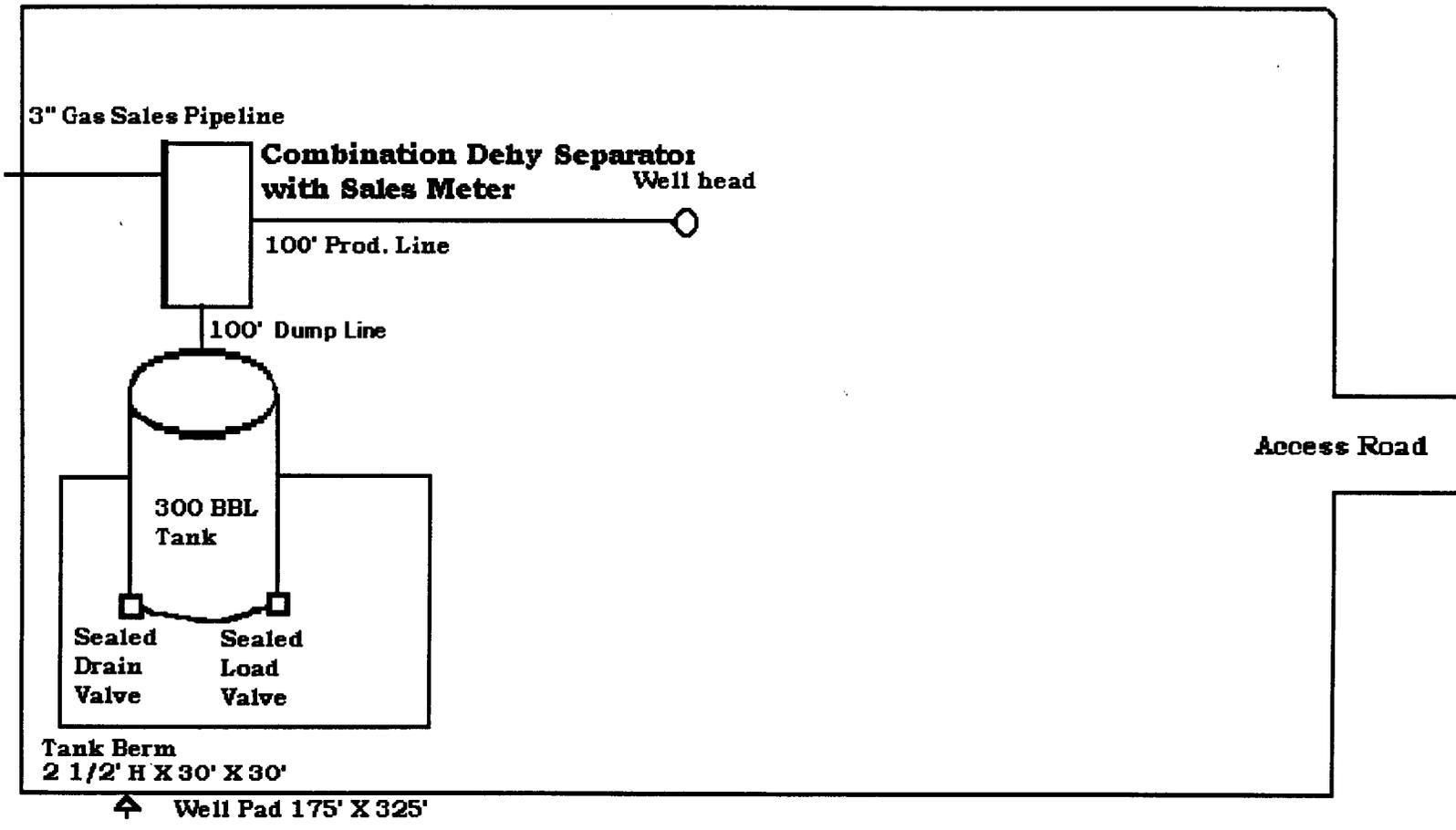
I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with 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.

10-7-1999
Date


Agent

SITE FACILITY DIAGRAM
NORTH CHAPITA 106-32
SEC. 32, T8S, R22E, SE/4NW/4
UINTAH COUNTY, UTAH
FEDERAL LEASE NO. ML-3085

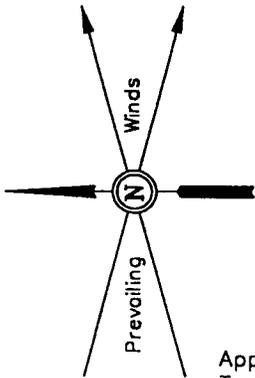
(Site Security Plan is on file at Enron's Vernal Office)



ENRON OIL & GAS CO.

LOCATION LAYOUT FOR

NORTH CHAPITA #106-32
SECTION 32, T8S, R22E, S.L.B.&M.
1881' FNL 1950' FWL



SCALE: 1" = 50'
DATE: 09-17-99
Drawn By: D.R.B.

Proposed Access Road

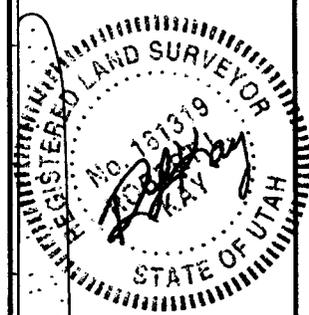
C-1.1'
El. 22.9'

C-1.2'
El. 23.0'

C-1.5'
El. 23.3'

Sta. 3+25

Approx. Top of Cut Slope



NOTE:

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

El. 22.1'
C-8.3'
(btm. pit)

FLARE PIT

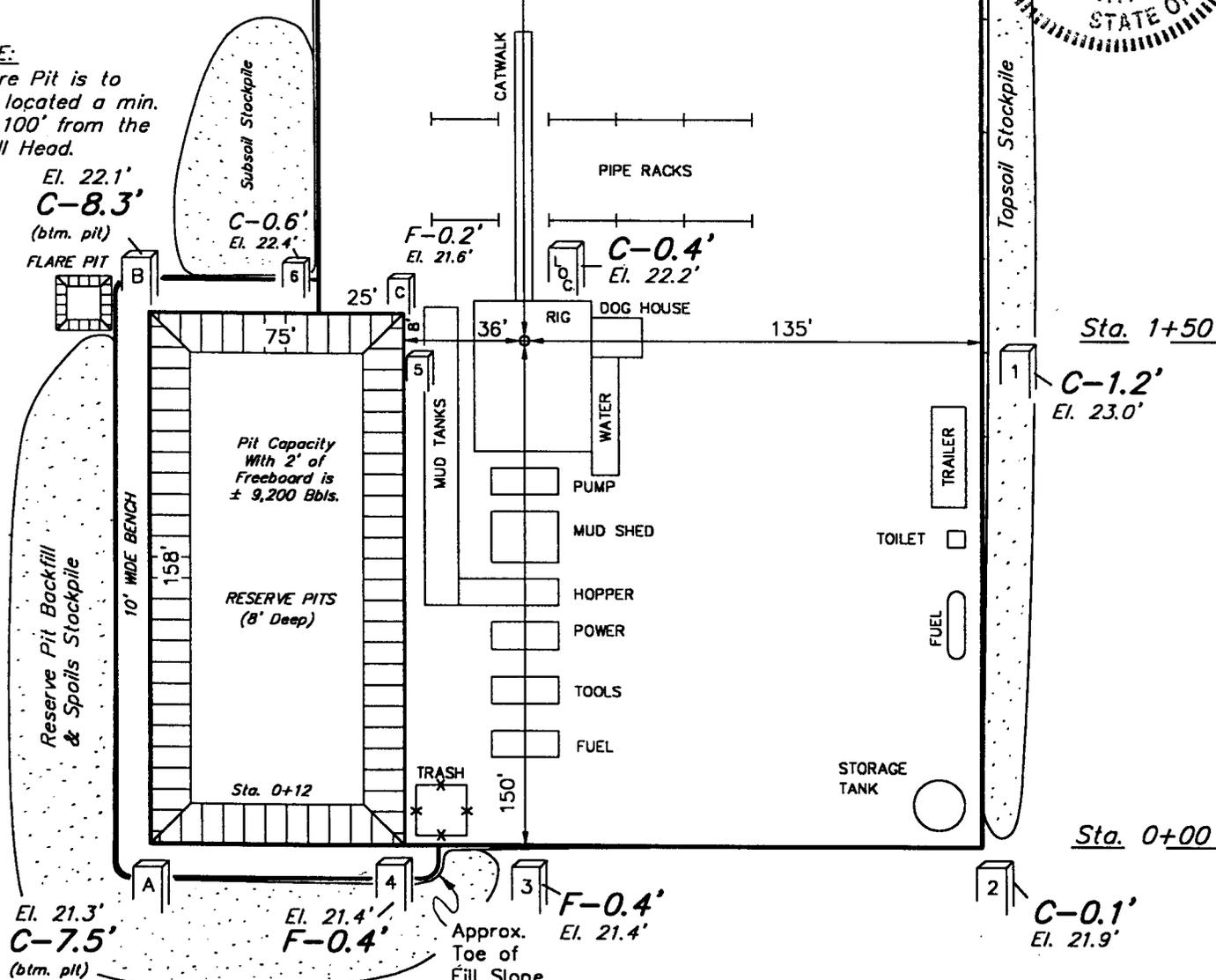
C-0.6'
El. 22.4'

