

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

May 2, 2000

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 113-4
NE/NW, SECTION 4, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO. U-41368
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

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DIVISION OF
OIL, GAS AND MINING

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

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 Number
P.O. BOX 1815, VERNAL, UT 84078 (435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements.)
At surface **533' FNL & 1981' FWL NE/NW** *4436575 N*
At proposed prod. Zone *632476 E*

14. Distance in miles and direction from nearest town or post office
13.65 MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed location to nearest property or lease line, ft. **533'**
(Also to nearest drig. Unit line, if any)

16. No. of acres in lease **322.46**

18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.

19. Proposed depth **6725'**

21. Elevations (show whether DF, RT, GR, etc.)
4774 FEET GRADED GROUND

22. Approx. date work will start
JUNE 2000

5. Lease designation and serial number
U-41368

6. If Indian, Allottee or Tribe name
UTE TRIBAL LAND

7. Unit Agreement Name
NORTH CHAPITA

8. Farm or lease name, well no.
NORHT CHAPITA

9. API Well no.
N. Chapita 113-4

10. Field and pool, or wildcat
N. CHAPITA/WASATCH

11. Sec., T., R., M., or BLK. and survey or area
SEC. 4, T9S, R22E

12. County or parish
UINTAH

13. State
UTAH

17. No. of acres assigned to this well

20. Rotary or cable tools
ROTARY

23. 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%
or 12 1/4"	9 5/8"	32.30#	200 - 220'	CaCl2 + 1/4 #/SX CELLOFLAKE.
7 7/8"	4 1/2"	10.50#	6725'	50/50 POXMIX + 2% GEL + 10% SALT TO 400' ABOVE ALL ZONES OF INTEREST (+10% EXCESS). LIGHT CEMENT (11PPG+) + LCM TO 200' ABOVE OIL SHALE OR FRESH WATER INTERVALS (+ 5% EXCESS).

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

CONFIDENTIAL

EOG RESOURCES, INC. WILL BE THE DESIGNATED OPERATOR OF THE SUBJECT WELL UNDER A NATIONWIDE BOND #NM 2308

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Pc: UTAH DIVISION OF OIL, GAS, AND MINING
BUREAU OF INDIAN AFFAIRS, FORT DUCHESNE UTAH

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 *Ed G. Roth* TITLE Agent DATE 4-25-2000

(This space for Federal or State office use)
PERMIT NO. 43-047-33561 APPROVAL DATE

Federal Approval of this Action is Necessary

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.

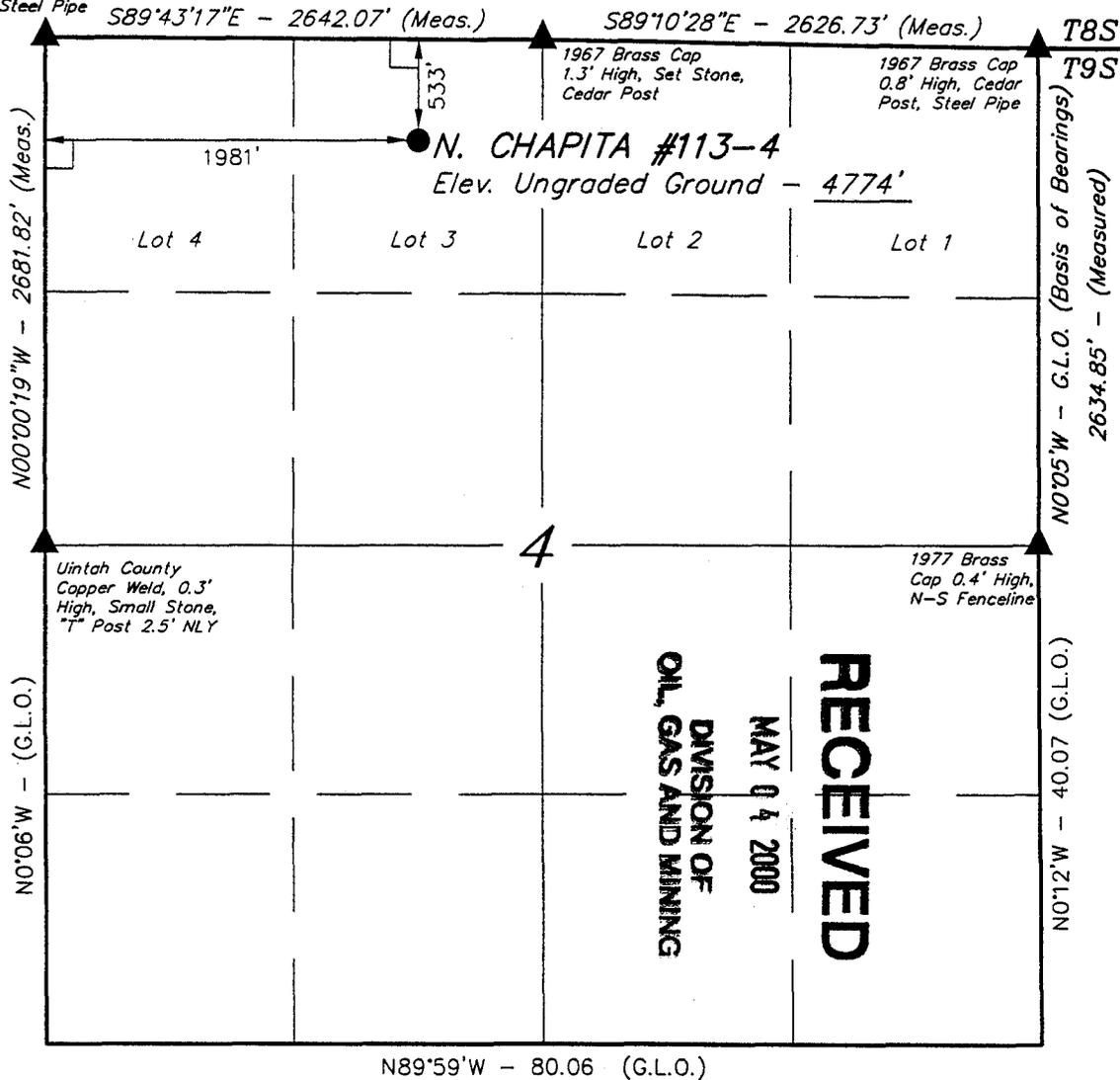
CONDITIONS OF APPROVAL, IF ANY:
APPROVED BY *Bradley G. Hill* TITLE BRADLEY G. HILL RECLAMATION SPECIALIST-III DATE 5/9/00

T9S, R22E, S.L.B.&M.

EOG RESOURCES, INC.

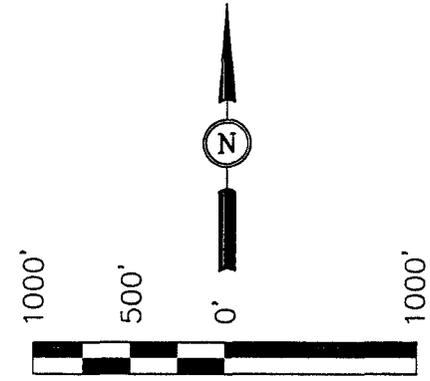
Well location, N. CHAPITA #113-4, located as shown in the NE 1/4 NW 1/4 of Section 4, T9S, R22E, S.L.B.&M. Uintah County, Utah.

1967 Brass Cap
0.5' High, Set
Stone, Cedar
Post, Steel Pipe



BASIS OF ELEVATION

BENCH MARK 21EAM LOCATED IN THE SE 1/4 OF SECTION 6, T9S, R22E, S.L.B.&M. TAKEN FROM THE RED WASH SW 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 4701 FEET.



SCALE

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.

Rand L. Key
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

LATITUDE = $40^{\circ}04'15''$
 LONGITUDE = $109^{\circ}26'48''$

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

SCALE 1" = 1000'	DATE SURVEYED 1-6-00	DATE DRAWN 2-4-00
PARTY G.S. M.A. J.F. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE ENRON OIL & GAS CO.	

