

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

APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. Lease designation and serial number U-43916
b. TYPE OF WELL Oil <input type="checkbox"/> Gas <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/> Well <input type="checkbox"/> Well <input checked="" type="checkbox"/> Other <input type="checkbox"/>		6. If Indian, Allottee or Tribe name
2. Name of Operator EOG RESOURCES, INC.		7. Unit Agreement Name
3. Address and Telephone Number P.O. BOX 1815, VERNAL, UT 84078 (435)789-0790		8. Farm or lease name, well no. NORTH CHAPITA
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface FNL 467' FSE & 664' FEL NE/NE 4438232 N At proposed prod. Zone 634855 E		9. API Well No. NC 159-34
14. Distance in miles and direction from nearest town or post office 18.55 MILES SOUTHEAST OF OURAY, UTAH		10. Field and pool, or wildcat WASATCH
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any) 467'	16. No. of acres in lease 1360.00	11. Sec., T., R., M., or BLK. and survey or area SEC. 34, T8S, R22E
18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.	19. Proposed depth 6760'	12. County or parish UINTAH
21. Elevations (show whether DF, RT, GR, etc.) 4797.9 FEET GRADED GROUND		13. State UTAH
22. Approx. date work will start UPON APPROVAL		17. No. of acres assigned to this well

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#	6760'	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



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



MAY 04 2001

Pc: UTAH DIVISION OF OIL, GAS, AND MINING

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 L. J. [Signature]* TITLE Agent DATE 4-25-2001

(This space for Federal or State office use)
PERMIT NO. 43047-34056 FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

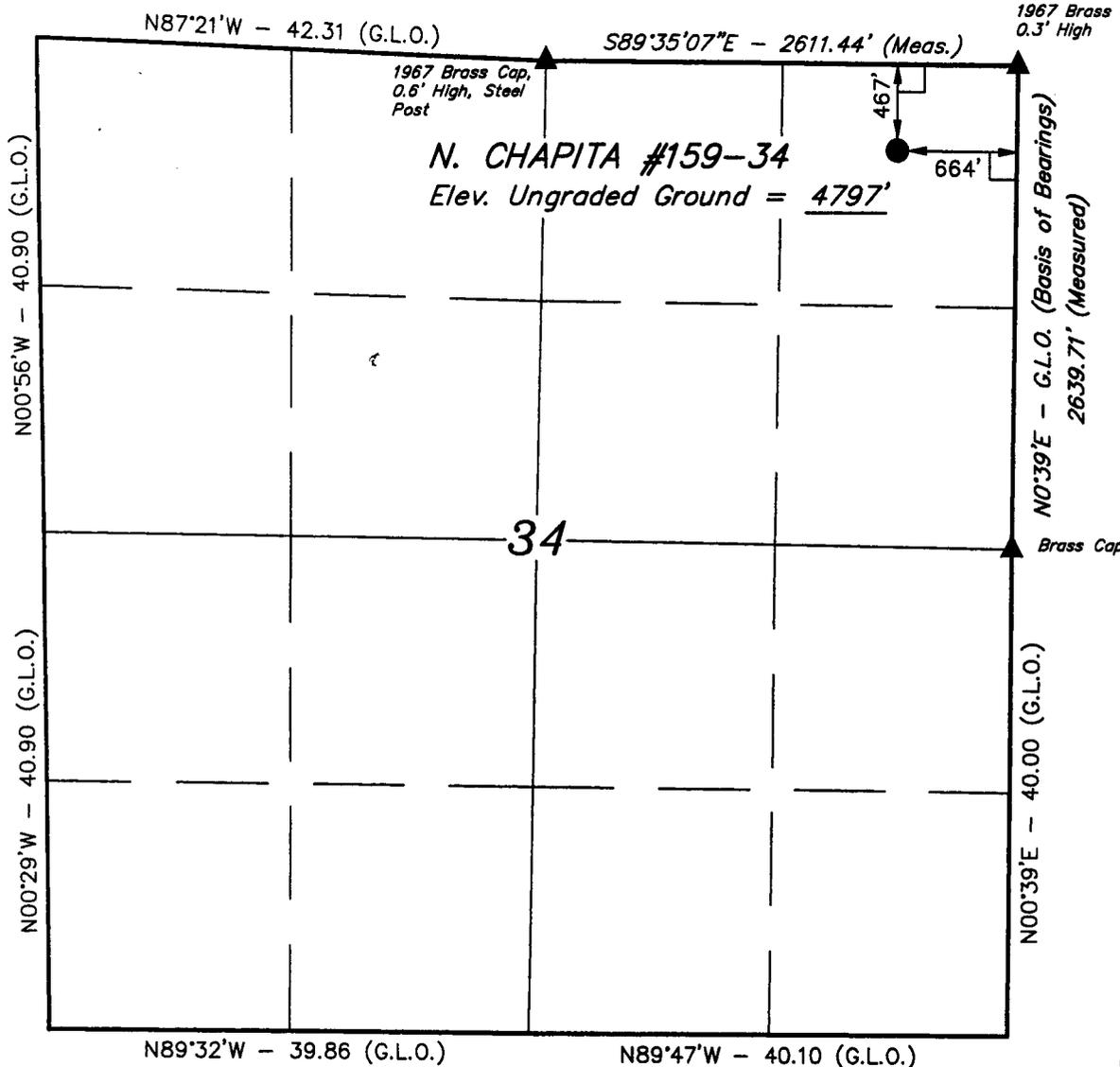
Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY
APPROVED BY *[Signature]* TITLE BRADLEY G. HILL DATE 06-12-01
RECLAMATION SPECIALIST III

EOG RESOURCES, INC.

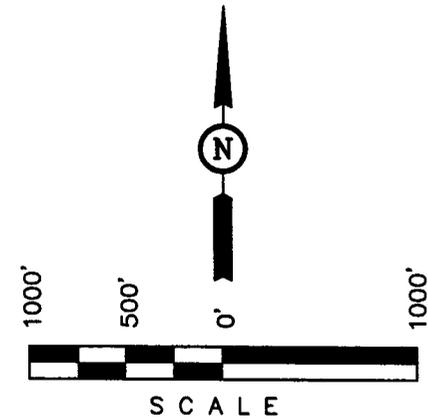
Well location, N. CHAPITA #159-34, located as shown in the NE 1/4 NE 1/4 of Section 34, T8S, R22E, S.L.B.&M. Uintah County, Utah.

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



BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHEAST CORNER OF SECTION 35, 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 4829 FEET.



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.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 101319
STATE OF UTAH

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

LEGEND:

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

LATITUDE = 40°05'07"
LONGITUDE = 109°25'06"

SCALE 1" = 1000'	DATE SURVEYED: 2-8-01	DATE DRAWN: 2-12-01
PARTY J.T. J.T. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

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

April 25, 2001

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 159-34
NE/4NE/4, SEC. 34, T8S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-43916
FEDERAL 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

RECEIVED

MAY 04 2001

DIVISION OF
OIL, GAS AND MINING

EIGHT POINT PLAN

NORTH CHAPITA 159-34
NE/NE, SEC. 34, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH	TYPE ZONES	MAXIMUM PRESSURE
Green River	1988		
Oil Shale	1988		
Base "M" Marker	4788		
Wasatch	5233		
Peters Point	5233	GAS	
Chapita Wells	5863	GAS	
Buck Canyon	6628	GAS	

EST. TD: 6760

Anticipated BHP 2900 PSI

3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.