F-0.2'
El. 21.6'

C-0.4'
El. 22.2'

Sta. 1+50

C-1.2'
El. 23.0'



Elev. Ungraded Ground at Location Stake = 4722.2'

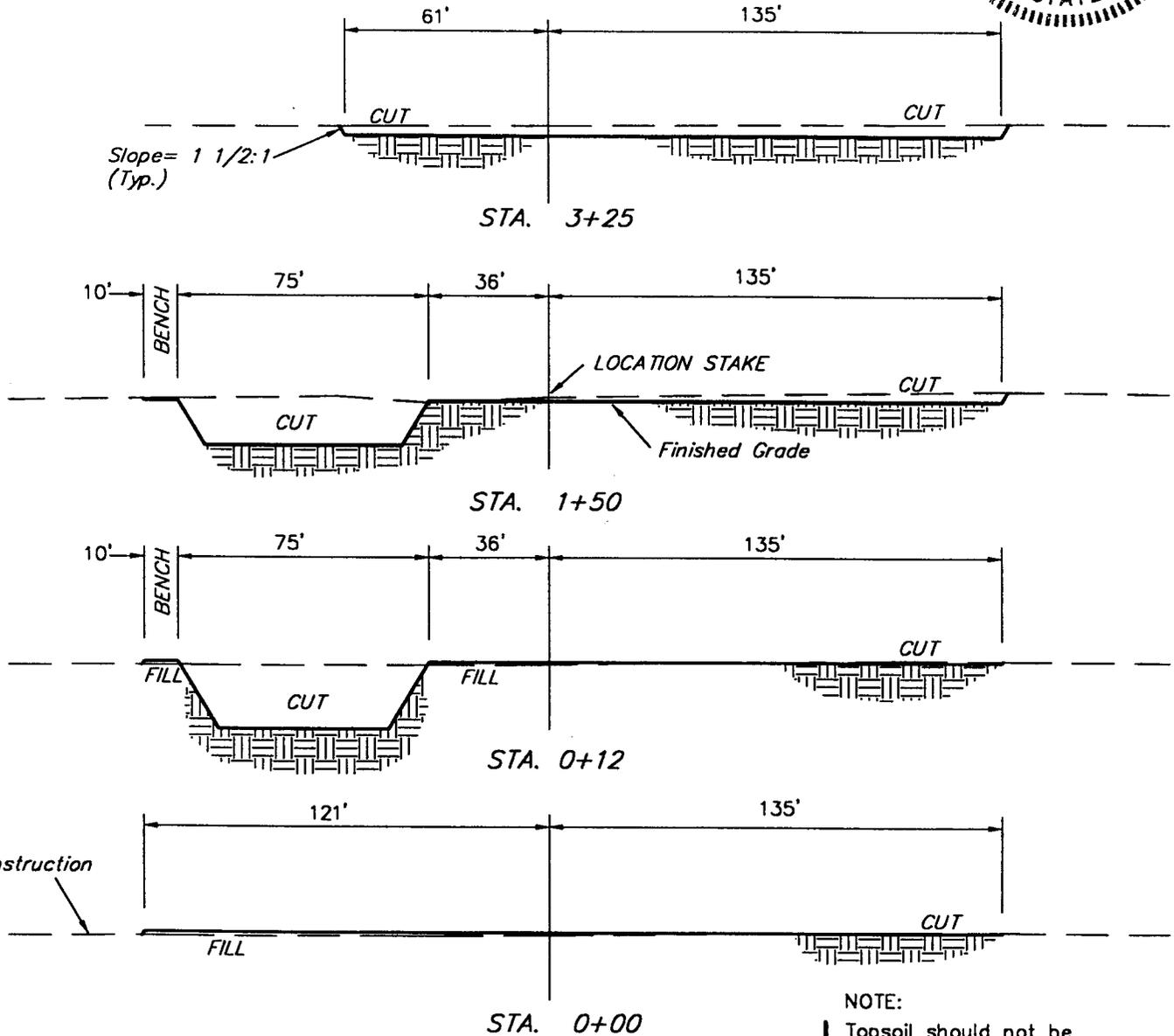
Elev. Graded Ground at Location Stake = 4721.8'

ENRON OIL & GAS CO.
TYPICAL CROSS SECTIONS FOR
NORTH CHAPITA #106-32
SECTION 32, T8S, R22E, S.L.B.&M.
1881' FNL 1950' FWL



1" = 20'
 X-Section
 Scale
 1" = 50'

DATE: 09-17-99
 Drawn By: D.R.B.

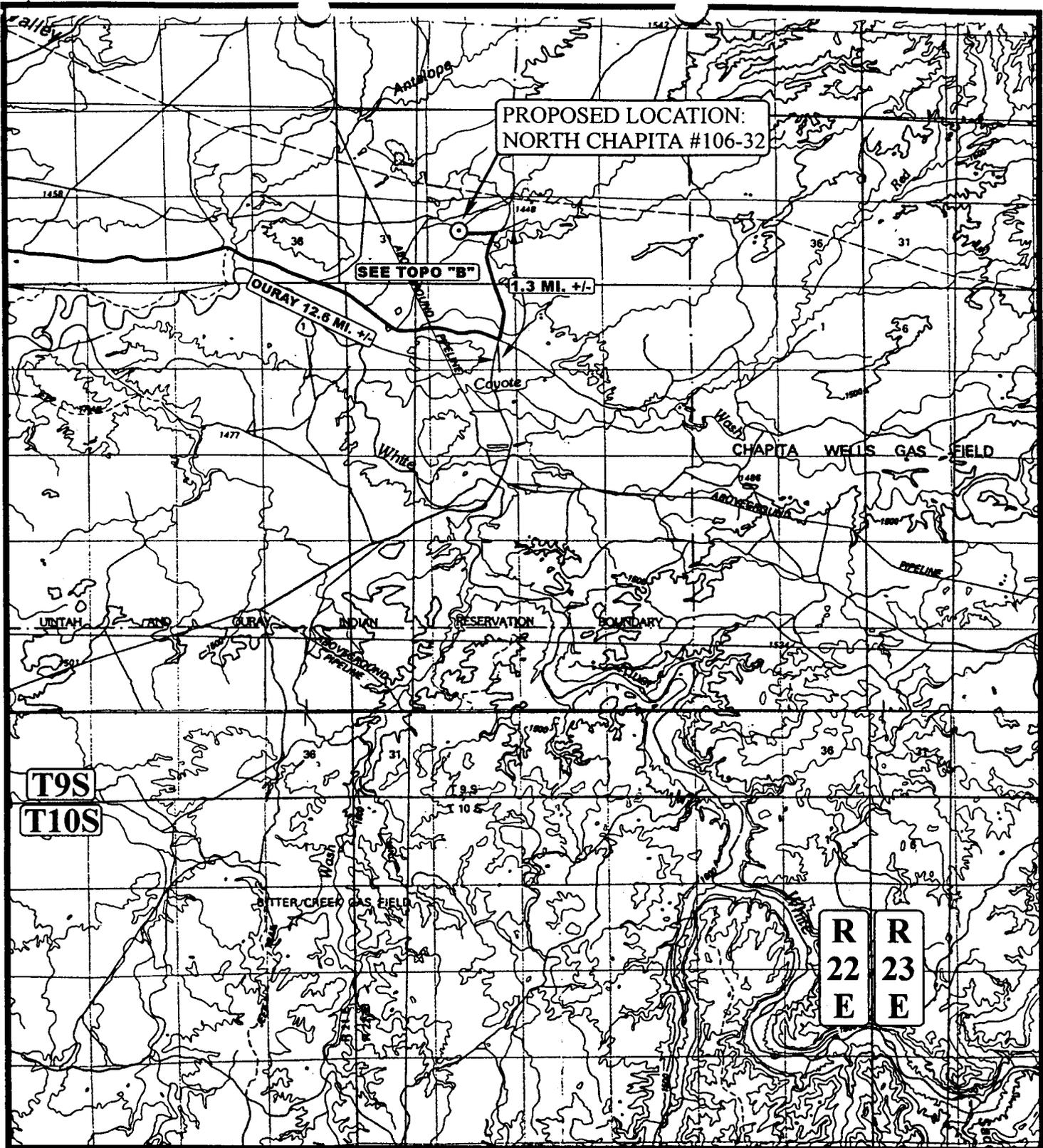


NOTE:
 Topsoil should not be Stripped Below Finished Grade on Substructure Area.