EIGHT POINT PLAN

NORTH CHAPITA #113-4
NE/NW, SEC. 4, T9S, R22E
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH	TYPE ZONES	MAXIMUM PRESSURE
Green River	1763		
Oil Shale	1763		
"H" Marker	3408		
"J" Marker	3826		
Base "M" Marker	4756		
Wasatch	5190		
Peters Point	5190	GAS	
Chapita Wells	5825	GAS	
Buck Canyon	6525	GAS	

EST. TD 6725

Anticipated BHP 2900 PSI

3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

4. CASING PROGRAM:

HOLE SIZE	INTERVAL	LENGTH	SIZE	WEIGHT	GRADE	THREAD	<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 1/4	0' - 220'	200' - 220'	9 5/8	32.3 #	H-40	ST&C	1370 PSI	2270 PSI	254,000#
7 7/8	0' - 6725'	6725'	4 1/2	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.

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EIGHT POINT PLAN

NORTH CHAPITA #113-4
NE/NW, SEC. 4, T9S, R22E
UINTAH COUNTY, UTAH

5. MUD PROGRAM

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

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 4600'

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 #113-4
NE/NW, SEC. 4, T9S, R22E
UINTAH COUNTY, UTAH

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

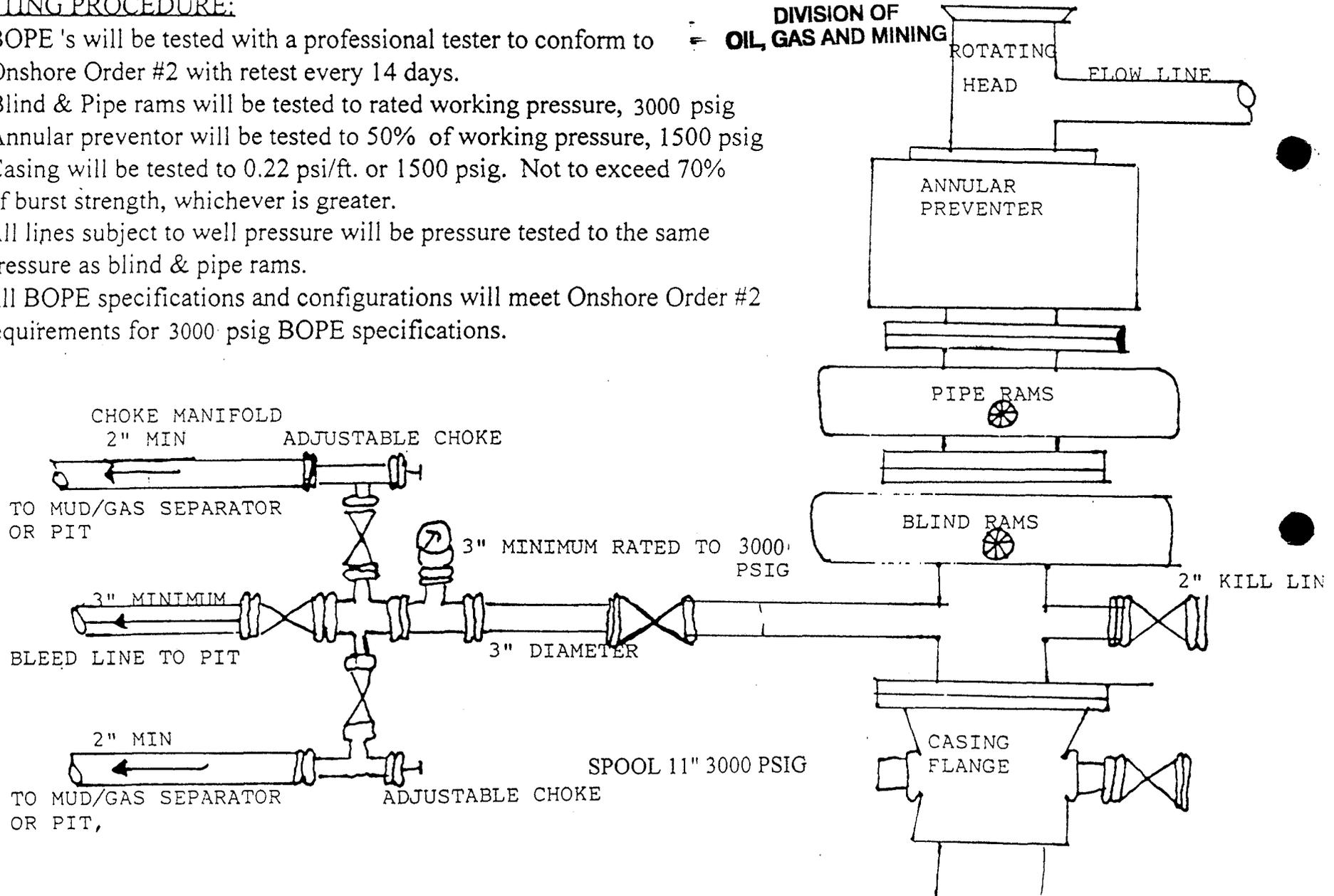
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TESTING PROCEDURE:

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 #113-4
Lease Number: U-41368
Location: 533' FNL & 1981' FWL, NE/NW, Sec. 4, T9S, 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.

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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 13.9 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 0.2 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 - 5*
- 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 1100’ from proposed location to a point in the NW/4 of Section 4, T9S, 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 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 a licensed trucking company.
- 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 north side of the location.

Access to the well pad will be from the west.

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.

4-25-2000
Date

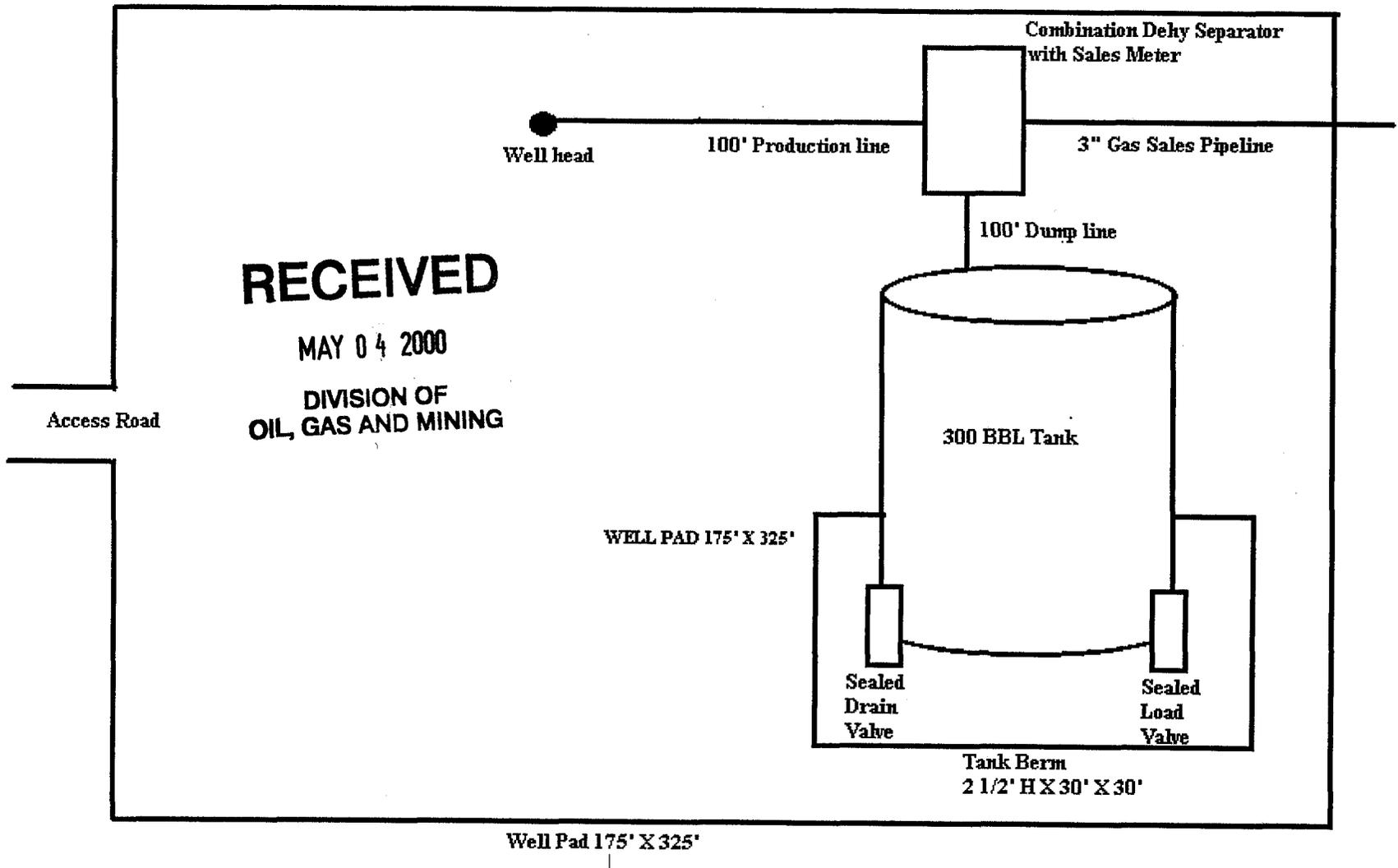
[Signature]
Agent

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DIVISION OF
OIL, GAS AND MINING