4. 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' - 6760'	6760'	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.

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'+/-.

EIGHT POINT PLAN

NORTH CHAPITA 159-34
NE/NE, SEC. 34, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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 Wireline

Gamma Ray-Neutron

T.D. to base of surface casing

Dipole Sonic-Neutron-GR

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.

8. ABNORMAL CONDITIONS:

None anticipated.

9. STANDARD REQUIRED EQUIPMENT:

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

EIGHT POINT PLAN

NORTH CHAPITA 159-34
NE/NE, SEC. 34, T8S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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.

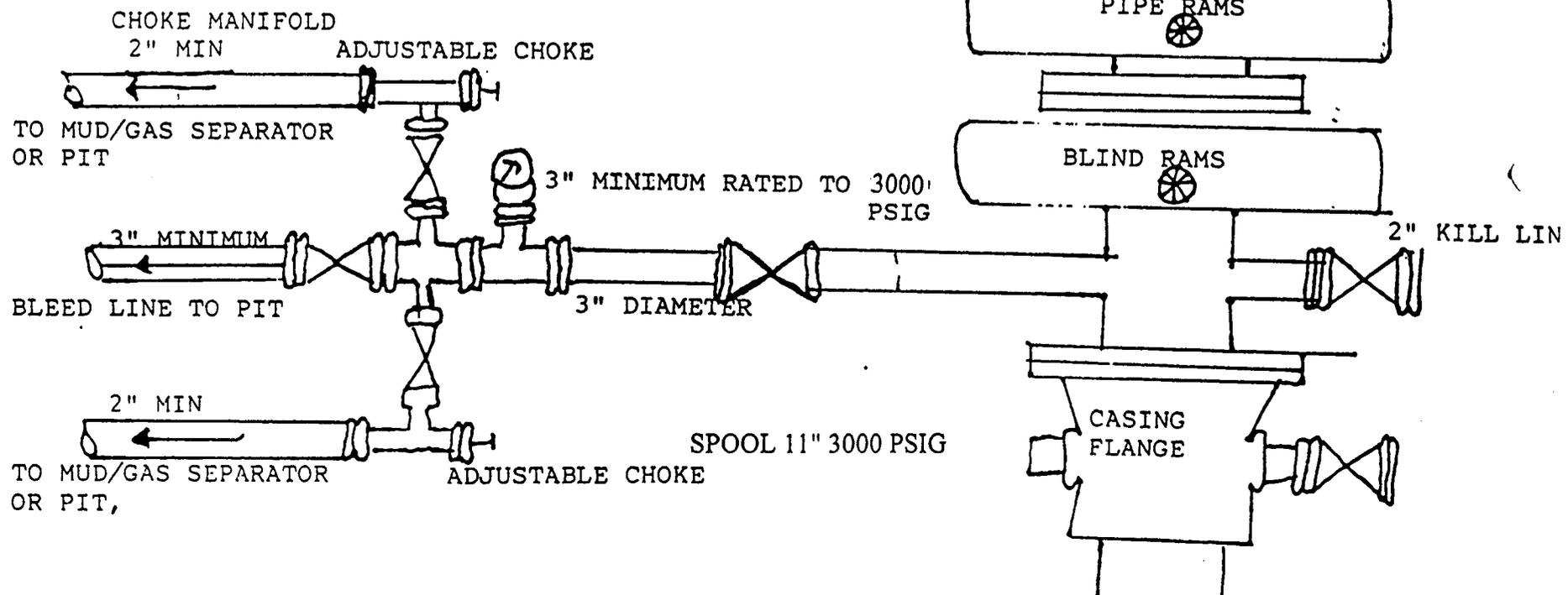
(Attachment: BOP Schematic Diagram)

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 159-34
Lease Number: U-43916
Location: 467' FNL & 664' FEL, NE/NE, Sec. 34, T8S,
R22E, S.L.B.&M., Uintah County, Utah
Surface Ownership: Federal

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 18.55 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 250 feet 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.

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

Producing wells - 3*

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

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

A. ON WELL PAD

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of well head valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping. See attached facility diagram.
2. Gas gathering lines - A 3" gathering line will be buried from dehy to the edge of the location.

B. OFF WELL PAD

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 3" OD steel above ground natural gas pipeline will be laid approximately 833' from proposed location to a point in the NE/4 of Section 34, T8S, R22E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands, thus a Right-of-Way grant will be required.
3. Proposed pipeline will be a 3" 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.

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 will be painted within six 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 Carlbad 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 contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from Ouray Municipal Water 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 Federal 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 wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).**

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or 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 BLM administered land:

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

The reserve pit will be inspected after digging to determine if a liner will be required.

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.
- D. The approved seed mixture for the pit area is:
 - 4 pounds Indian Rice Grass per acre
 - 4 pounds Sand Drop Seed per acre
 - 4 pounds Scarlet Globe Mallow per acre

The reserve pit will be located on the Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the East side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil between Corners 5 and 6. No topsoil shall be removed from the rest of the location. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a cat.

Access to the well pad will be from the Northeast .

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 BLM 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 Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR 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 re-contoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

B. DRY HOLE/ABANDONED LOCATION

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

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

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 BLM, or the appropriate County Extension Office. On BLM 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 BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

Additional Surface Stipulations

No construction or drilling activities shall be conducted between April 1 and July 15 because of Ferruginous Hawk Stipulations.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

<u>OPERATIONS</u>		<u>PERMITTING</u>
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.

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.