APPROXIMATE YARDAGES

(12") Topsoil Stripping	=	2,660 Cu. Yds.
Remaining Location	=	2,440 Cu. Yds.
TOTAL CUT	=	5,100 CU.YDS.
FILL	=	1,020 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	4,030 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,030 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.



PROPOSED LOCATION:
NORTH CHAPITA #106-32

SEE TOPO "B"

1.3 MI. +/-

OURAY 12.6 MI. +/-

CHAPITA WELLS GAS FIELD

BITTER CREEK GAS FIELD

T9S
T10S

R 22 E
R 23 E

LEGEND:

○ PROPOSED LOCATION

N



ENRON OIL & GAS CO.

NORTH CHAPITA #106-32
SECTION 32, T8S, R22E, S.L.B.&M.
1881' FNL 1950' FWL



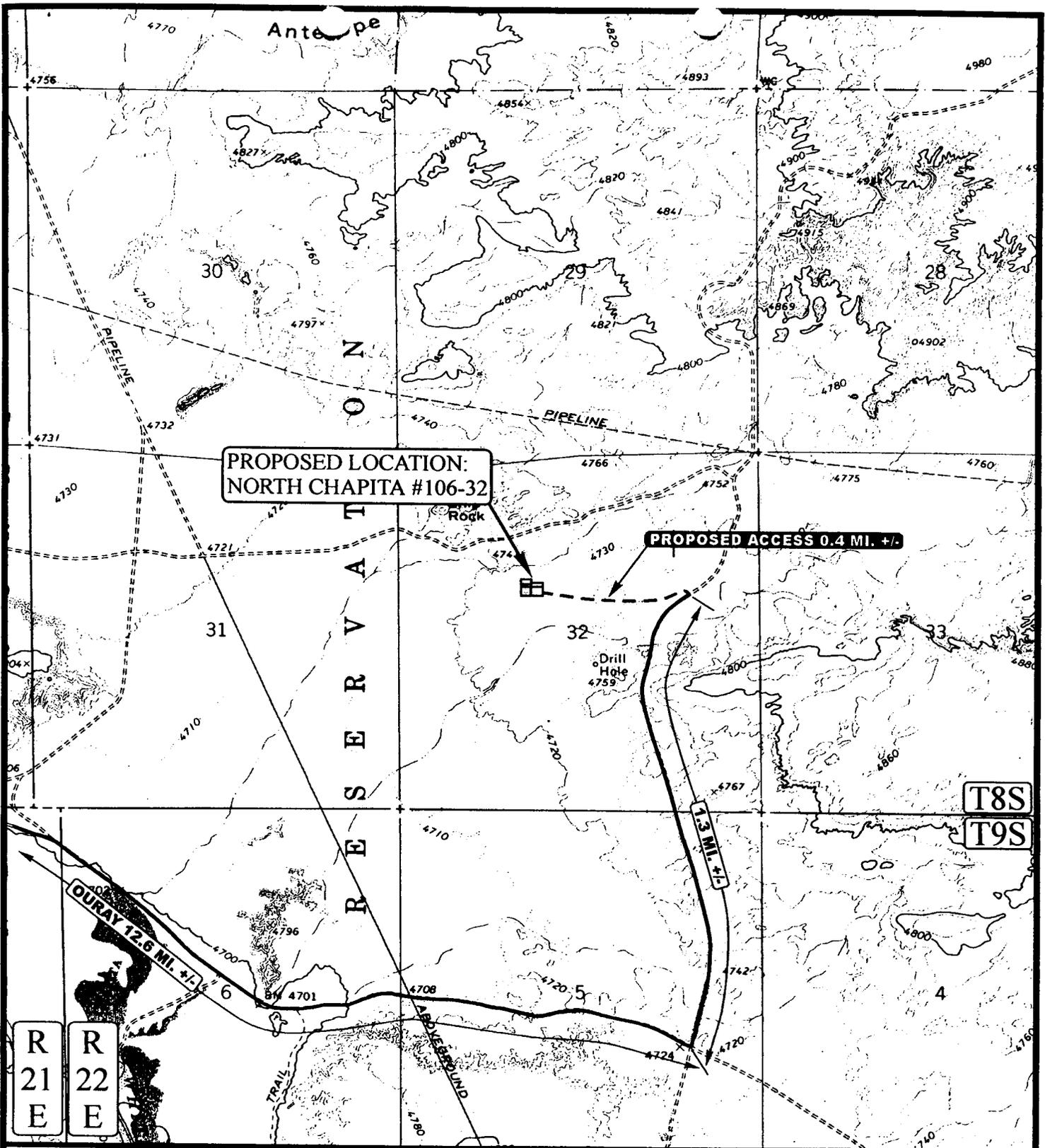
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

9	10	99
MONTH	DAY	YEAR

SCALE: 1:100,000 DRAWN BY: J.L.G. REVISED: 00-00-00





**PROPOSED LOCATION:
NORTH CHAPITA #106-32**

PROPOSED ACCESS 0.4 MI. +/-

1.3 MI. +/-

OURAY 12.6 MI. +/-

**R
21
E** **R
22
E**

**T8S
T9S**

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



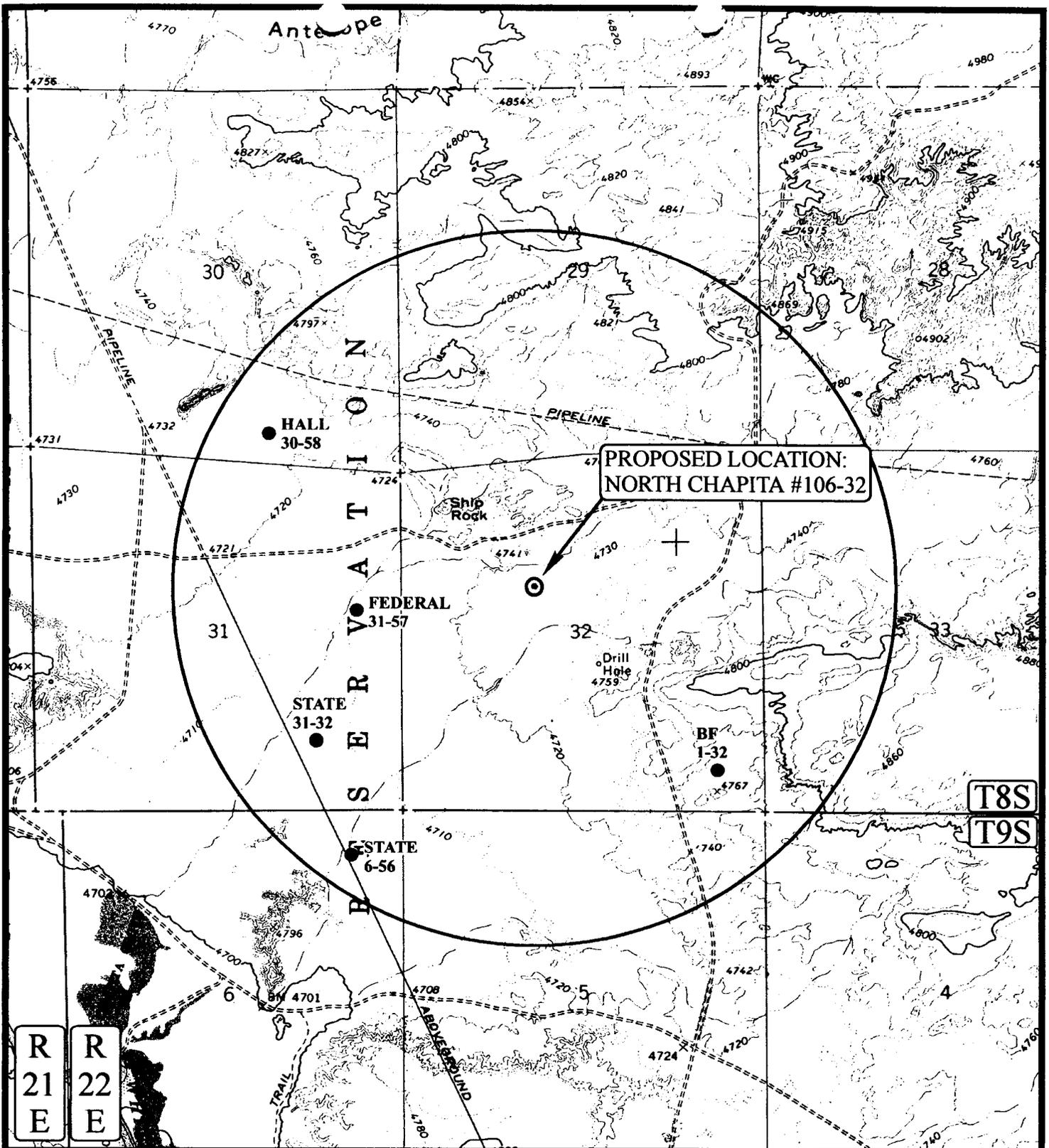
ENRON OIL & GAS CO.