**SITE FACILITY DIAGRAM
NORTH CHAPITA 113-4
SECTION 4, T9S, R22 E, NE/4NW/4
UINTAH COUNTY, UTAH
FEDERAL LEASE NO. U-41368**



(Site Security Plan is on file at EOC Resources, Inc.'s Vernal Office)



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Access Road

Well head

100' Production line

Combination Dehy Separator
with Sales Meter

3" Gas Sales Pipeline

100' Dump line

300 BBL Tank

WELL PAD 175' X 325'

Sealed
Drain
Valve

Sealed
Load
Valve

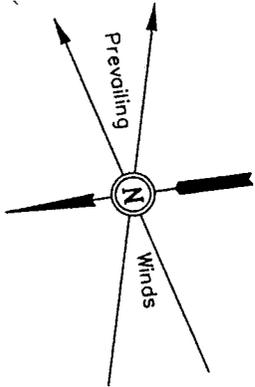
Tank Berm
2 1/2' H X 30' X 30'

Well Pad 175' X 325'

EOG RESOURCES, INC.

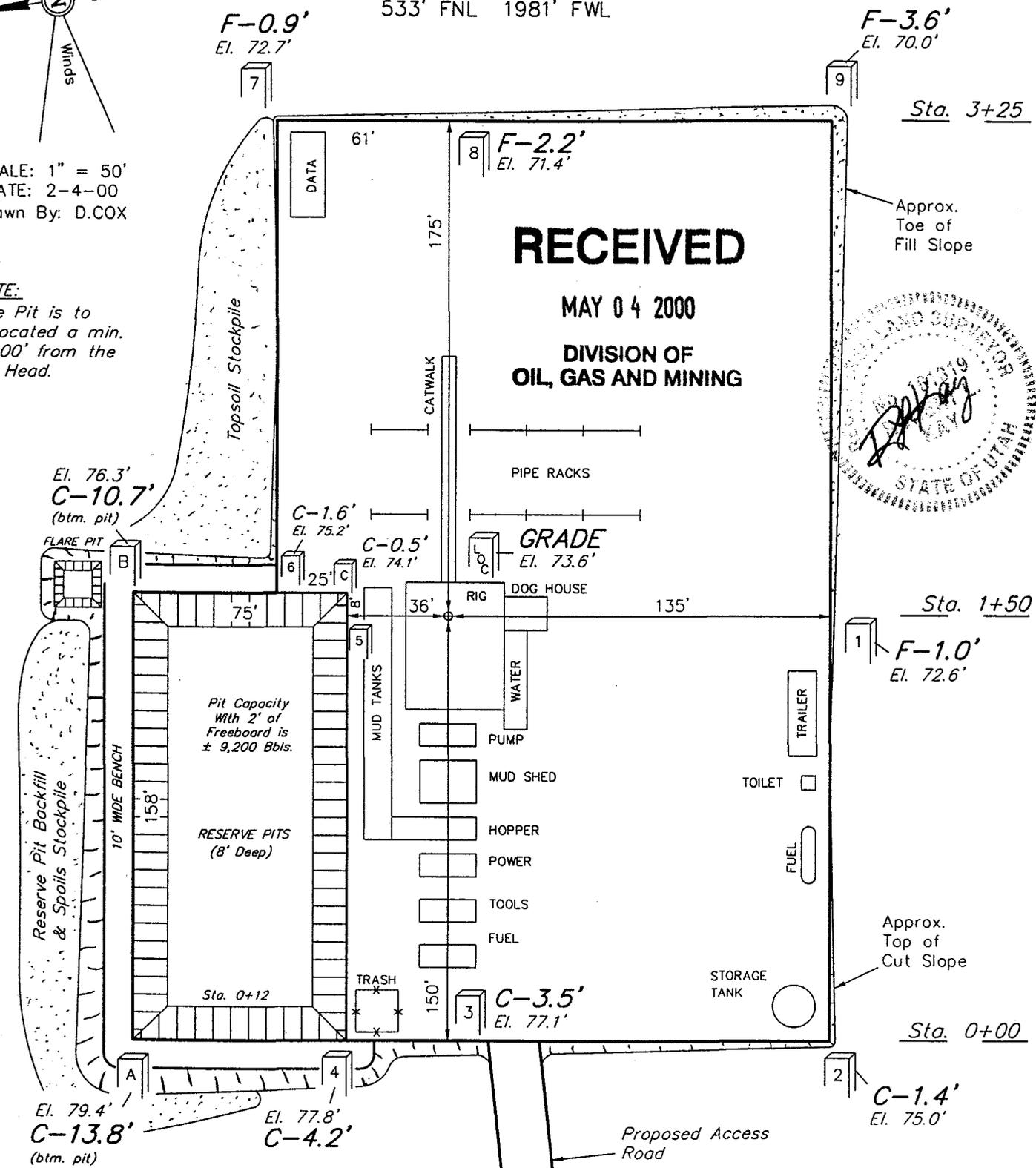
LOCATION LAYOUT FOR

N. CHAPITA #113-4
SECTION 4, T9S, R22E, S.L.B.&M.
533' FNL 1981' FWL



SCALE: 1" = 50'
DATE: 2-4-00
Drawn By: D.COX

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



Elev. Ungraded Ground at Location Stake = 4773.6'
Elev. Graded Ground at Location Stake = 4773.6'

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

EOG RESOURCES, INC.

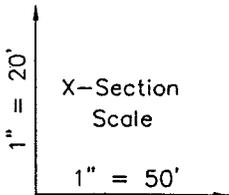
TYPICAL CROSS SECTIONS FOR

N. CHAPITA #113-4
SECTION 4, T9S, R22E, S.L.B.&M.
533' FNL 1981' FWL

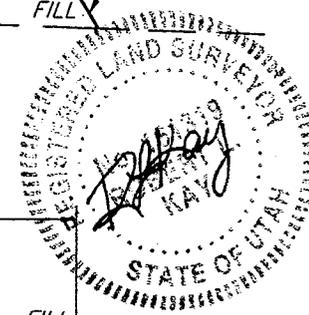
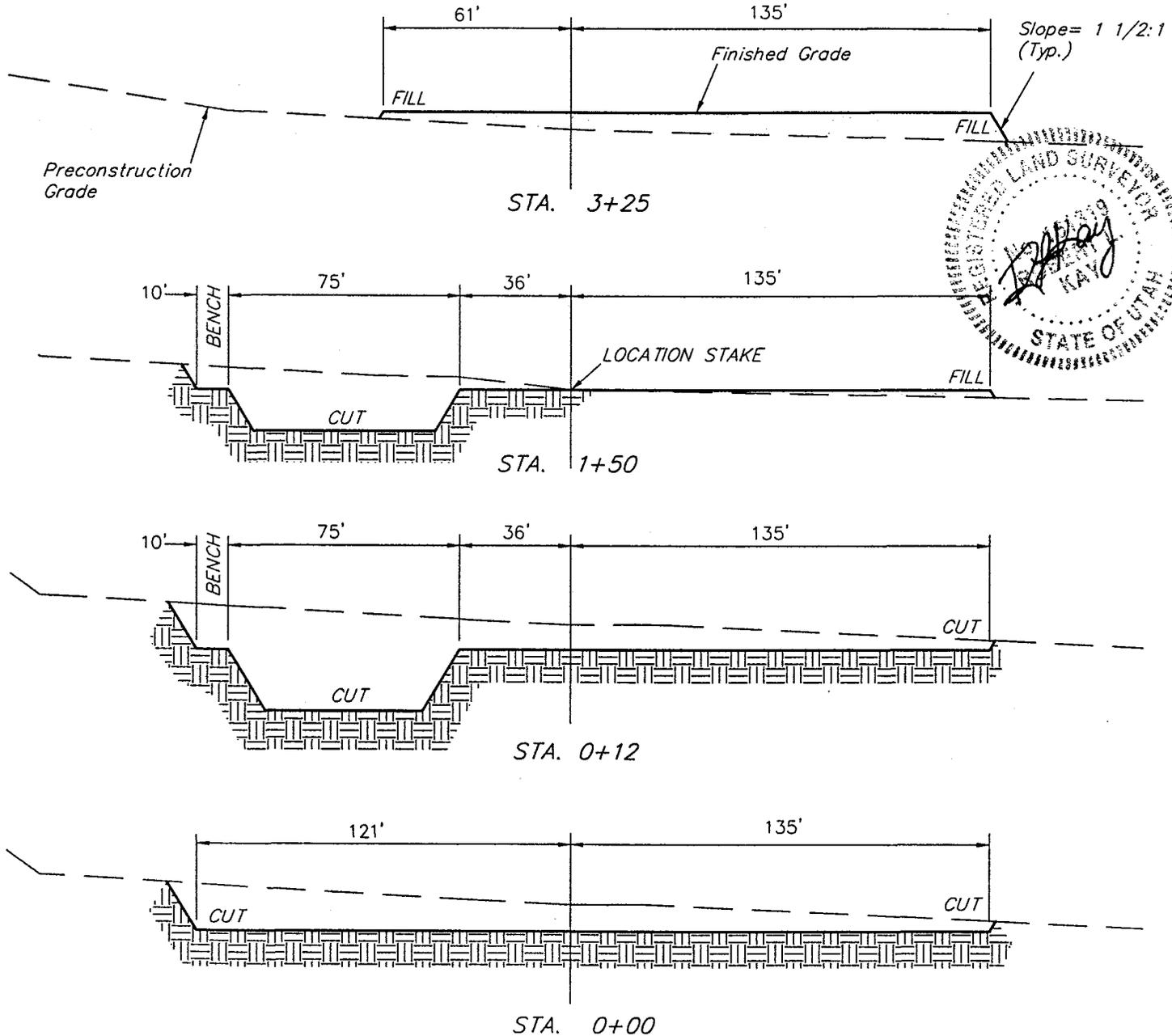
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**DIVISION OF
OIL, GAS AND MINING**