4-25-2001

Date

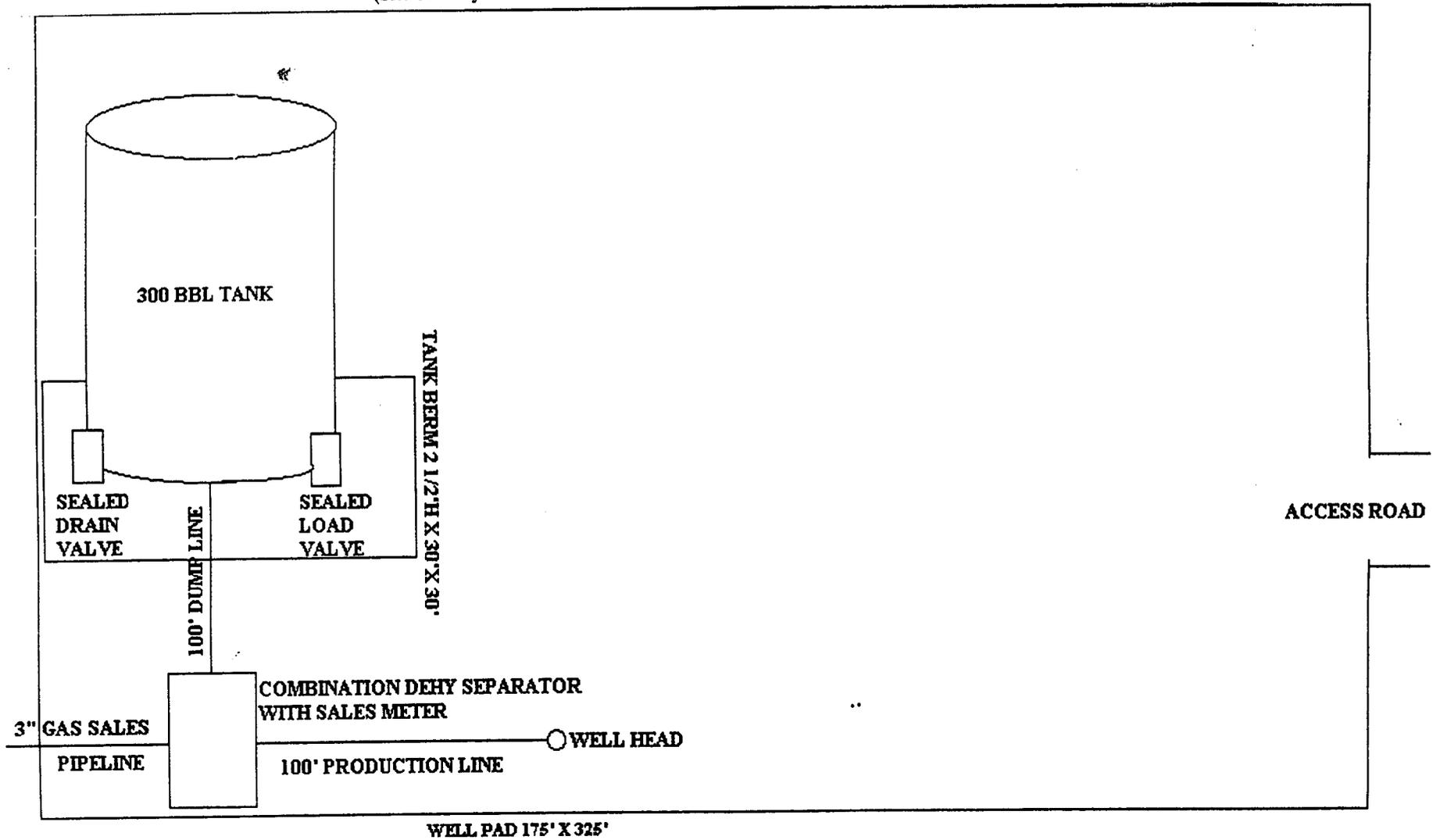
Neil Smith
Agent

SITE FACILITY DIAGRAM

NORTH CHAPITA 159-34
NE/NE, SEC. 34, T8S, R22E
UINTAH COUNTY, UTAH
LEASE NO. U-43916
FEDERAL LANDS



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



EOG RESOURCES, INC.

N. CHAPITA #159-34
LOCATED IN UINTAH COUNTY, UTAH
SECTION 34, T8S, R22E, S.L.B.&M.

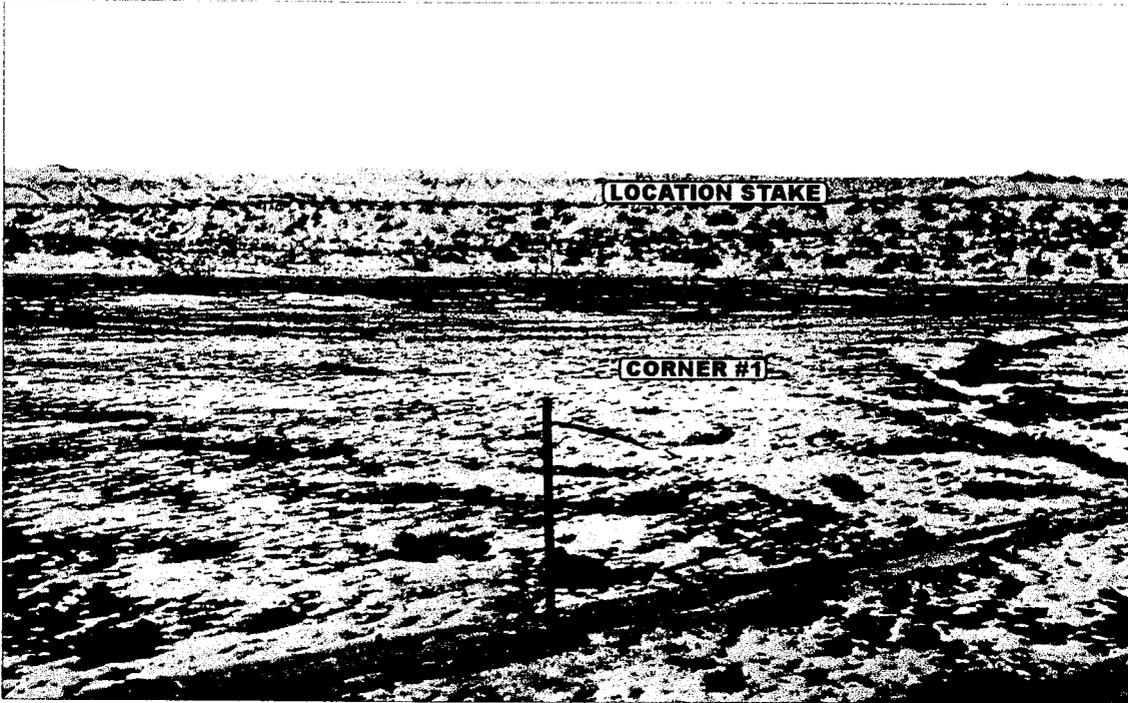


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHWESTERLY



UELS

Uintah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

3 7 01
MONTH DAY YEAR

PHOTO

TAKEN BY: J.T.

DRAWN BY: P.M.

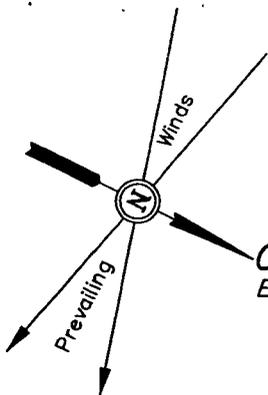
REVISED: 00-00-00

- Since 1964 -

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

N. CHAPITA #159-34
SECTION 34, T8S, R22E, S.L.B.&M.
467' FNL 664' FEL



C-2.9'
El. 800.8'

Approx.
Toe of
Fill Slope

F-1.4'
El. 796.5'

Sta. 3+25

SCALE: 1" = 50'
DATE: 2-12-01
Drawn By: C.G.

Approx.
Top of
Cut Slope

NOTE:
Earthwork Calculations Require
a Fill of 0.9' @ the Location
Stake For Balance. All Fill is
to be Compacted to a Minimum
of 95% of the Maximum Dry
Density Obtained by AASHTO
Method t-99.