**NORTH CHAPITA #106-32
SECTION 32, T8S, R22E, S.L.B.&M.
1881' FNL 1950' FWL**

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

TOPOGRAPHIC **9 9 99**
MAP **MONTH DAY YEAR**
SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00

B
TOPO



**PROPOSED LOCATION:
NORTH CHAPITA #106-32**

**T8S
T9S**

**R
21
E** **R
22
E**

LEGEND:

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



ENRON OIL & GAS CO.

**NORTH CHAPITA #106-32
SECTION 32, T8S, R22E, S.L.B.&M.
1881' FNL 1950' FWL**



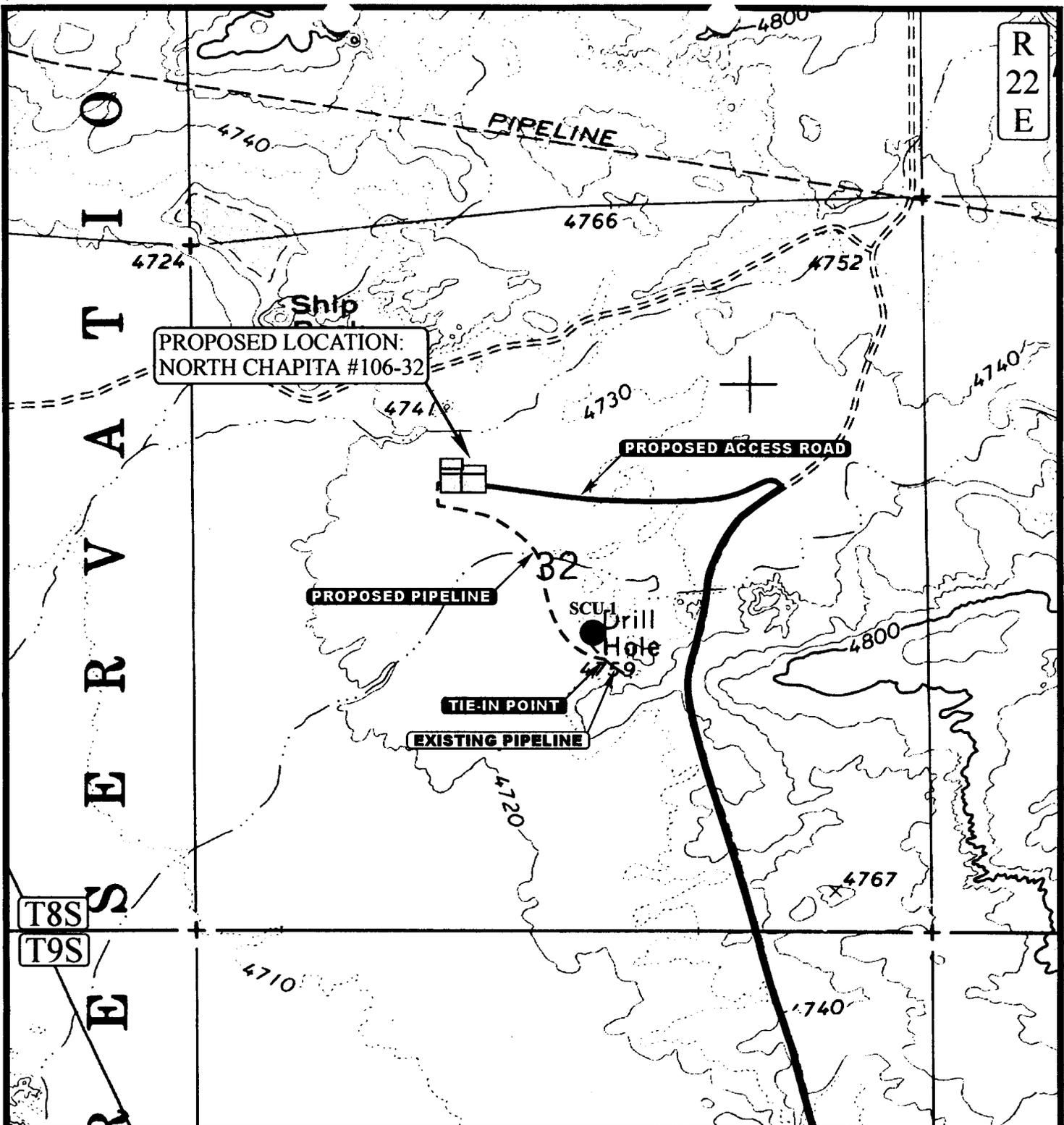
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

**TOPOGRAPHIC
MAP**

9 10 99
MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1800' +/-

LEGEND:

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS



ENRON OIL & GAS CO.

NORTH CHAPITA #106-32
 SECTION 32, T8S, R22E, S.L.B.&M.
 1881' FNL 1950' FWL



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

TOPOGRAPHIC MAP
 9 9 99
 MONTH DAY YEAR
 SCALE: 1" = 1000' DRAWN BY: J.L.G. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/14/1999

API NO. ASSIGNED: 43-047-33406

WELL NAME: N CHAPITA 106-32
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: Ed Trotter (435) 789-4120

PROPOSED LOCATION:
 SENW 32 - T08S - R22E
 SURFACE: 1881-FNL-1950-FWL
 BOTTOM: 1881-FNL-1950-FWL
 UINTAH COUNTY
 NATURAL BUTTES FIELD (630)

INSPECT LOCATN BY: / /		
TECH REVIEW	Initials	Date
Engineering	<i>RTK</i>	<i>10-25-99</i>
Geology		
Surface		

LEASE TYPE: STA
 LEASE NUMBER: ML-3085
 SURFACE OWNER: Ut. Tribe

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

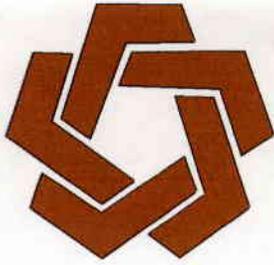
- Plat
- ~~Bond~~ Fed[] Ind[] Sta Fee[]
 (No. AP-0921 *Rider App. SITDA)
- Potash (Y/N)
- Oil Shale (Y/N) *190-5(B)
- Water Permit
 (No. Duneybrine Plant & 49-1501)
- RDCC Review (Y/N)
 (Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3. Unit _____
- R649-3-2. General Siting: _____
- R649-3-3. Exception
- Drilling Unit
 Board Cause No: 187-2 (320)
 Eff Date: 8-20-80
 Siting: 660' to lease line
- R649-3-11. Directional Drill

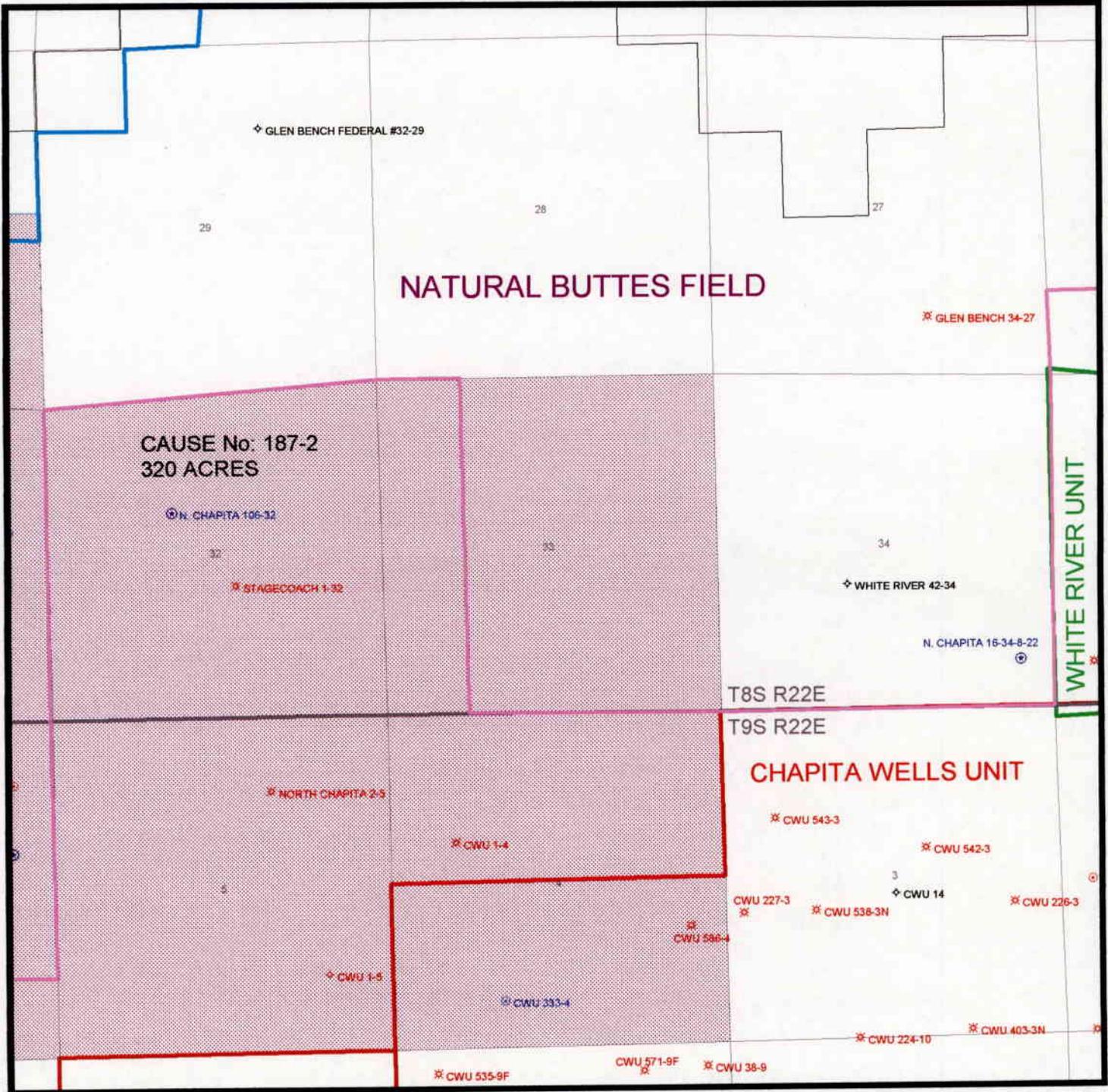
COMMENTS: 10-21-99 BIA "Flow" should be approved by Monday 10-25-99. (Rec'd 10-27-99)