DATE: 2-4-00
Drawn By: D.COX

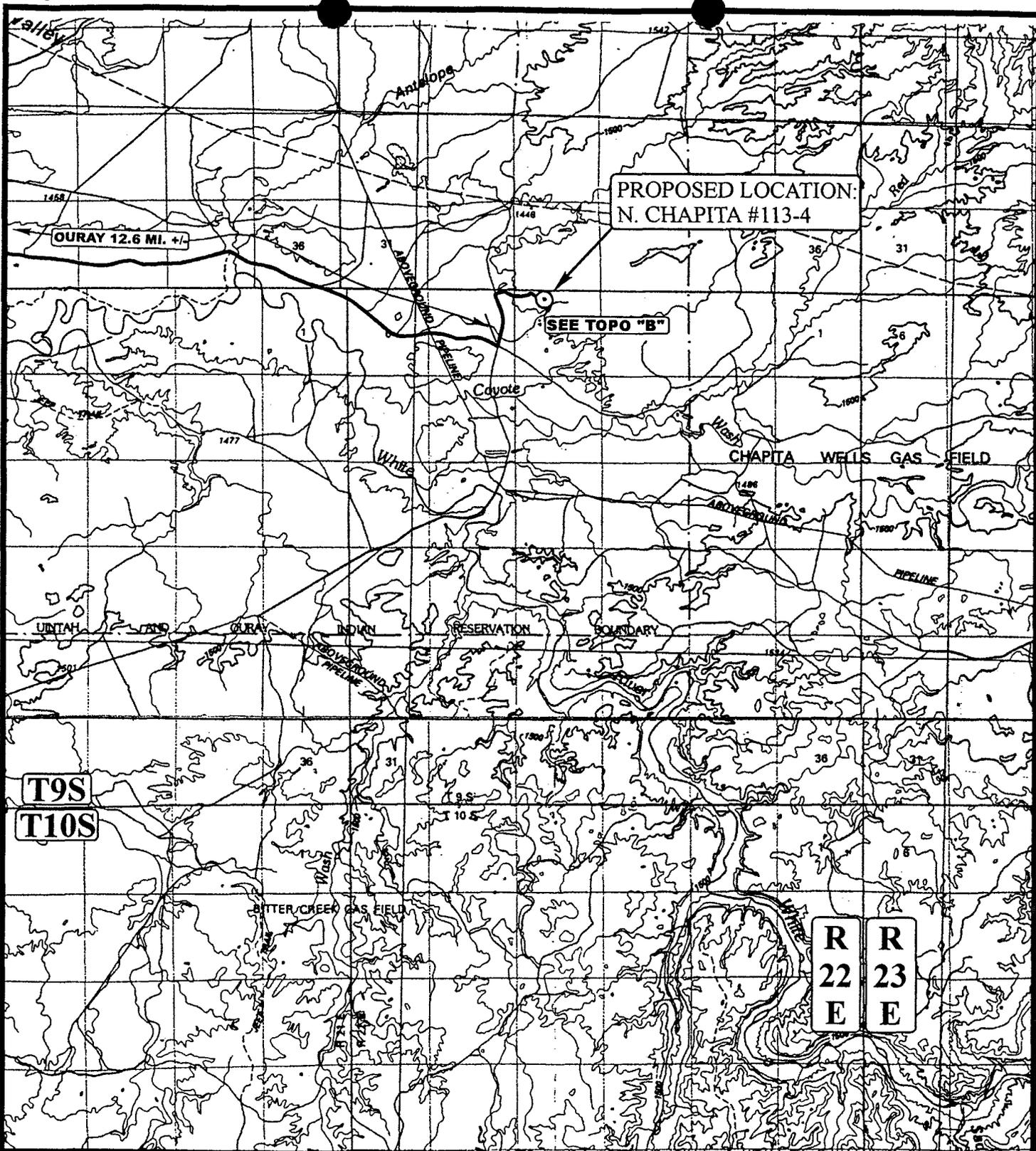


APPROXIMATE YARDAGES

(12") Topsoil Stripping	=	2,770 Cu. Yds.
Remaining Location	=	4,860 Cu. Yds.
TOTAL CUT	=	7,630 CU.YDS.
FILL	=	3,320 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	4,140 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	4,140 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

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PROPOSED LOCATION:
N. CHAPITA #113-4

SEE TOPO "B"

CHAPITA WELLS GAS FIELD

BITTER CREEK GAS FIELD

R 22 E
R 23 E

LEGEND:

○ PROPOSED LOCATION



EOG RESOURCES, INC.