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

Strip Top Soil
OFF PIT AREA
ONLY



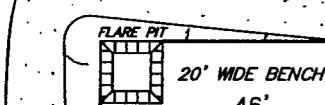
CATWALK

PIPE RACKS

F-0.9'
El. 797.0'

Do NOT
STRIP TOP
SOIL OFF
LOCATION

Sta. 1+50



C-0.2'
El. 798.1'

RIG DOG HOUSE

135'

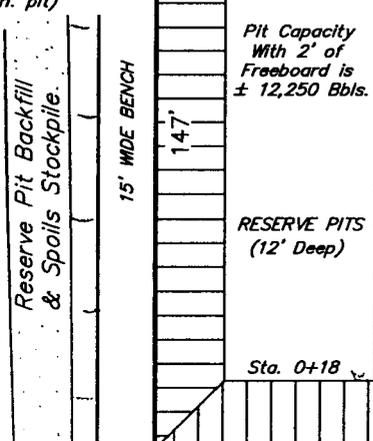
El. 802.3'
C-16.4'
(btm. pit)

F-1.1'
El. 796.8'

PUMP

TRAILER

F-0.6'
El. 797.3'



20' WIDE BENCH

El. 801.5'
C-15.6'
(btm. pit)

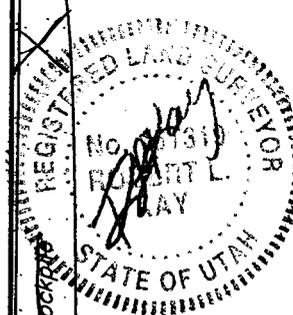
El. 798.3'
C-0.4'

GRADE
El. 797.9'

Proposed Access
Road

Elev. Ungraded Ground at Location Stake = 4797.0'
Elev. Graded Ground at Location Stake = 4797.9'

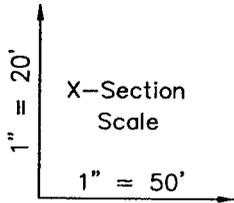
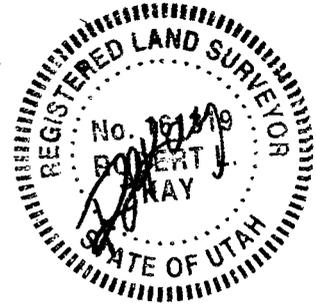
UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017



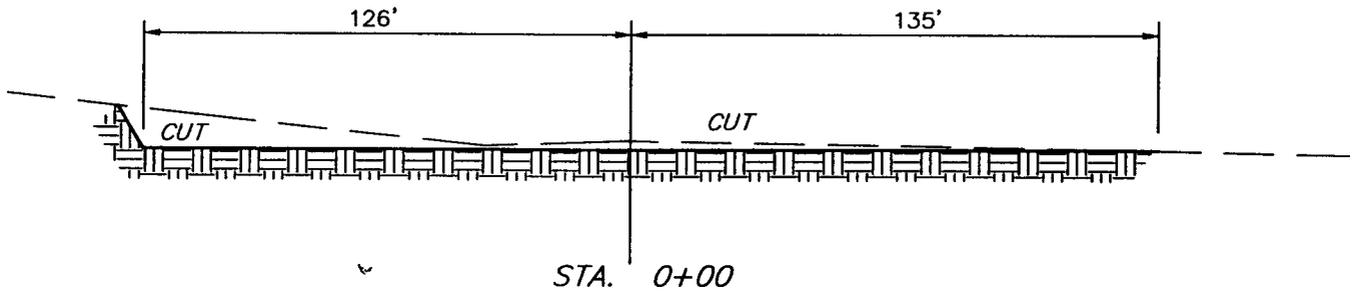
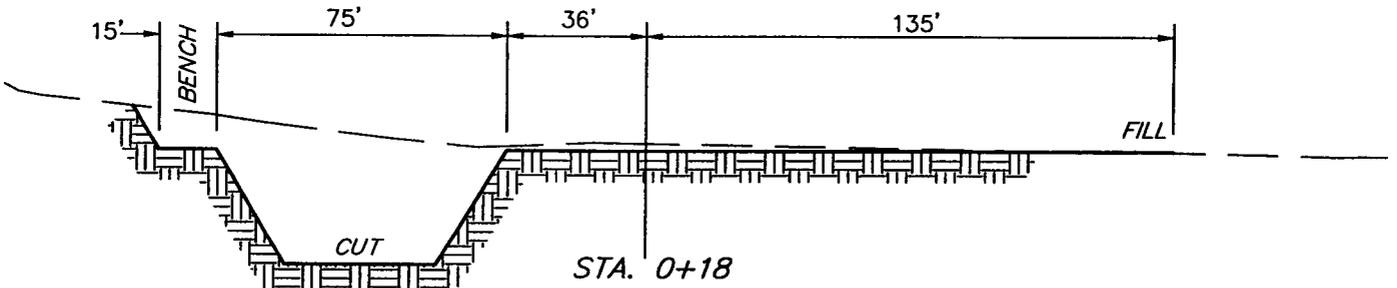
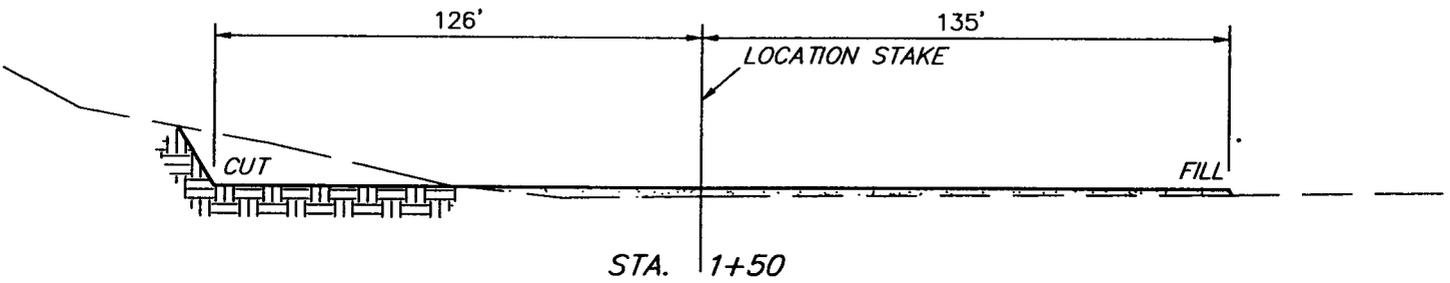
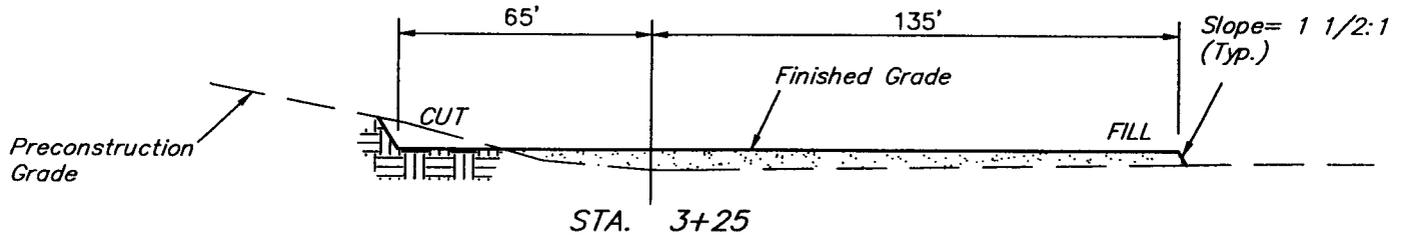
EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

N. CHAPITA #159-34
SECTION 34, T8S, R22E, S.L.B.&M.
467' FNL 664' FEL



DATE: 2-12-01
Drawn By: C.G.



APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	1,430 Cu. Yds.
Remaining Location	=	4,380 Cu. Yds.
TOTAL CUT	=	5,810 CU.YDS.
FILL	=	2,580 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	=	3,090 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,090 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.

**PROPOSED LOCATION:
N. CHAPITA #159-34**

SEE TOPO "B"

OURAY 12.6 MI. +/-

2.4 MI. +/-

CHAPITA WELLS GAS FIELD

BITTER CREEK GAS FIELD

T9S

T10S

**R
22
E**

**R
23
E**

LEGEND:

⊙ PROPOSED LOCATION



EOG RESOURCES, INC.

**N. CHAPITA #159-34
SECTION 34, T8S, R22E, S.L.B.&M.
467' FNL 664' FEL**



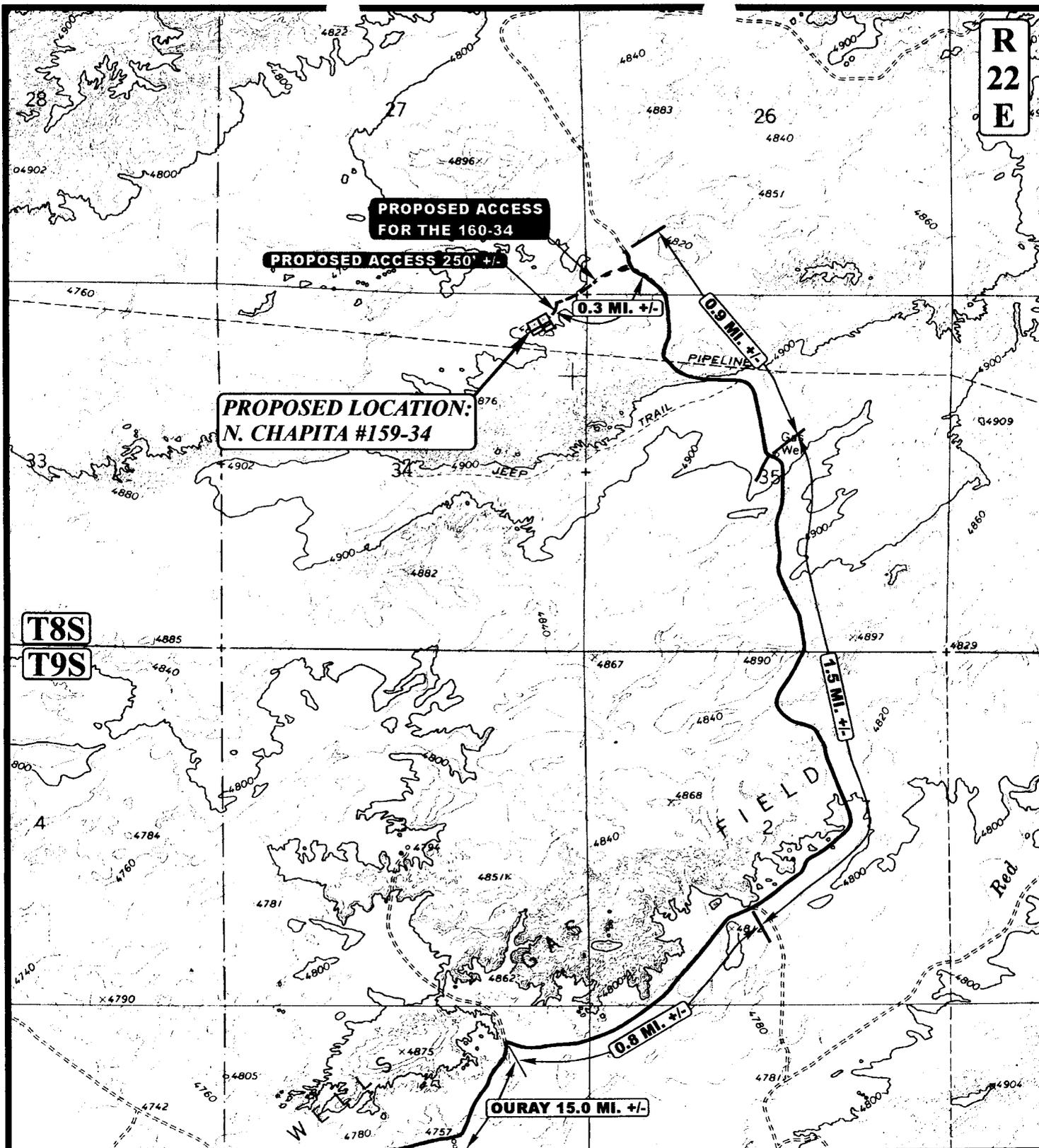
**Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813**

**TOPOGRAPHIC
MAP**

**3 7 01
MONTH DAY YEAR**

SCALE: 1 : 100,000 DRAWN BY: P.M. REVISED: 00-00-00





**R
22
E**

**T8S
T9S**

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



EOG RESOURCES, INC.

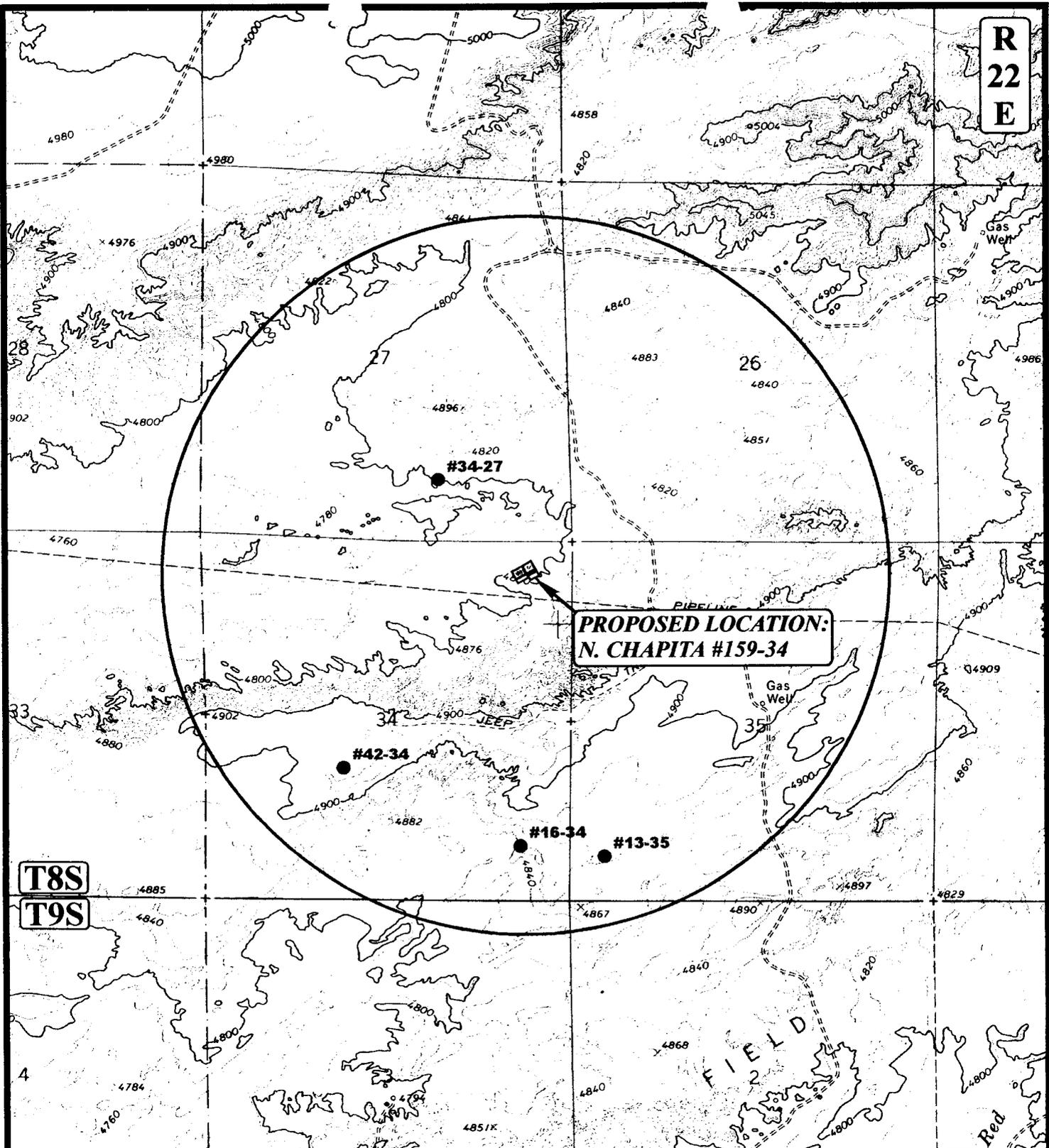
**N. CHAPITA #159-34
SECTION 34, T8S, R22E, S.L.B.&M.
467' FNL 664' FEL**