STIPULATIONS: ① Variance requests should be directed to the Utah State Industrial Commission
② STATEMENT OF BASIS



Division of Oil, Gas & Mining

OPERATOR: EOG RESOURCES (N9550)
FIELD: NATUAL BUTTES (630)
SEC. 32 & 34, TWP 8 S, RNG 22 E
COUNTY: UINTAH, CAUSE No.: 187-2 320 ACRES
FOR SEC. 32



PREPARED
DATE: 18-OCT-1999

DIVISION OF OIL, GAS AND MINING
APPLICATION FOR PERMIT TO DRILL
STATEMENT OF BASIS

Operator Name: EOG Resources Inc.
Name & Number: N. Chapita 106-32
API Number: 43-047-33406
Location: 1/4, 1/4 SEnw Sec. 32 T. 8S R. 22E

Geology/Ground Water:

The depth to the moderately saline ground water at this location is estimated to be at approximately 700 feet. A search of records with the Division of Water Rights shows no underground water appropriations within 10,000' of the proposed location. The near-surface geology of this area is made up of interbedded sandstones and shales of the Uinta Formation. The sandstones of the Uinta Formation are lenticular and discontinuous and would not constitute an extensive water reservoir. The proposed casing program should adequately protect any potential sources of useable underground water.

Reviewer: Brad Hill
DATE: 10/25/99

Surface:

Surface rights at the proposed location are owned by the Ute Indian Tribe. EOG Resources is responsible for obtaining any rights-of-way or surface permits needed from the Ute Tribe.

Reviewer: Brad Hill
Date: 10/25/99

Conditions of Approval/Application for Permit to Drill:

None.

UTAH DIVISION OF WATER RIGHTS
WATER RIGHT POINT OF DIVERSION PLOT CREATED MON, OCT 25,
PLOT SHOWS LOCATION OF 0 POINTS OF DIVER

PLOT OF AN AREA WITH A RADIUS OF 10000 FEET FR
FEET, FEET OF THE CT CORNER,
SECTION 32 TOWNSHIP 8S RANGE 22E SL BASE AN

PLOT SCALE IS APPROXIMATELY 1 INCH = 4000 FEET

N O R T H

**

**

**

**

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

*

Well name:	1099 EOG N. Chapita 106-32	
Operator:	Enron	Project ID:
String type:	Surface	43-047-33406
Location:	Uintah Co.	

Design parameters:

Collapse
Mud weight: 8.400 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:
Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 78 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 220 ft

Burst:
Design factor 1.00

Cement top: Surface

Burst

Max anticipated surface pressure: 0 psi
Internal gradient: 0.442 psi/ft
Calculated BHP 97 psi

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

Non-directional string.

No backup mud specified.

Tension is based on buoyed weight.
Neutral point: 193 ft

Re subsequent strings:

Next setting depth: 6,300 ft
Next mud weight: 8.500 ppg
Next setting BHP: 2,782 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 6,300 ft
Injection pressure 6,300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	220	9.625	32.30	H-40	ST&C	220	220	8.876	13.9
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	96	1370	14.27	97	2270	23.37	6	254	40.77 J

Prepared RJK
by: Utah Dept. of Natural Resources

Date: October 25,1999
Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
Collapse is based on a vertical depth of 220 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes.
Burst strength is not adjusted for tension.

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

Well name:	1099 EOG N. Chapita 106-32	
Operator:	Enron	Project ID:
String type:	Production	43-047-33406
Location:	Uintah Co.	

Design parameters:

Collapse

Mud weight: 8.600 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 0 psi
 Internal gradient: 0.447 psi/ft
 Calculated BHP: 2,993 psi

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on buoyed weight.
 Neutral point: 5,842 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 169 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 220 ft

Cement top: Surface

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	6700	4.5	10.50	J-55	ST&C	6700	6700	3.927	140
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	2993	4010	1.34	2993	4790	1.60	61	132	2.15 J

Prepared by: RJK
 Utah Dept. of Natural Resources

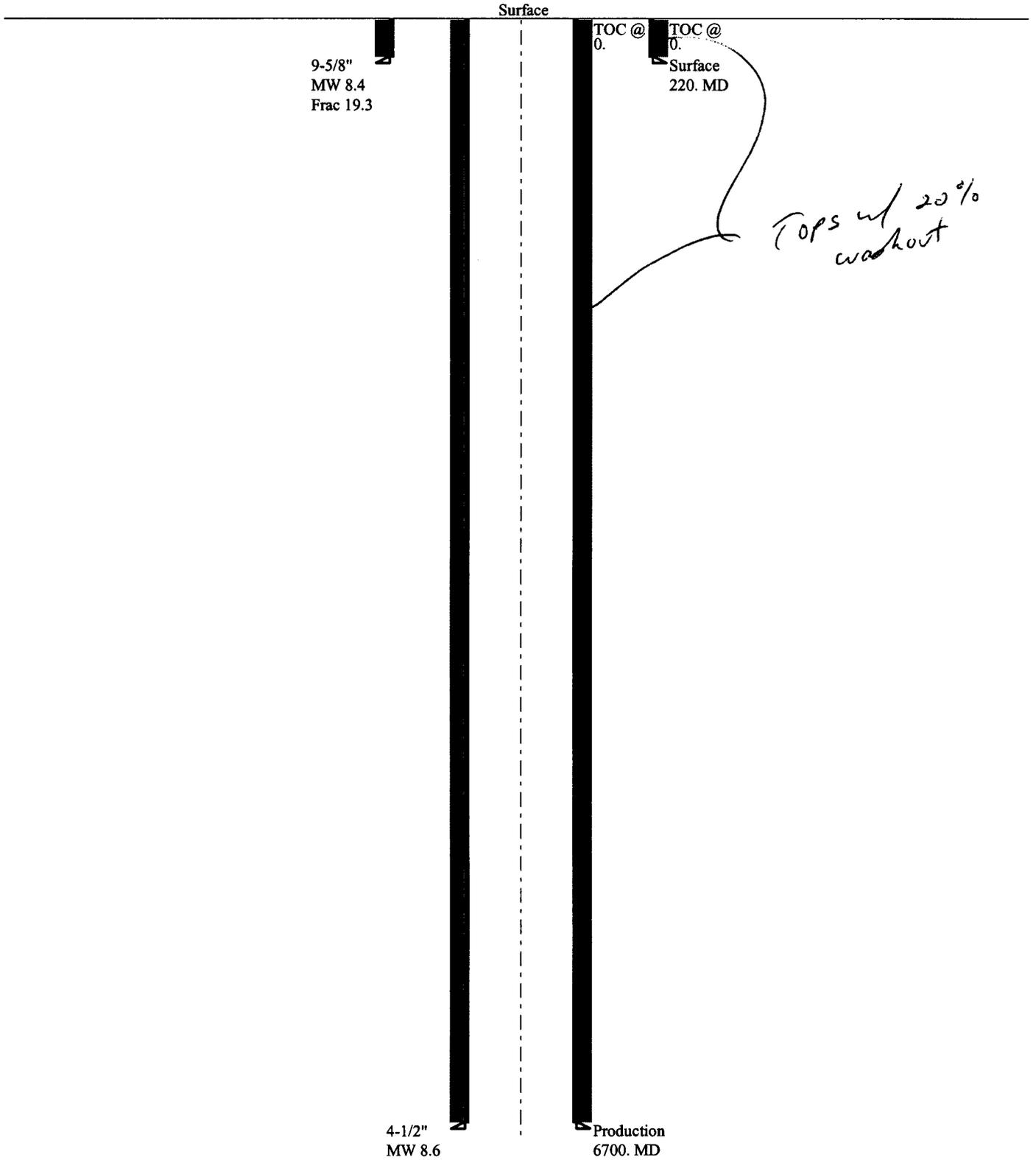
Date: October 25, 1999
 Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.
 Collapse is based on a vertical depth of 6700 ft, a mud weight of 8.6 ppg. The casing is considered to be evacuated for collapse purposes.
 Burst strength is not adjusted for tension.