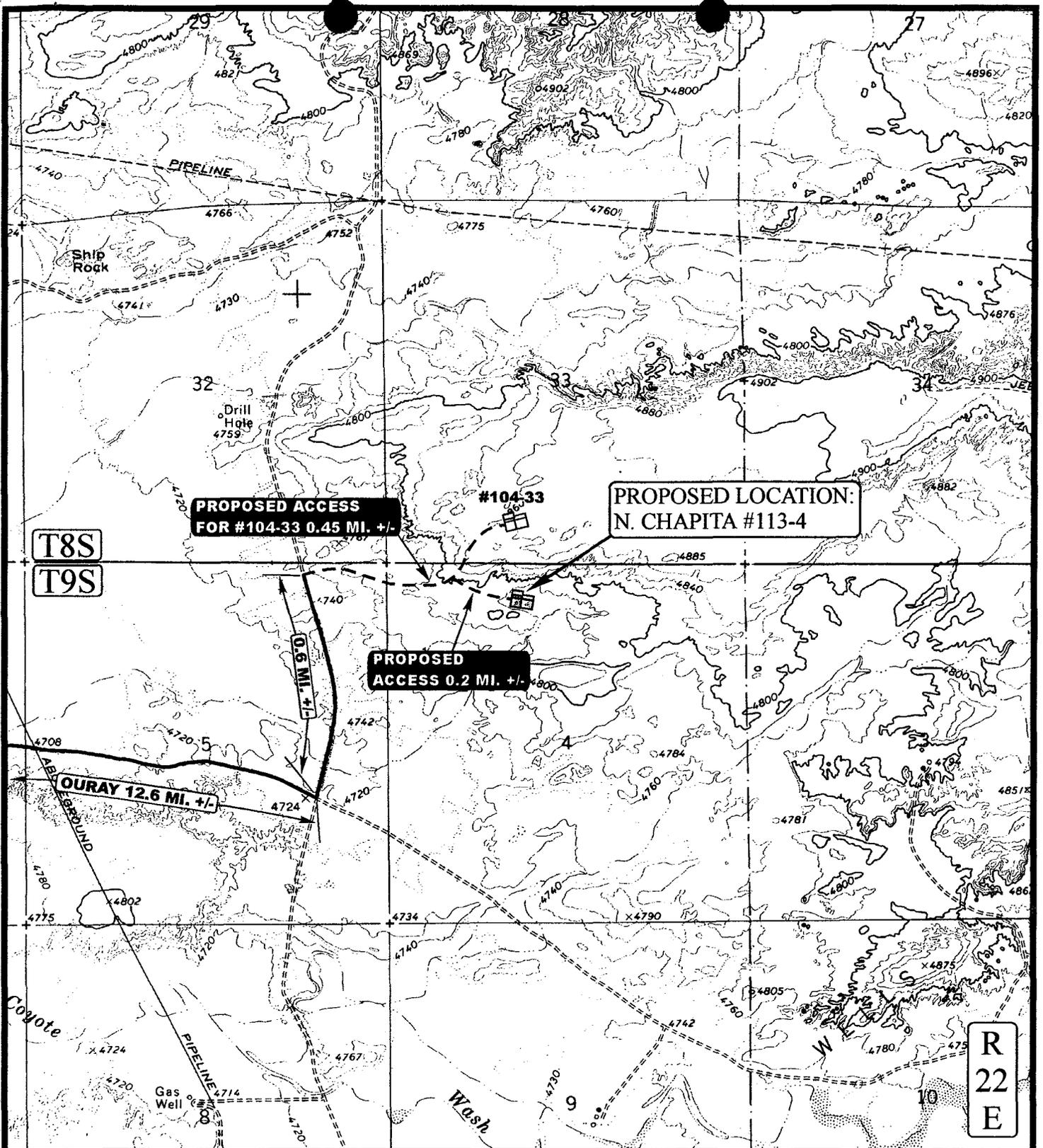
N. CHAPITA #113-4
SECTION 4, T9S, R22E, S.L.B.&M.
533' FNL 1981' FWL

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

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

2	3	00
MONTH	DAY	YEAR

A
TOPO



LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



EOG RESOURCES, INC.

N. CHAPITA #113-4
 SECTION 4, T9S, R22E, S.L.B.&M.
 533' FNL 1981' FWL



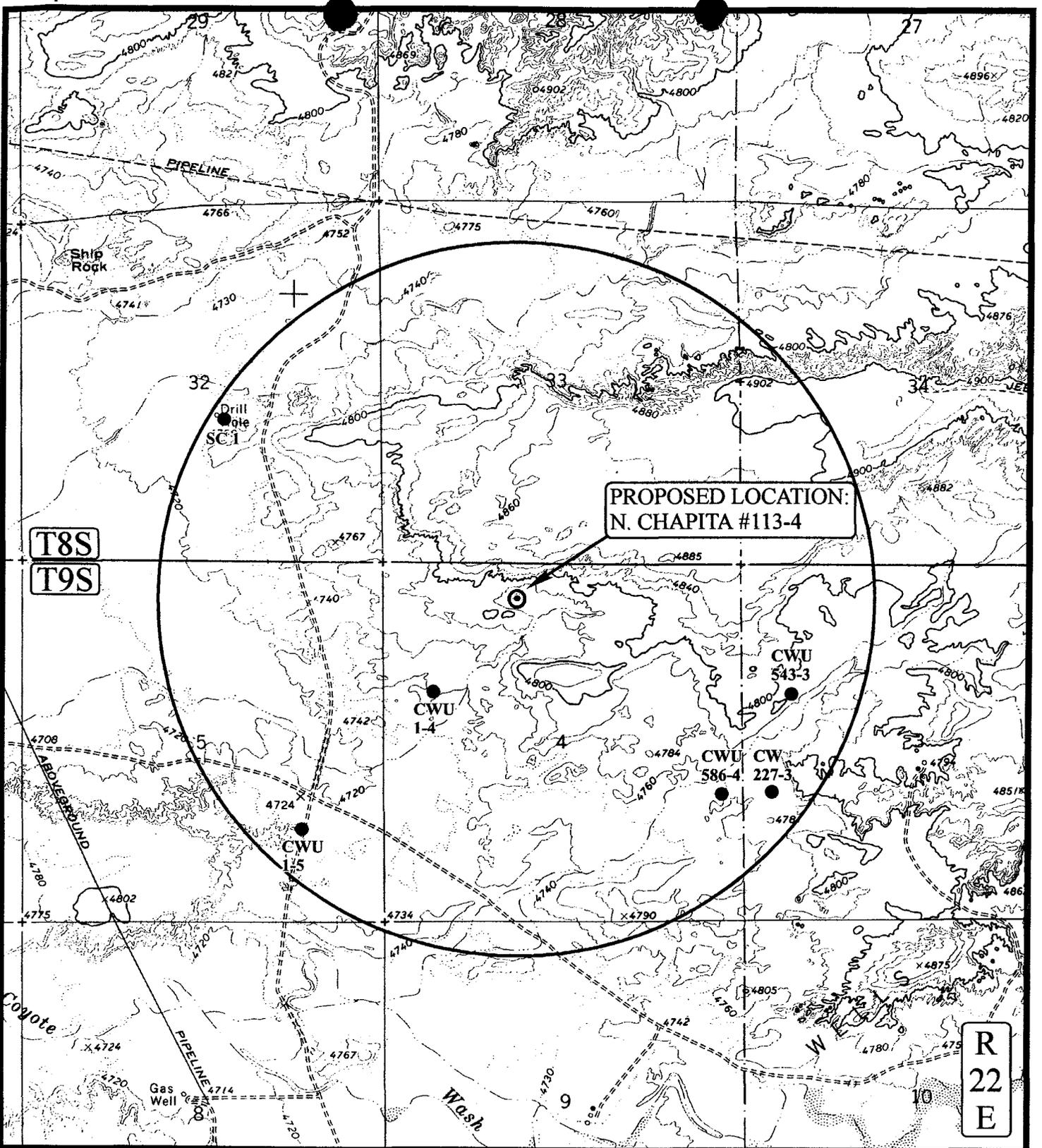
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
 MAP

2	3	00
MONTH	DAY	YEAR

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





PROPOSED LOCATION:
N. CHAPITA #113-4

T8S
T9S

R
22
E

LEGEND:

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

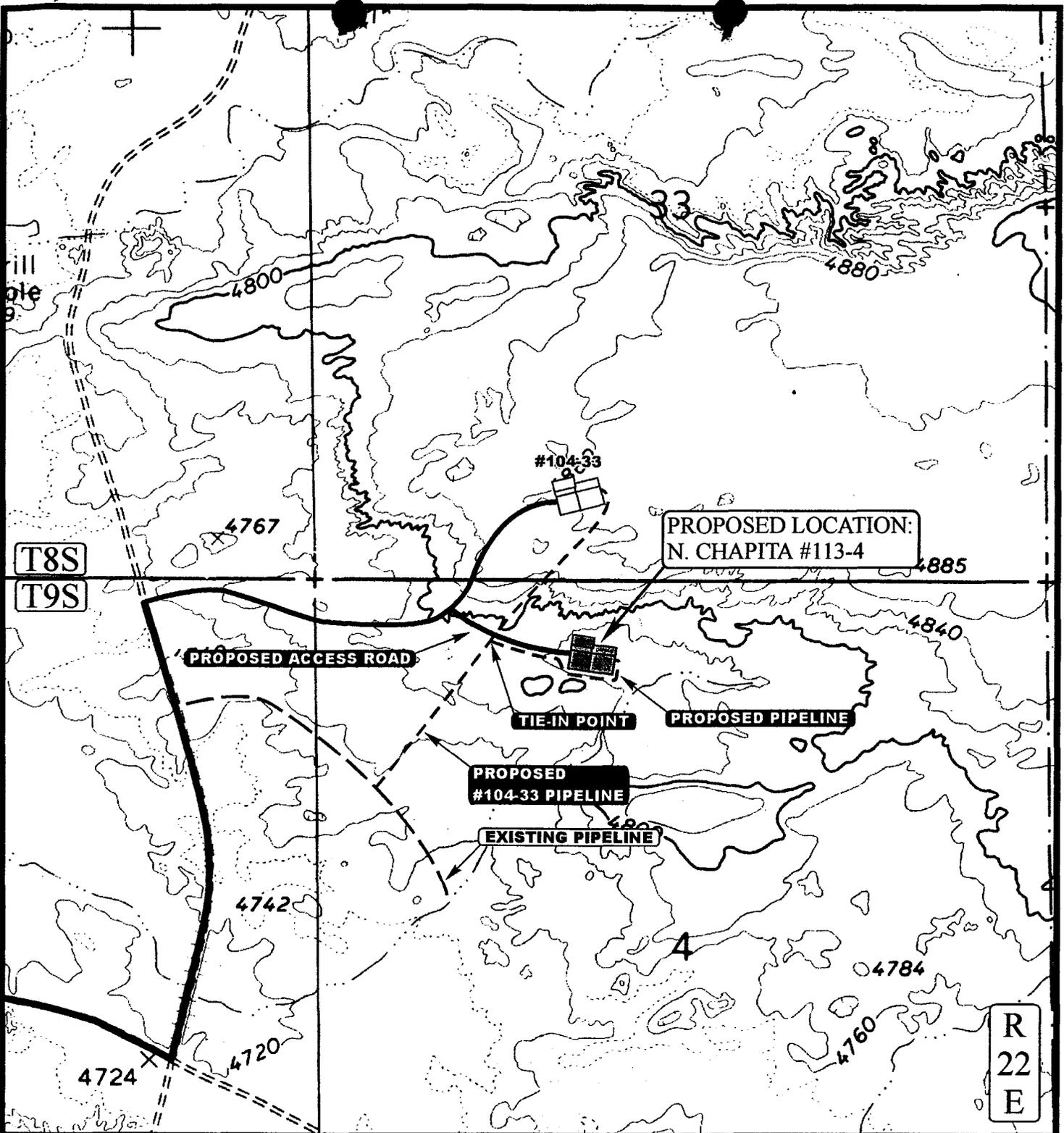
EOG RESOURCES, INC.