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

TOPOGRAPHIC **3** **7** **01**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

B
 TOPO

R
22
E



T8S
T9S

LEGEND:

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

EOG RESOURCES, INC.

N. CHAPITA #159-34
 SECTION 34, T8S, R22E, S.L.B.&M.
 467' FNL 664' FEL



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

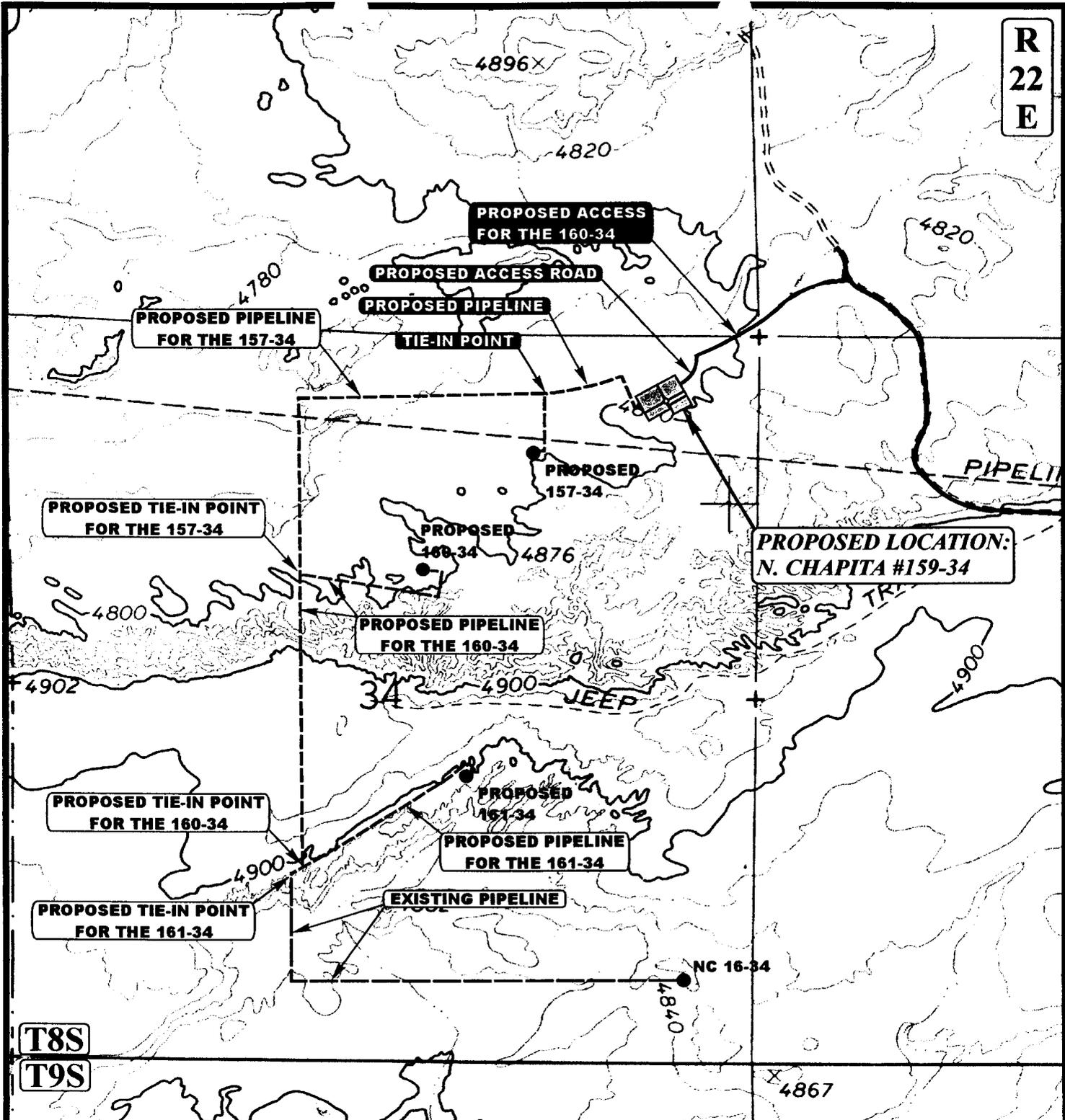
TOPOGRAPHIC

3	7	01
MONTH	DAY	YEAR



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

R
22
E



APPROXIMATE TOTAL PIPELINE DISTANCE = 833' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE
- PROPOSED ACCESS



EOG RESOURCES, INC.