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

1099 EOG N. Chapita 106-2
Casing Schematic



EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113

October 7, 1999

Utah Division of Oil, Gas, & Mining
1594 West North Temple
Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
NORTH CHAPITA 106-32
SE/NW, SEC. 32, T8S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: ML-3085
UTE TRIBAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

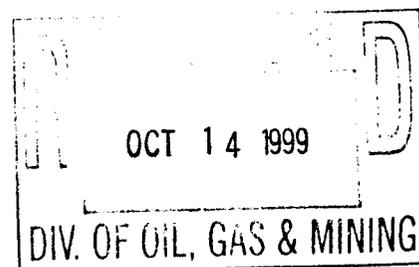
Ed Trotter
P.O. Box 1910
Vernal, UT 84078
Phone: (435)789-4120
Fax: (435)789-1420

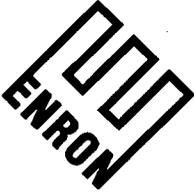
Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments





**Enron Oil & Gas
Company**
600 Seventeenth St., Ste. 1100 N
Denver, CO 80202
(303) 572-9000
Fax (303) 824-5401

October 19, 1999

Ms. Lisha Cordova
State of Utah
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: North Chapita 106-32 /43-047-33406
SE/4 of Sec. 32-8S-22E, SLM
Uintah County, Utah
State Lease ML-3085
0050567-000 (Stagecoach Prospect)

Dear Lisha:

This letter will confirm that the State Lease ML-3085 upon which EOG Resources, Inc.'s proposed North Chapita 106-32 well will be drilled covers the N/2, SW/4, N/2SE/4 and SW/4SE/4 of Section 32, Township 8 South, Range 22 East, SLM, Uintah County, Utah. As such, this proposed well location at 1881' FNL, 1950' FWL (SE/4NW/4) of Section 32, Township 8 South, Range 22 East, SLM, Uintah County, Utah, is not closer than 660' to the lease line or spacing unit line as prescribed in the Board of Oil, Gas and Mining's Order in Cause No. 187-2.

If you have any further questions or need any additional information, please don't hesitate to contact me at area code 303-572-9000 x 5474.

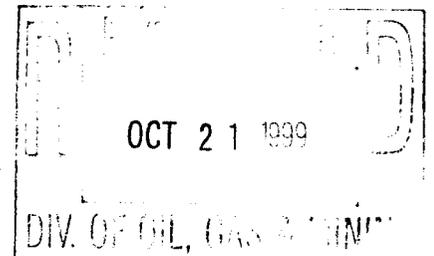
Yours very truly,

EOG RESOURCES, INC.

Toni Lei Miller
Project Landman

TLM/das
17770T

cc: Ed Trotter



Natural gas. Electricity. Endless possibilities.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Kathleen Clarke
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210
PO Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

October 25, 1999

EOG Resources, Inc.
P.O. Box 1815
Vernal, Utah 84078

Re: N. Chapita 106-32 Well, 1881' FNL, 1950' FWL, SE NW, Sec. 32, T. 8 S., R. 22 E.,
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 43-047-33406.

Sincerely,

A handwritten signature in black ink that reads "John R. Baza".

John R. Baza
Associate Director

lwp

Enclosures

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

Operator: EOG Resources, Inc.

Well Name & Number: N. Chapita 106-32

API Number: 43-047-33406

Lease: State **Surface Owner:** Ute Tribe

Location: SE NW **Sec.** 32 **T.** 8 S. **R.** 22 E.

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 of the following actions during drilling of this well:

- . 24 hours prior to cementing or testing casing
- . 24 hours prior to testing blowout prevention equipment
- . 24 hours prior to spudding the well
- . within 24 hours of any emergency changes made to the approved drilling program
- . prior to commencing operations to plug and abandon the well

Division contacts (please leave a voice mail message if person is not available to take the call):

- . Dan Jarvis at (801) 538-5338
- . Robert Krueger at (801) 538-5274 (plugging)
- . Carol Daniels at (801) 538-5284 (spud)

3. Reporting Requirements

All required reports, forms and submittals shall 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. Variance requests should be directed to the Utah State Industrial Commission.

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

GRANT OF EASEMENT FOR RIGHT-OF-WAY

ROW Serial No. H62-2000-11

DRILLSITE/ACCESS ROAD
North Chapita 106-32

KNOW ALL MEN BY THESE PRESENTS:

That the **UNITED STATES OF AMERICA**, as trustee for UTE INDIAN TRIBE acting by and through the Superintendent of the Uintah and Ouray Agency, as "Grantor", under authority contained in 209 DM 8 (39 F.R. 32166), 10 BIAM 3 (34 F.R. 637), 230 DM 3 (20 F.R. 992), and Sec. 2.11 (34 F.R. 11109), pursuant and subject to the provisions of the Act of February 5, 1948 Stat. 17, (25 U.S.C. 323-328), and Part 169, Title 25, Code of Federal Regulations, in consideration of:

SIX THOUSAND EIGHT HUNDRED SIXTY-SEVEN DOLLARS AND FORTY-EIGHT CENTS (\$6,867.48)

based on \$1325.00 per acre for consideration, the receipt of which is acknowledged does hereby grant to:

EOG RESOURCES INC., 211 SOUTH 1000 EAST, P.O. BOX 1815, VERNAL, UT 84078

its successors and assigns, hereinafter referred to as Grantee", an easement for right-of-way:

In accordance with the attached survey plat: G.L.O. Plat No. 41581 dated 09/17/99, for DRILLSITE/ACCESS ROAD right-of-way for North Chapita #106-32 well location, being 5.183 acres more or less, and approximately 2,097.06' feet in length, 39 feet in width, located in N/2 of Sec. 32 T8S, R22E, SB&M, within the exterior boundaries of the Uncompahgre Reservation for the following purposes namely: The construction, maintenance, repair, inspection, protection, operation and removal of the North Chapita #106-32, together with the necessary appurtenances thereto, on, over and across the land embraced within the right-of-way located in Uintah County, Utah.

TO HAVE AND TO HOLD said easement and right-of-way unto the Grantee and unto its successors and assigns, together with the right of ingress and egress for the purpose described above for which said easement is granted. This easement is subject to any prior existing right or adverse claim and is for a twenty (20) year period beginning, Oct. 25, 1999 so long as said easement shall actually be used for the purposes above specified. Consideration may be increased at five (5) year intervals if necessary to reflect then existing market prices.

This right-of-way shall be terminable in whole or in part by the grantor for any of the following causes upon 30 days' written notice and failure of the Grantee within said notice period to correct the basis of termination. (25 CFR 169:20)

- A. Failure to comply with any term or condition of the grant or the applicable regulations.
- B. A nonuse of the right-of-way for a consecutive two-year period for the purpose for which it was granted.
- C. An abandonment of the right-of-way.
- D. Failure of the Grantee to file with the Grantor an Affidavit of Completion pursuant to 25 CFR 169.16, upon completion of construction, or, in any case within two years of date of this easement granted in the case construction does not begin or is completed.

The conditions of this easement shall extend to and be binding upon and shall inure to the benefit of the successors and assigns of the Grantee. It has been determined that approval of this document is not such a major federal action significantly affecting the quality of the human environment as to require the preparation of an environmental impact statement under Section 102 (2) (c) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332) (2) (c).

IN WITNESS WHEREOF, Grantor has executed this Grant of Easement this 25th day of Oct, 1999.

UNITED STATES OF AMERICA

By: 
Superintendent
U.S. Department of the Interior
Uintah and Ouray Agency
Fort Duchesne, UT 84026

OCT 27 1999

RECEIVED OCT 27 1999



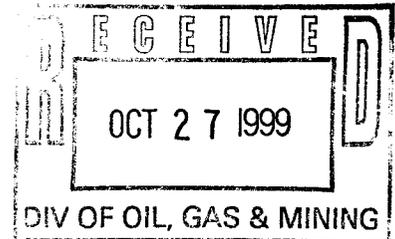
United States Department of the Interior
BUREAU OF INDIAN AFFAIRS
 Uintah and Ouray Agency
 P. O. Box 130
 988 South 7500 East
 Fort Duchesne, Utah 84026-0130
 (801) 722-4300

IN REPLY REFER TO:

Real Estate Services-ROWS
 (801) 722-4322

October 21, 1999

EOG Resources, Inc.
 P.O. Box 1815
 Vernal UT 84078



Dear Sirs:

This is your authority to proceed with construction of the following Wellsites, access roads and pipeline right of way(s).