N. CHAPITA #113-4
SECTION 4, T9S, R22E, S.L.B.&M.
533' FNL 1981' FWL

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



TOPOGRAPHIC MAP 2 3 00
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: J.L.G. REVISED: 00-00-00 **C**
 TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 1100' +/-

LEGEND:

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS



EOG RESOURCES, INC.

N. CHAPITA #113-4
 SECTION 4, T9S, R22E, S.L.B.&M.
 533' FNL 1981' FWL



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

TOPOGRAPHIC
 MAP

3	2	00
MONTH	DAY	YEAR

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

D
 TOPO

**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/04/2000

API NO. ASSIGNED: 43-047-33561

WELL NAME: N CHAPITA 113-4

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER, AGENT

PHONE NUMBER: 435-789-0790

PROPOSED LOCATION:

NENW 04 090S 220E
 SURFACE: 0533 FNL 1981 FWL
 BOTTOM: 0533 FNL 1981 FWL
 UINTAH
 NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-41368
 SURFACE OWNER: 2 - Indian

PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Fed Ind Sta Fee
 (No. NM 2308)
 Potash (Y/N)
 Oil Shale (Y/N) *190 - 5 (B)
 Water Permit
 (No. MUNICIPAL)
 RDCC Review (Y/N)
 (Date: _____)
 Fee Surf Agreement (Y/N)

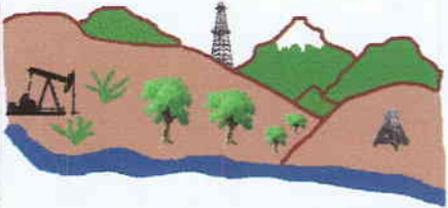
LOCATION AND SITING:

____ R649-2-3. Unit _____
 ____ R649-3-2. General
 Siting: _____
 ____ R649-3-3. Exception
 Drilling Unit
 Board Cause No: 173-16 (40')
 Eff Date: 1-13-2000
 Siting: Reverts previous orders to Gen. St. Spacing.
 ____ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

① FEDERAL APPROVAL
② OIL SHALE



Utah Oil Gas and Mining

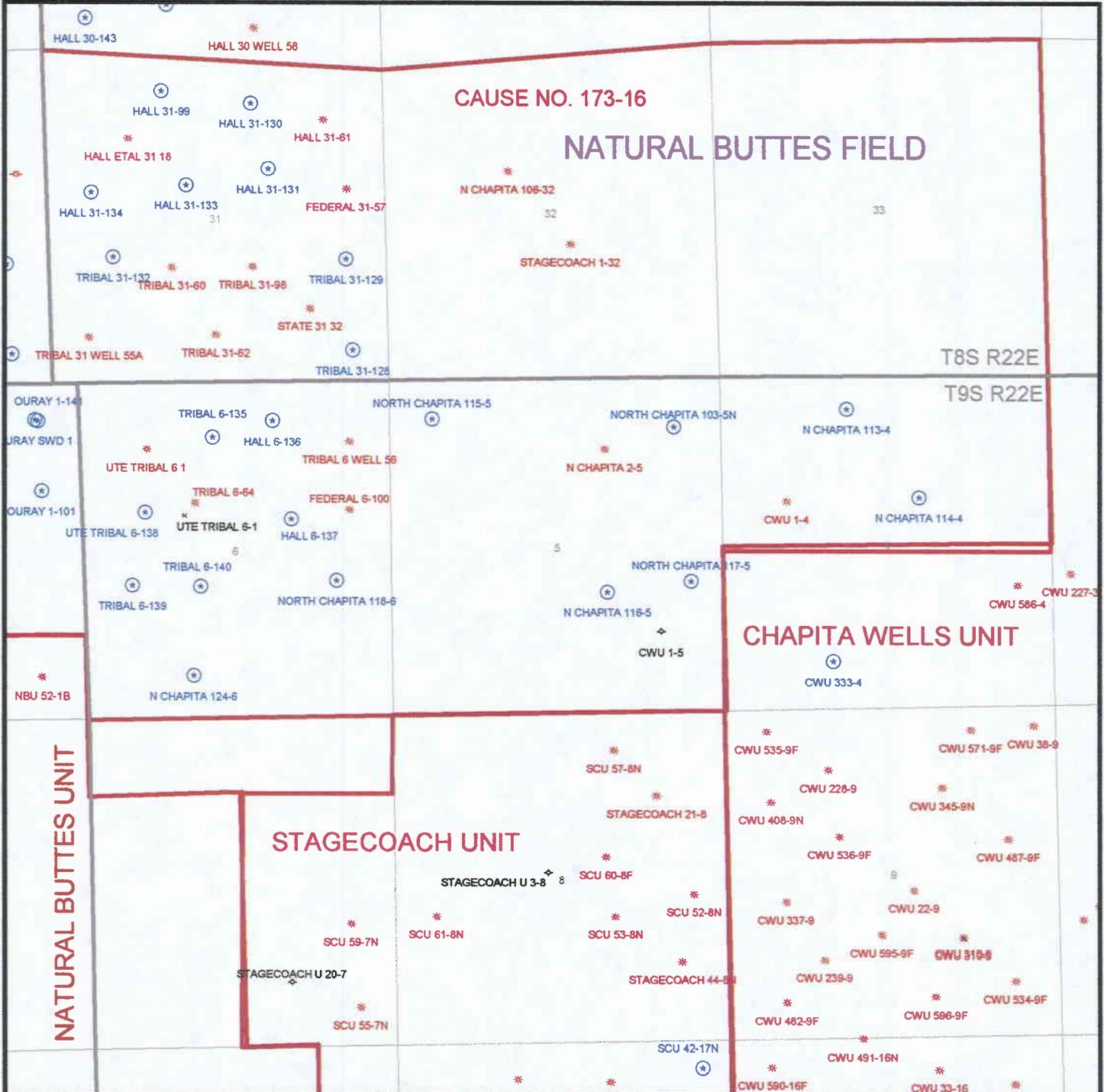
Serving the Industry, Protecting the Environment

OPERATOR: EOG RESOURCES (N9550)

FIELD: NATURAL BUTTES (630)

SEC. 4, 5, & 6, T 9 S, R 22 E,

COUNTY: UINTAH CAUSE No: 173-16 40 ACRES



PREPARED
DATE: 5-MAY-2000



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)

May 9, 2000

EOG Resources, Inc.
PO Box 1815
Vernal UT 84078

Re: N Chapita 113-4 Well, 533' FNL, 1981' FWL, NE NW, Sec. 4, T. 9S, R. 22E,
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 43-047-33561.