N. CHAPITA #159-34
 SECTION 34, T8S, R22E, S.L.B.&M.
 467' FNL 664' FEL



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

TOPOGRAPHIC MAP	3	7	01
	MONTH	DAY	YEAR
SCALE: 1" = 1000'		DRAWN BY: P.M. REVISED: 00-00-00	



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 05/04/2001

API NO. ASSIGNED: 43-047-34056

WELL NAME: NC 159-34
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: ED TROTTER, AGENT

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:
 NENE 34 080S 220E
 SURFACE: 0467 FNL 0664 FEL
 BOTTOM: 0467 FNL 0664 FEL
 UINTAH
 NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
 LEASE NUMBER: U-43916
 SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSTC

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
- Potash (Y/N)
- Oil Shale (Y/N) *190-5 (B) or 190-3
- Water Permit
(No. MUNICIPAL)
- RDCC Review (Y/N)
(Date: _____)
- N/A Fee Surf Agreement (Y/N)

LOCATION AND SITING:

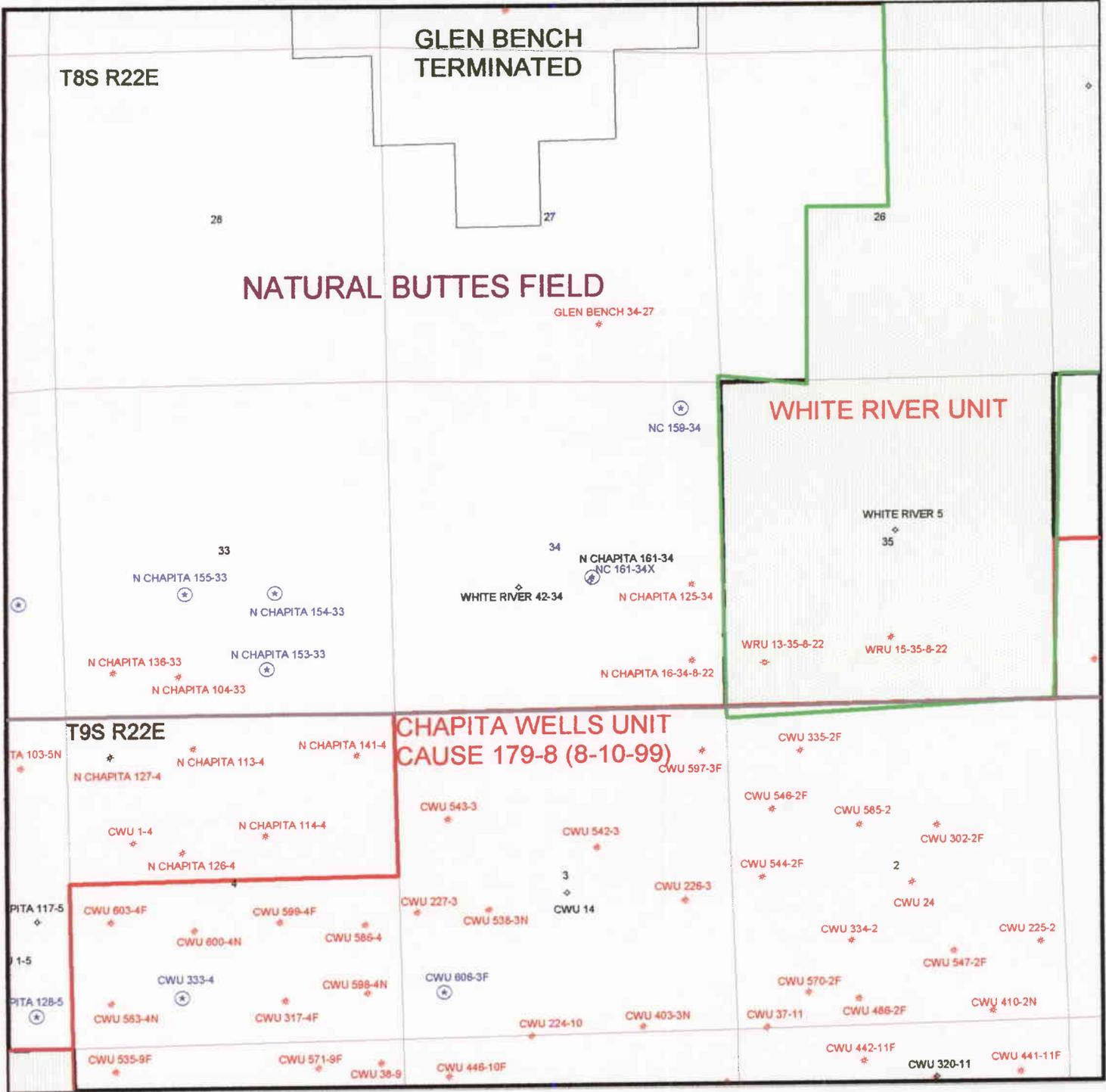
- R649-2-3. Unit _____
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1-Federal Approval



OPERATOR: EOG RESOURCES INC (N9550)
 SEC. 34, T8S, R22E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH SPACING: R649-3-2/GEN ST





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)

June 12, 2001

EOG Resources, Inc.
PO Box 1815
Vernal, UT 84078

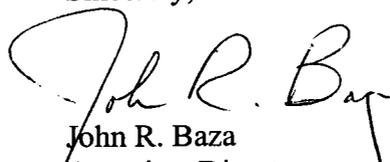
Re: North Chapita 159-34 Well, 467' FNL, 664' FEL, NE NE, Sec. 34, T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-34056.

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 North Chapita 159-34
API Number: 43-047-34056
Lease: U 43916

Location: NE NE **Sec.** 34 **T.** 8 South **R.** 22 East

Conditions of Approval

1. General
Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements
Notify the Division 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

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. 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 <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. Lease designation and serial number U-43916
1b. TYPE OF WELL Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other <input type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone <input type="checkbox"/>		6. If Indian, Allottee or Tribe name
2. Name of Operator EOG RESOURCES, INC.		7. Unit Agreement Name
3. Address and Telephone Number P.O. BOX 1815, VERNAL, UT 84078 (435)789-0790		8. Farm or lease name, well no. NORTH CHAPITA
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface 467' FML & 664' FEL NE/NE		9. API Well No. NC 159-34
14. Distance in miles and direction from nearest town or post office 18.55 MILES SOUTHEAST OF OURAY, UTAH		10. Field and pool, or wildcat WASATCH
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any) 467'	16. No. of acres in lease 1360.00	11. Sec., T., R., M., or BLK. and survey or area SEC. 34, T8S, R22E
18. Distance from proposed location to nearest well, drilling, completed, or applied for, on this lease, ft.	19. Proposed depth 6760'	12. County or parish UINTAH
21. Elevations (show whether DF, RT, GR, etc.) 4797.9 FEET GRADED GROUND	22. Approx. date work will start UPON APPROVAL	

**RECEIVED
MAY 02 2001**

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#	6760'	50/50 POXMIX + 2% GEL + 10%

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 BOND #NM 2308

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).

RECEIVED

Pc: UTAH DIVISION OF OIL, GAS, AND MINING

DIVISION OF OIL, GAS AND MINING

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 L. Smith* TITLE Agent DATE 4-25-2001

(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 *Edwin A. Smith* TITLE ACTING Assistant Field Manager Mineral Resources DATE SEP 17 2001

CONDITIONS OF APPROVAL ATTACHED

01P50769A Nos 4/3/01

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources Inc.

Well Name & Number: NORTH CHAPITA 159-34

API Number: 43-047-34056

Lease Number: U - 43916

Location: NENE Sec. 34 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.

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 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.

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 top of the Green River Formation, identified at $\pm 2,133$ 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.

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).

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 on-lease 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."

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, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

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.

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

- The access road shall be moved to the south of where it is staked. The dirt contractor shall call Byron Tolman at 435-781-4482 prior to starting any dirt work.
- The road shall be crowned at between 2 to 3 %.
- When plowing snow during the winter months, the snow shall be plowed outside of the borrow ditches to prevent the snow melt from saturating the road during the spring.
- See additional surface stipulation on page 8 of APD for ferruginous hawk stipulations.
- It will not be necessary to strip the location topsoil on this well site. Topsoil shall be left in place to prevent runoff water from collecting on the well pad. The topsoil shall, however, be stripped from the reserve pit.

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: NC 159-34

Api No. 43-047-34056 LEASE TYPE: FEDERAL

Section 34 Township 08S Range 22E County UINTAH

Drilling Contractor DALL COOK'S RIG # AIR

SPUDDED:

Date 11/07/2001

Time 11:00 AM

How ROTARY

Drilling will commence _____

Reported by ED TROTTER / E-MAIL

Telephone # 1-435-789-4120

Date 11/08/2001 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 **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)
**467' FNL - 664' FEL (NE/NE)
SECTION 34, T8S, R22E**

5. Lease Designation and Serial No.
U 43916

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
NORTH CHAPITA 159-34

9. API Well No.
3-047-34056

10. Field and Pool or Exploratory Area
WHITE RIVER/WASATCH

11. County State
UINTAH, UTAH

12. CHECK APPROPRIATE BOX(S) 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).
4. RN Industries.

**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

RECORDED
**SECTION OF
OIL 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 *Raty Carlson* TITLE Regulatory Analyst DATE 2/05/2002

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

SUBMIT IN DUPLICATE*
(See other instructions on
reverse side)

CONFIDENTIAL

Expires August 31, 1985

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

5. LEASE DESIGNATION AND SERIAL NO.
U 43916

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME
NORTH CHAPITA

9. WELL NO.
159-34

10. FIELD AND POOL, OR WILDCAT
WHITE RIVER/WASATCH

11. SEC., T., R., M., OR BLOCK, AND SURVEY
SECTION 34, T8S, R22E

12. COUNTY OR PARISH
UINTAH, UTAH

14. PERMIT NO.
43-047-34056

DATE PERMIT ISSUED
6/12/2001

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL:
OIL WELL GAS WELL DRY OTHER

b. TYPE OF COMPLETION:
NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RES. OTHER

2. NAME OF OPERATOR
EOG Resources, Inc.

3. ADDRESS OF OPERATOR
P.O. BOX 250 BIG PINEY, WYOMING 83413

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*
At surface: 467' FNL - 664' FEL (NE/NE) ON 02-28-03
At top prod. interval reported below: SAME
At total depth: SAME

15. DATE SPUDDED: 11/07/2001
16. DATE T.D. REACHED: 11/18/2001
17. DATE COMPL. (Ready to prod.): 1/31/2002
18. ELEVATIONS (TDF, RKB, RT, GR, ETC.): 4813' KB
19. ELEV. CASINGHEAD: 4798' PREP. GL

20. TOTAL DEPTH, MD & TVD: 6760'
21. PLUG, BACK T.D., MD & TVD: 6467'
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 5790' - 6342'

26. TYPE ELECTRIC AND OTHER LOGS RUN
✓ ML - 11-30-01
Dipole Shear, Compensated Neutron, GR & CBL/VDL/GR/CCL - 12-18-01
12-18-01, 1-4-02

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	237'	12-1/4"	125 sx Class "G" cement.	NONE
4-1/2"	10.5# J-55	6484'	7-7/8"	350 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"	6356'	

31. PERFORATION RECORD (Interval, size and number)

Interval	Size	SPF
Wasatch C-11 (Cg) & C-13 (Cl)	6230-34', 6245-47' & 6336-42'	w/3 SPF
C-9 (Cd)	6065-71' & 6084-88'	w/3 SPF
P-8 (Ph)	5790-93', 5800-04', 5823-27' & 5831-33'	w/2 SPF

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

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
6230-6342'	19,355 gals gelled water & 95,000# 20/40 sand.
6065-6088'	17,491 gals gelled water & 82,500# 20/40 sand.
5790-5833'	19,906 gals gelled water & 101,000# 20/40 sand.

33.* PRODUCTION

DATE FIRST PRODUCTION: 1/31/2002
PRODUCTION METHOD: FLOWING
WELL STATUS: PRODUCING

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N FOR	OIL-BBL	GAS-MCF	WATER-BBL	GAS-OIL RATIO
2/03/2002	24	12/64"		7 BC	1397 MCFD	13 BW	

FLOW TUBING PRESS	CASING PRESSURE	CALCULATEED	OIL-BBL	GAS-MCF	WATER-BBL	OIL GRAVITY-API (CORR.)
FTP 1825 psig	CP 1900 psig		7 BC	1397 MCFD	13 BW	

34. DISPOSITION OF GAS (Solid, 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: [Signature] TITLE: Regulatory Analyst DATE: 2/05/2002

*(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(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 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) 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; core intervals; and all annu-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	1940'	
				Base "M" Marker	4800'	
				"N" Limestone	6245'	
				Wasatch		
				Peter's Point	5245'	
				P-8 (Ph)	5786'	
				Chapita Wells	5836'	
				C-9 (Cd)	6063'	
				C-11 (Cg)	6224'	
				C-13 (Ci)	6335'	

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

FAX: JIM THOMPSON
 (801) 359-3940

N9550

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 B	99999	13374	43-047-34056	NORTH CHAPITA 159-34	NE/NE	34	8S	22E	UINTAH	10/7/2001	11-13-01
CONFIDENTIAL											
A	99999	13375	43-047-34213	NORTH DUCK CREEK 187-31	NENE	31	8S	21E	UINTAH	10/6/2001	11-13-01
CONFIDENTIAL											
A B	99999	13376	43-047-34076	EAST CHAPITA 803-8	SWSW	8	9S	23E	UINTAH	10/24/2001	11-13-01
CONFIDENTIAL											
	9999								UINTAH		
CONFIDENTIAL											
									UINTAH		
CONFIDENTIAL											

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.

Kate Carlson
 Signature
 Regulatory Analyst
 Title
 11/13/2001
 Date
 Phone No. (307) 276-4842

RECEIVED
 NOV 13 2001
 DIVISION OF
 OIL, GAS AND MINING

Nov-13-01 10:21 am Form-EOG - BIG PINEY, WY. 3072763335 T-004 P.01/01 F-080

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.
UTU43916

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		8. Well Name and No. NORTH CHAPITA 159-34
2. Name of Operator EOG RESOURCES INC Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com		9. API Well No. 43-047-34056
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202	3b. Phone No. (include area code) Ph: 303-824-5526	10. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 34 T8S R22E NENE 467FNL 664FEL 40.08547 N Lat, 109.41826 W Lon		11. County or Parish, and State UINTAH COUNTY, UT

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

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

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

EOG Resources, Inc. requests permission to Temporarily Abandon (TA) the referenced well. The well was shut in to drill a twin well on location and was impacted by the drilling of the new well. It will not produce without further work. Therefore, as allowed by the regulations, we are requesting TA status approval for one year for the well pending further evaluation. We will either return the well to production or submit plug and abandonment procedure for approval based on the results of our evaluation.

COPY SENT TO OPERATOR

Date: 6-26-2008

Initials: KS

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

**Electronic Submission #60594 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature

Mary A. Maestas

Date 06/03/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By

Title

Date

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

Office: *Gas and Mining*

Federal Approval Of This
Action Is Necessary

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

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED**

RECEIVED

JUN 04 2008

DIV. OF OIL, GAS & MINING