1. **ROW H62-2000-11, Wellsite/Access Road-North Chapita #106-32N, N/2 of Section 32, T8S, R22E, SLB&M**
2. **ROW H62-2000-12-Pipeline- North Chapita#106-32N. NW/4 & S/2 of Sec. 32, T8S, R21E, SLB&M**
3. **ROW H62-2000-13, Drillsite/Access Road-North Duck Creek #100-22, SE/4 of Sec. 22 & NE/4 Sec. 27, T8S, R21E, SLB&M**
4. **ROW H62-2000-14, Pipeline- North Duck Creek#100-22, SE/4 of Sec. 22, the SW/4 of Sec. 23, the W/2 of Sec 26, & the NW/4 of Sec. 35, T8S, R21E, SLB&M**
5. **ROW H62-2000-15, Drillsite/Access Road- North Duck Creek#108-26, NW/4 of Sec. 26 & The NE/4 of Sec. 27, T8S, R21E, SLB&M**
6. **ROW H62-2000-16, Pipeline-North Duck Creek#108-26. NW/4 of Sec. 26, T8S, R21E, SLB&M.**
7. **ROW H62-2000-17, Drillsite/Access Road- North Duck Creek #103-27, W/2 of Sec. 27, T8S, R21E, SLB&M**
8. **ROW H62-2000-18, Pipeline- North Duck Creek#103-27, NW/4 & S/2 of Sec. 27 & the SW/4 of Sec. 26, T8S, R21E, SLB&M.**

* EOG Resources Inc. formerly known as Enron Oil & Gas Company.

Based upon the reports submitted and the consensus of the on-site personnel, the Ute Tribe Energy and Minerals Department is requiring the following stipulations to apply:

Pg.2-10/21/99 EOG

1. ~~30-foot~~ wide rights-of-way shall be granted.
2. ~~The Ute Tribe Energy and Minerals Department is to be notified in writing, 48 hours prior to construction, as a Tribal Technician is to routinely monitor construction.~~
3. North Duck Creek 100-22, North Duck Creek#108-26 and North Duck Creek #103-27, wellsites, access road and pipelines to be monitored during construction. Archaeologist to be accompanied by Tribal Technician. Enron to notify in writing prior to construction activity. Technician discretion to determine areas to be monitored.
4. Any deviations of submitted APD's and ROW applications EOG Resources Inc. will notify the Ute Tribe and BIA in wrting, and will receive written authorization of such change. Without authorization. **EOG Resources Inc.** understands that they will be subject to fines and penalties.
5. **EOG Resources Inc.** will implement "Safety and Emergency Plan". EOG Resources Inc. will insure its compliance.
6. Reserve pit fluids to be disposed and hauled to approved disposal pits. To apply to before and after backfilling.
7. EOG Resources Inc. will assure the Ute Tribe that any/all contractors and any sub-contractors has acquired a 1999 Tribal Business License and have "Access Permits" prior to construction and will have these permits in vehicles at all times.
8. All **EOG Resources Inc.** employees and/or authorized personnel (sub-contractors) in the field will have applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.
9. All vehicular traffic, personnel movement, construction and restoration operations should be confined to that the areas examined, as referenced in report, and to the existing roadways and/or evaluated access routes.
10. All personnel should refrain from collecting artifacts and from disturbing any significant cultural resources in the area.
11. The personnel from the Ute Tribe Energy and Minerals Department should be consulted should cultural remains from subsurface deposits be exposed or identified during construction.
12. All mitigative stipulations contained in the Bureau of Indian Affairs site specific Environmental Analysis (EA) will be strictly adhered.
13. Upon completion of Application for Rights-of-way, **EOG Resources Inc.** will notify the Ute Tribe Energy and Minerals Department, so that a Tribal Technician can verify Affidavit of Completions.

Enclosed is an approved Grant of Easement for this right-of-way for your files. Please submit upon completion of construction, Affidavits of Completion for each location.

Please contact the Ute Indian Tribe's Energy and Minerals Department prior to construction to obtain an access permit and retain this letter as your permit to construct upon tribal lands. Also, remind your field personnel of the firearm restrictions on the Uintah and Ouray Reservation.

If you have any questions, please contact Ms. Thomasina Appah, Realty Assistant at (435) 722-4322.

Sincerely,



Superintendent

FAX COVER SHEET

FROM: ED TROTTER

FAX NO. 435-789-1420

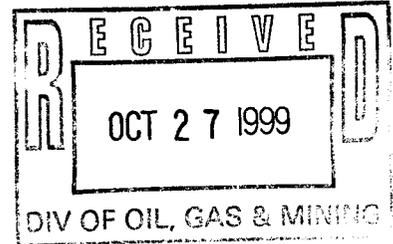
TELEPHONE NO. 435-789-4120

TO: UDOG & M

FAX NO. 801-359-3940

ATTENTION: LESHA CORDOVA

DATE: 10-26-1999



TOTAL NUMBER OF PAGES INCLUDING COVER PAGE: 5

All information contained in this facsimile is confidential and is solely directed to the above named recipient, If you receive this fax in error, or there is a problem with the transmission, please call: 1-435-789-4120. Thank you.

Lesha,

Attached are copies of the Surface Agreement for the EOG Resources North Chapita 106-32 well.

This well is quickly coming up on our drilling schedule. If you require any additional information on this one, please give me a call.

Thank you,

CONFIDENTIAL

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: N CHAPITA 106-32

Api No. 43-047-33406 Lease Type: STATE

Section 32 Township 08S Range 22E County UINTAH

Drilling Contractor BILL MARTIN R IG #

SPUDDED:

Date 10/28/1999

Time 3:00 PM

How DRY

Drilling will commence

Reported by ED TROTTER

Telephone # 1-435-789-4120

Date 10/28/1999 Signed: CHD

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED

Bureau No. 1004-0135
Expires September 30, 1990

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT --" for such proposals
SUBMIT IN TRIPLICATE

1. Type of Well

Oil WELL Gas Well Other

2. Name of Operator
EOG Resources, Inc.

3. Address and Telephone No.
P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**1881' FNL - 1950' FWL (SE/NW)
SECTION 32, T8S, R22E**

5. Lease Designation and Serial No.
ML 3078

6. If Indian, Allottee or Tribe Name

7. If Unit or C.A., Agreement Designation

8. Well Name and No.
NORTH CHAPITA 106-32

9. API Well No.
43-047-33406

10. Field and Pool or Exploratory Area
STAGECOACH/WASATCH

11. County State
UINTAH, UTAH

CONFIDENTIAL

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

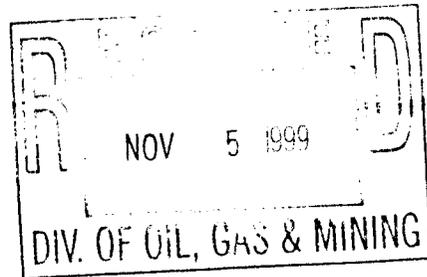
TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> NOTICE OF INTENT	<input type="checkbox"/> ABANDONMENT
<input checked="" type="checkbox"/> SUBSEQUENT REPORT	<input type="checkbox"/> RECOMPLETION
<input type="checkbox"/> FINAL ABANDONMENT NOTICE	<input type="checkbox"/> PLUGGING BACK
	<input type="checkbox"/> CASING REPAIR
	<input type="checkbox"/> ALTERING CASING
	<input checked="" type="checkbox"/> OTHER
	<input type="checkbox"/> CHANGE OF PLANS
	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> NON-ROUTINE FRACTURING
	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> CONVERSION TO INJECTION

SPUD DATE _____

(Note: Report results of multiple completion on Well Completions or Recompletion Report and Log Form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details and give pertinent dates, including estimated date of starting any proposed work if well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

Enron Oil & Gas Company spudded 18" surface hole at the subject location 10/29/99. The contractor was Bill Martin Drilling. Ed Forsman of the Vernal BLM District office and Dave Hackford of the Utah Division of Oil, Gas & Mining were notified of spud 10/29/99.



*NOTE: Enron will be using Nationwide Bond #NM 2308

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

SIGNED Raty Carlson TITLE Regulatory Analyst DATE 11/02/99

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

DIVISION OF OIL, GAS AND MINING
 ENTITY ACTION FORM - FORM 6

OPERATOR EOG Resources, Inc.
 ADDRESS P.O. BOX 250
BIG PINEY, WYOMING 83113

OPERATOR ACCT. NO. 119550

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	12659	43-047-33406	NORTH CHAPITA 106-32	SENW	32	88	22E	UINTAH	10/29/99	
WELL 1 COMMENTS: <i>991130 entity added. KDR</i>											
A	99999	12660	43-047-33273	FEDERAL 8-34-8-21	SRNE	34	8S	21E	UINTAH	11/01/99	
WELL 2 COMMENTS: <i>991130 entity added. KDR</i>											
A	99999	12661	43-047-33402	N. DUCK CREEK 100-22	SESE	22	8S	21E	UINTAH	11/05/99	
WELL 3 COMMENTS: <i>991130 entity added. KDR</i>											
B	4905								UINTAH		
WELL 4 COMMENTS:											
B	4905								UINTAH		
WELL 5 COMMENTS:											

NOV 01

- ACTION CODES (See instructions on back of form)
- 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)

NOTE: Use COMMENTS section to explain why each Action Code was selected.

(3/89)

Katy Carlson
 Signature
 REGULATORY ANALYST 11/19/99
 Title Date
 Phone No. (307) 276-3331

Nov-22-99 10:24am From:EOG - BIG PINEY, WY. 3072763335 T-136 P.01/01 F-027

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

FORM APPROVED
Budget Bureau No. 1004-0135
Expires September 30, 1990

SUNDRY NOTICE AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT --" for such proposals
SUBMIT IN TRIPLICATE

5. Lease Designation and Serial No.	<i>ML 3078</i>
6. If Indian, Allottee or Tribe Name	
7. If Unit or C.A., Agreement Designation	
8. Well Name and No.	<i>NORTH CHAPITA 106-32</i>
9. API Well No.	<i>43-047-33406</i>
10. Field and Pool or Exploratory Area	<i>STAGECOACH/WASATCH</i>
11. County State	<i>UINTAH, UTAH</i>

1. Type of Well

<input type="checkbox"/> Oil WELL	<input checked="" type="checkbox"/> Gas Well	<input type="checkbox"/> Other
-----------------------------------	--	--------------------------------

CONFIDENTIAL

2. Name of Operator
EOG Resources, Inc.

3. Address and Telephone No.
P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
*1881' FNL - 1950' FWL (SE/NW)
SECTION 32, T8S, R22E*

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> NOTICE OF INTENT	<input type="checkbox"/> ABANDONMENT
<input checked="" type="checkbox"/> SUBSEQUENT REPORT	<input type="checkbox"/> RECOMPLETION
<input type="checkbox"/> FINAL ABANDONMENT NOTICE	<input type="checkbox"/> PLUGGING BACK
	<input type="checkbox"/> CASING REPAIR
	<input type="checkbox"/> ALTERING CASING
	<input checked="" type="checkbox"/> OTHER
	<input type="checkbox"/> CHANGE OF PLANS
	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> NON-ROUTINE FRACTURING
	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> CONVERSION TO INJECTION

SPUD DATE Disposal of Water Produced

(Note: Report results of multiple completion on Well Completions or Recompletion Report and Log Form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details and give pertinent dates, including estimated date of starting any proposed work if well is directionally drilled give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work).

Enron Oil & Gas Company requests authorization for disposal of produced water from the referenced well to any of the following locations:

1. Natural Buttes Unit 21-20B SWD
 2. Ace Disposal
 3. Enron Oil & Gas Company drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit)
- Water will be stored in tanks until trucked to one of the above facilities.

RECEIVED

DEC - 2 1999

DIVISION OF OIL, GAS & MINING

***NOTE: Enron will be using Nationwide Bond #NM 2308**

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

SIGNED *Daty Carlson* TITLE *Regulatory Analyst* DATE *11/30/99*

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

Title 18 U.S.C. Section 1001, makes 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.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONFIDENTIAL

5. LEASE DESIGNATION AND SERIAL NO
ML 3085
6. IF INDIAN, ALLOTTEE OR TRIBE NAME
UTE TRIBAL LAND
7. UNIT AGREEMENT NAME

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

8. FARM OR LEASE NAME
NORTH CHAPITA

1a. TYPE OF WELL
1b. TYPE OF COMPLETION
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RES. OIL WELL GAS WELL DRY OTHER

9. WELL NO
106-32
10. FIELD AND POOL, OR WILDCAT
NORTH CHAPITA
11. SEC., T., R., M., OR BLOCK AND SURVEY

2. NAME OF OPERATOR
EOG Resources, Inc.

12. COUNTY OR PARISH
13. STATE
SECTION 32, T8S, R22E
UINTAH, UTAH

3. ADDRESS OF OPERATOR
P.O. BOX 250 BIG PINEY, WYOMING 83113

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface 1881' FNL - 1950' FWL (SE/NW)
At top prod. interval reported below SAME
At total depth SAME

14. PERMIT NO.
43-047-33406
DATE PERMIT ISSUED
10/2/599

13. DATE SPOOLED
10/29/99
16. DATE T.D. REACHED
11/08/99
17. DATE COMPL. (Ready to prod.)
11/24/99

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)
4737' KB
19. ELEV. CASING HEAD
4722' PREP. GL.

20. TOTAL DEPTH, MD & TVD
6700'
21. PLUG BACK T.D., MD & TVD
6625'

22. IF MULTIPLE COMPLETIONS, HOW MANY?
1
23. ROTARY TOOLS
ROTARY
CABLE TOOLS

24. PRODUCING INTERVAL(S), OF THIS COMPLETION: TOP, BOTTOM, NAME (MD AND TVD)
WASATCH 5761' - 6405'

25. WAS DIRECTIONAL SURVEY MADE?
NO

26. TYPE ELECTRIC AND OTHER LOGS RUN
Express Answer Product Quicklook & Cement Bond Log, GR.
Array Induction w/Linear Correlation, GR, compensated Neutron, Litho Density, GR, Platform

27. WAS WELL CORED?
NO

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8-5/8"	24.0# J-55	239'	12-1/4"	100 sx Class "G" cement.	NONE
4-1/2:	10.5# J-55	6638'	7-7/8"	300 sx Hi-Lift & 400 sx 50/50 Pozmix.	NONE

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)
2-3/8"	6414'	

31. PERFORATION RECORD (Interval, size and number)

Wasatch	C-11	6403-05'
	C-7	6110-20'
	P-8	5761-68'

32. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6110-6120'	17,598 gals gelled water & 82,000# 20/40 sand.
5761-68'	14,74 gals gelled water & 63,560# 20/40 sand.
6403-05'	No stimulation

33. PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump)	WELL STATUS (Producing or shut-in)					
11/24/99	FLOWING	PRODUCING					
DATE OF TEST	HOURS TESTED	CHOKE SIZE	PRODN FOR	OIL-BBL	GAS-MCF	WATER-BBL	GAS-OIL RATIO
11/29/99	24	12/64"		5 BC	905 MCFD	3 BW	
FLOW TUBING PRESS	CASING PRESSURE	CALCULATED	OIL-BBL	GAS-MCF	WATER-BBL	OIL GRAVITY-APT (CORR.)	
FTP 1240 psig	CP 1300 psig		5 BC	905 MCFD	3 BW		
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)						TEST WITNESSED BY	
SOLD						JAY ORR	

35. LIST OF ATTACHMENTS

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

SIGNED Daty Carlson TITLE Regulatory Analyst DATE 11/30/99

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.

Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.

Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.

Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

Item 29: Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

PRIVACY ACT

The Privacy Act of 1974 and the regulation in 43 CFR 2.48(b) provide that you be furnished the following information in connection with information required by its application.

AUTHORITY: 30 U.S.C. 181 et. seq., 25 U.S.C. et. seq., 43 CFR 3160

PRINCIPLE PURPOSE: The information is to be used to evaluate the actual operations performed in the drilling of an oil or gas well on a Federal or Indian lease.

ROUTINE USES: (1) Evaluate the equipment and procedures used during the drilling of the well. (2) The review of geologic zones and formation encountered during drilling. (3) Analyze future applications to drill in light of data obtained and methods used. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

EFFECT OF NOT PROVIDING INFORMATION: Filing of this report and disclosure of the information is mandatory once an oil or gas well is drilled.

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501, et. seq.) requires us to inform you that:

This information is being collected to allow evaluation of the technical, safety, and environmental factors involved with drilling and producing oil and gas on Federal and Indian oil and gas leases.

This information will be used to analyze operations and compare equipment and procedures actually used with the proposals applied for.

Response to this request is mandatory once an oil or gas well is drilled.

SUMMARY OF POROUS ZONES: (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)				38. GEOLOGIC MARKERS		
				TOP		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Green River	2120'	
				Base "M" Marker	4862'	
				"N" Sandstone	5127'	
				Wasatch		
				Peter's Point	5304'	
				P-4	5414'	
				P-6	5544'	
				P-8	5674'	
				Chapita Wells	5988'	
				C-7	6058'	
				C-9	6158'	
				C-11	6298'	
				C-13	6448'	
				Buck Canyon	6735'	
				B-3	6765'	