Sincerely,

John R. Baza
Associate Director

er

Enclosures

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

Operator: EOG Resources, Inc.
Well Name & Number N Chapita 113-4
API Number: 43-047-33561
Lease: U-41368
Location: NE NW Sec. 4 T. 9S R. 22E

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 within 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 Dan Jarvis at (801) 538-5338
- Contact Robert Krueger at (801) 538-5274.

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.

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK
DRILL **DEEPEN**

b. TYPE OF WELL
Oil Gas Well Well Other
Single Zone Multiple Zone

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5. Lease designation and serial number
U-41368

6. If Indian, Allottee or Tribe name
UTE TRIBAL LAND

7. Unit Agreement Name
NORTH CHAPITA

8. Farm or lease name, well no.
NORHT CHAPITA

9. API Well no.
N. Chapita 113-4

10. Field and pool, or wildcat
N. CHAPITA/WASATCH

11. Sec., T., R., M., or BLK. and survey or area
SEC. 4, T9S, R22E

2. Name of Operator
EOG RESOURCES, INC.

3. Address and Telephone Number
P.O. BOX 1815, VERNAL, UT 84078 (435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements.)
At surface
533' FNL & 1981' FWL NE/NW

CONFIDENTIAL

14. Distance in miles and direction from nearest town or post office
13.65 MILES SOUTHEAST OF OURAY, UTAH

12. County or parish
UINTAH

13. State
UTAH

15. Distance from proposed location to nearest property or lease line, ft.
533'
(Also to nearest drig. Unit line, if any)

16. No. of acres in lease
322.46

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.

19. Proposed depth
6725'

20. Rotary or cable tools
ROTARY

21. Elevations (show whether DF, RT, GR, etc.)
4774 FEET GRADED GROUND

22. Approx. date work will start
JUNE 2000

PROPOSED CASING AND CEMENTING PROGRAM				QUANTITY OF CEMENT
SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	
11"	8 5/8"	24#	200' - 220'	100-150 SX CLASS "G" + 2%
or 12 1/4"	9 5/8"	32.30#	200 - 220'	CaCl2 + 1/4 #/SX CELLOFLAKE.
7 7/8"	4 1/2"	10.50#	6725'	50/50 POXMIX + 2% GEL + 10%

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SEE ATTACHMENTS FOR:

- 8 POINT PLAN
- BOP 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 #NM 2308

Pc: UTAH DIVISION OF OIL, GAS, AND MINING
BUREAU OF INDIAN AFFAIRS, FORT DUCHESNE UTAH

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 *[Signature]* TITLE Agent DATE 4-25-2000

(This space for Federal or State office use)

NOTICE OF APPROVAL

PERMIT NO. _____ 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 *[Signature]* TITLE Assistant Field Manager DATE 5/15/00
Mineral Resources

CONDITIONS OF APPROVAL ATTACHED

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources Inc.

Well Name & Number: N. Chapita 113-4

API Number: 43-047-33561

Lease Number: U - 41368

Location: NENW Sec. 04 T.09S R. 22E

Agreement: N/A

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

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OIL, GAS AND MINING**

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application 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.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **3M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint. Surface casing setting depths are based on ground level elevations only.

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As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water zone, identified at 1,089 ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor proof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

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

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

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Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 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 43 CFR 3162.7-5 (1).

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No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO 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 will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

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If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (435) 789-7077
Petroleum Engineer

Jerry Kenzcka (435) 781-1190
Petroleum Engineer

BLM FAX Machine (435) 781-4410

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EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

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SURFACE CONDITIONS OF APPROVAL

The Ute Tribe Energy and Mineral Department is to be notified in writing 48 hours in advance of any construction activity. The Ute Tribal office days are Monday through Thursday. A Tribal Technician is to routinely monitor construction. For all monitoring that is to exceed Tribal Technician regular working hours, EOG Resources shall make arrangements with the Ute Energy and Minerals Department.

EOG Resources Inc. will assure the Ute Tribe that any/all contractors and subcontractors have acquired a 2000 Tribal Business License and have "Year 2000 Access Permits" prior to construction. Contractors and subcontractors will have these permits in vehicles at all times.

All EOG Resources employees and/or authorized personnel (subcontractors) in the field will have approved applicable APD's and/or ROW permits/authorizations on their person(s) during all phases of construction.

Thirty foot wide Rights-Of-Way (ROWs) corridor shall be granted.

For any deviations of submitted APD's and ROW applications, EOG Resources Inc. will notify the Ute Tribe and Bureau of Indian Affairs in writing and will receive written authorization of such changes. Without authorization, EOG Resources Inc. understands they will be subject to fines and penalties.

EOG Resources will implement "Safety and Emergency Plan." EOG Resources will ensure its compliance.

Vehicles that are hauling fluids and/or cuttings will make sure that no spill or leakages occur during transport.

Berms, diversion ditches, cattle guards and culverts are to be installed and constructed where required.

Reserve pit fluids are to be disposed and hauled to approved disposal pits before backfilling begins and during the backfilling process.

All vehicular traffic, personnel movement, construction, and restoration activities shall be confined to the areas examined and approved, and to the existing roadways and/or evaluated access routes.

All personnel shall refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.

The personnel from the Ute Tribe Energy & Mineral Department shall be consulted if cultural remains (including paleontology fossils) from subsurface deposits are exposed or identified during construction. All construction will cease. Prior to commencing constructing in the area where cultural resources are exposed the operator must obtain authorization from the BIA and the Ute

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DIVISION OF
OIL, GAS AND MINING

Tribal Department of Cultural Rights and Protection.

Upon completion of construction of the rights-of-way, EOG Resources Inc. will notify the Ute Tribe Energy & Minerals Resources Department. This will be done so that a Tribal Technician can verify Affidavit of Completions.

Before the site is abandoned, the company will be required to restore the well site and ROWs to near their original state. The disturbed areas will be reseeded with desirable perennial vegetation.

Noxious weeds will be controlled on the well site and rights-of-way. If noxious weeds spread from the project area onto adjoining land, the company will also be responsible for their control.

Soil erosion will be mitigated by reseeded all disturbed areas.

Reserve pits will be lined with impervious synthetic liners. Prior to backfilling the reserve pit all fluids will be pumped from the pit into trucks and hauled to approved disposal sites. When the pits are backfilled, the surplus oil and mud etc. will be buried a minimum depth of 3.0 feet below the surface of the soil.

A closed production system will be used. Production fluids will be contained in leak proof tanks. Low profile tanks may be used to minimize problems with irrigation systems. All production fluids will be disposed of at approved disposal sites. The indiscriminate dumping of production fluids on roads, wellsites or other areas will not be allowed.

Access roads which shall have constructed travel width limited to 18 feet, except as granted for sharp curves or intersections or where deep cuts are required for road construction.

Surface pipelines will be constructed to lay on the soil surface, and the ROW for the pipeline will not be bladed or cleared of vegetation without site specific authorization from BIA and Ute Tribe Energy & Minerals.

Where surface pipelines do not parallel roads but cross country between stations. The line shall either be welded in place at a welding station located at the wellsite or on roads near the flowline right of way and then dragged into place with a suitable piece of equipment so it will not destroy the natural vegetation. If the flowline doesn't follow existing and APD proposed new access roads then traffic shall be restricted along pipeline ROWs so that they will not be used as an access road.

Buried flowlines shall be a minimum of three feet below the surface. After the construction of the pipeline is completed the disturbed area of the ROW shall be contoured to blend into the natural landscape, and it shall be reseeded with desirable vegetation. Between September 15 and November 1 of the year following pipeline construction of the buried line all disturbed areas shall be reseeded with perennial vegetation according to BIA, or to Ute Tribe specifications.

EOG Resources employees, representatives, and subcontractors shall not carry firearms on their person or in their vehicles while working on the Uintah and Ouray Indian Reservation.

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OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: N CHAPITA 113-4

Api No. 43-047-33561 LEASE TYPE: FEDERAL

Section 04 Township 09S Range 22E County UINTAH

Drilling Contractor BILL MARTIN RIG # AIR

SPUDDED:

Date 06/14//2000

Time 8:00 AM

How DRY

Drilling will commence _____

Reported by ED TROTTER

Telephone # 1-435-789-4120

Date 06/16/2000 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)
**533' FNL - 1981' FWL (NE/NW)
SECTION 4, T9S, R22E**

5. Lease Designation and Serial No.
U 41368

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NORTH CHAPITA 113-4

9. API Well No.
43-047-33561

10. Field and Pool or Exploratory Area
CHAPITA WELLS/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

(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).

EOG Resources, Inc. spud 11" surface hole at the subject location 6/14/2000. The contractor was Bill Martin's Air Drilling. Ed Forsman of the Vernal BLM District office and Carol Daniels of the Utah Division of Oil, Gas & Mining were notified of spud 6/14/2000.

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**DIVISION OF
OIL, GAS AND MINING**

*NOTE: EOG Resources, Inc. will be using Nationwide Bond #NM 2308

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

SIGNED Katy Carls TITLE Regulatory Analyst DATE 6/23/2000

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL:		OIL WELL <input type="checkbox"/>		GAS WELL <input checked="" type="checkbox"/>		DRY <input type="checkbox"/>		OTHER <input type="checkbox"/>	
b. TYPE OF COMPLETION:		NEW WELL <input checked="" type="checkbox"/>		WORK OVER <input type="checkbox"/>		DEEPEN <input type="checkbox"/>		PLUG BACK <input type="checkbox"/>	
15. DATE SPOOLED		16. DATE T.D. REACHED		17. DATE COMPL. (Ready to prod.)		18. ELEVATIONS (DE. RKE. RT. G. F. E.)*		19. ELEV. CASINGHEAD	
6/14/2000		7/01/2000		7/24/2000		4789' KB		4774' PREP. GL.	
20. TOTAL DEPTH, MD & TVD		21. PLUG, BACK T.D., MD & TVD		22. IF MULTIPLE COMPLETIONS, HOW MANY?		23. ROTARY TOOLS		CABLE TOOLS	
6725'		6698'		1		ROTARY			
24. PRODUCING INTERVAL(S), OF THIS COMPLETION-TOP, BOTTOM, NAME (MD AND TVD)*		25. WAS DIRECTIONAL SURVEY MADE?		26. TYPE ELECTRIC AND OTHER LOGS RUN		27. WAS WELL CORED?			
WASATCH 6009' - 6613'		NO		Dipole Sonic Imager, Compensated Neutron, GR Cement Bond Log, Collar Locator, GR, Dipole Sonic Imager Compensated Neutron, Log Quality Control		NO			

CONFIDENTIAL
83113 PERIOD
EXPIRED
ON 8-24-01

5. LEASE DESIGNATION AND SERIAL NO. U 41368	
6. IF INDIAN, ALLOTTEE OR TRIBE NAME UTE TRIBAL LAND	
7. UNIT AGREEMENT NAME NORTH CHAPITA	
8. FARM OR LEASE NAME NORTH CHAPITA	
9. WELL NO. 113-4	
10. FIELD AND POOL, OR WILDCAT CHAPITA WELLS	
11. SEC., T., R., M., OR BLOCK AND SURVEY SECTION 4, T9S, R22E	
12. COUNTY OR PARISH UTAH	13. STATE UTAH
14. PERMIT NO. 43-047-33561	
DATE PERMIT ISSUED 5/09/2000	

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	242'	12-1/4"	100 sx Class "G" cement.	NONE
4-1/2"	10.5# J-55	6715'	7-7/8"	400 sx Hi-Lift & 500 sx 50/50 Pozmix.	NONE

29. LINER RECORD					30. TUBING RECORD		
SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2-3/8"	6634'	

31. PERFORATION RECORD (Interval, size and number)				32. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.	
Wasatch	B-1 & C-13	6468-78', 6529-31' & 6610-13'	w/2 SPF	DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
	C-9 (CD)	6065-70', 6073-75' & 6079-81'	w/3 SPF	6468-6613'	15,204 gals gelled water & 63,000# 20/40 sand.
	C-9 (CD L)	6009-11', 6013-15' & 6017-22'	w/3 SPF	6065-6081'	17,430 gals gelled water & 82,780# 20/40 sand.
				6009-6022'	15,624 gals gelled water & 65,700# 20/40 sand.

33.* PRODUCTION							
DATE FIRST PRODUCTION 7/24/2000		PRODUCTION METHOD (Flowing, gas lift, pumping-size and type of pump) FLOWING				WELL STATUS (Producing or shut-in) PRODUCING	
DATE OF TEST 7/31/2000	HOURS TESTED 24	CHOKE SIZE 17/64"	PROD'N FOR 2 BC	OIL-BBL. 529 MCFD	GAS-MCF. 12 BW	WATER-BBL. 12 BW	GAS-OIL RATIO
FLOW. TUBING PRESS. FTP 400 psig	CASING PRESSURE CP 530 psig	CALCULATED	OIL-BBL. 2 BC	GAS-MCF. 529 MCFD	WATER-BBL. 12 BW	OIL GRAVITY-API (CORR.)	
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.) SOLD						TEST WITNESSED BY 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: *Doty Carlson* TITLE: Regulatory Analyst DATE: 8/02/2000

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

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: ent: 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(d) provide that you be furnished the following information in connection with information required by this application.

AUTHORITY: 30 U.S.C. 181 et. seq., 25 U.S.C. et. seq., 43 CFR 31.60

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 its 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		
FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	TOP		
				NAME	MEAS. DEPTH	TRUE VERT. DEPTH
				Green River	2180'	
				Base "M" Marker	4737'	
				"N" Limestone	4972'	
				Wasatch		
				Peter's Point	5169'	
				P-4 (PC)	5398'	
				P-8 (PE)	5591'	
				Chapita Wells	5795'	
				C-9 (CC U)	5966'	
				C-9 (CC L)	6008'	
				C-9 (DD)	6061'	
				C-13 (CM)	6467'	
				Buck Canyon	6593'	
				B-1	6610'	

ENTITY ACTION FORM - FORM 6

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					QQ	SEC.	TP	RG			
A	99999	12837	43-047-44545	Duck Creek 68-4	SE/SE	4	9S	20E	UINTAH	6/12/2000	8-12-00
CONFIDENTIAL ⁴³⁻⁰⁴⁷⁻³³⁵⁴⁵ 8-11-00											
A B	99999	12838	43-047-33561	North Chapita 113-4	NE/NW	4	9S	22E	UINTAH	6/14/2000	6-14-00
CONFIDENTIAL 8-11-00											
B	99999 4995	4905	43-047-33588	Chapita Wells Unit 603-4F	NW/SW	4	9S	22E	UINTAH	6/27/2000	6-27-00
CONFIDENTIAL 8-11-00											
A B	99999	12839	43-047-33519	North Chapita 115-5	LOT 4	5	9S	22E	UINTAH	7/18/2000	7-18-00
CONFIDENTIAL 8-11-00											
A B	99999	12840	43-047-33583	North Chapita 111-32	SW/SW	32	8S	22E	UINTAH	7/26/2000	7-26-00
CONFIDENTIAL 8-11-00											

ACTIONS 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 COMMENT section to explain why each Action Code was selected.

Katy Carlson

 Signature
 Regulatory Analyst 8/04/2000

 Title Date

 Phone No. (307) 276-3331

T-231 P.01/01 F-622

307276

Aug-10-00 10:31am FROM - BIG PINEY, WY.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FOUR APPROVED
Budget Bureau No. 1004-03
Expires September 30, 1990
CONFIDENTIAL

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 <input type="checkbox"/> Oil WELL <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Designation and Serial No. <i>U 41368</i>
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3. Address and Telephone No. <i>P.O. BOX 250, BIG PINEY, WY 83113 (307) 276-3331</i>		7. If Unit or C.A., Agreement Designation
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <i>533' FNL - 1981' FWL (NE/NW) SECTION 4, T9S, R22E</i>		8. Well Name and No. <i>NORTH CHAPITA 113-4</i>
		9. API Well No. <i>43-047-33561</i>
		10. Field and Pool or Exploratory Area <i>CHAPITA WELLS/WASATCH</i>
		11. County State <i>UINTAH, UTAH</i>

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

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> NOTICE OF INTENT	<input type="checkbox"/> ABANDONMENT
<input 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
	<input type="checkbox"/> DISPOSAL OF PRODUCED WATER

(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).

EOG Resources, Inc. 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. EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit)

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AUG 07 2000

DIVISION OF
OIL, GAS AND MINING

*NOTE: EOG Resources, Inc. will be using Nationwide Bond #NM 2308

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

SIGNED *Ruth Carlson* TITLE *Regulatory Analyst* DATE *8/02/2000*

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: