

EOG Resources, Inc.
P.O. 1910
Vernal, UT 84078

May 15, 2003

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

**RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 642-2
NE/NW, SEC. 2, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: ML-3077
UTAH STATE 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 30 2003

DIV. OF OIL, GAS & MINING

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

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL				5. MINERAL LEASE NO: ML-3077	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>				7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>				8. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT	
2. NAME OF OPERATOR: EOG RESOURCES, INC.				9. WELL NAME and NUMBER: CHAPITA WELLS UNIT 642-2	
3. ADDRESS OF OPERATOR: P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078			PHONE NUMBER: (435) 789-4120	10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES	
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 601' FNL, 2111' FWL AT PROPOSED PRODUCING ZONE: SAME				11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 2 9S 22E S	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 36.2 MILES SOUTHEAST OF OURAY, UTAH				12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 601'		16. NUMBER OF ACRES IN LEASE: 640		17. NUMBER OF ACRES ASSIGNED TO THIS WELL:	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)		19. PROPOSED DEPTH: 6,900		20. BOND DESCRIPTION: JP-0921	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4866.0' GRADED GROUND		22. APPROXIMATE DATE WORK WILL START: June 20, 2003		23. ESTIMATED DURATION: 30 days	

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	8 5/8" J-55 24.0#	220	See 8 Point Plan
7 7/8"	4 1/2" J-55 10.5#	6,900	See 8 Point Plan

CONFIDENTIAL

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

<input checked="" type="checkbox"/> WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	<input checked="" type="checkbox"/> COMPLETE DRILLING PLAN
<input checked="" type="checkbox"/> EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER	<input type="checkbox"/> FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Ed Trotter TITLE Agent

SIGNATURE *Ed Trotter* DATE 5/15/2003

(This space for State use only)

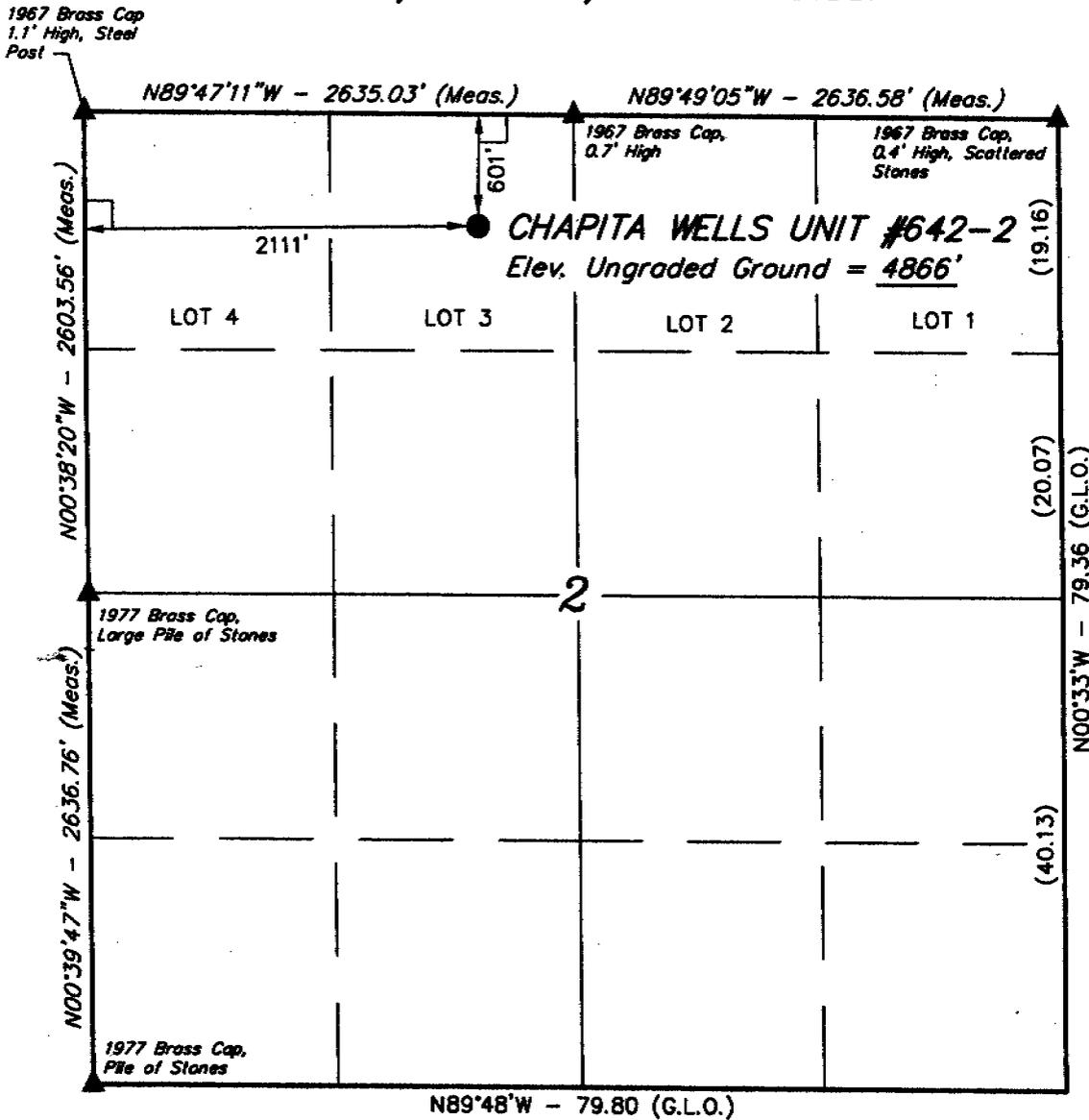
API NUMBER ASSIGNED: 43-047-34994

Approved by the
Utah Division of
Oil, Gas and Mining

APPROVAL:
[Signature]
Date: 10-02-1003

RECEIVED
MAY 30 2003
DIV OF OIL, GAS & MINING

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



LEGEND:

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

(NAD 27)
 LATITUDE = 40°04'13.99" (40.070553)
 LONGITUDE = 109°24'30.63" (109.408508)

EOG RESOURCES, INC.

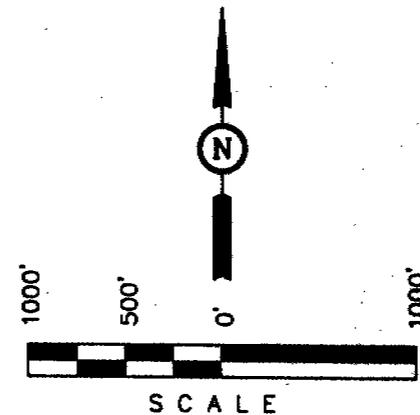
Well location, CHAPITA WELLS UNIT #642-2, located, as shown in the NE 1/4 NW 1/4 of Section 2, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

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

BASIS OF BEARINGS

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



CERTIFICATE

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

No. 161319

 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 04-25-03	DATE DRAWN: 04-25-03
PARTY D.K. J.A. D.COX	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

From: Ed Bonner
To: Mason, Diana
Date: 10/2/03 12:54PM
Subject: Well Clearance

The following well has been given cultural resource clearance by the Trust Lands Cultural Resources Group:

EOG Resources
Chapita Wells Unit 642-2

If you have any questions regarding this matter please give me a call.

CC: Garrison, LaVonne; Hill, Brad; Hunt, Gil

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160
(UT-922)

June 13, 2003

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2003 Plan of Development Chapita Wells Unit,
Uintah County, Utah.

Pursuant to email between Diana Mason, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management. The following wells are planned for calendar year 2003 within the Chapita Wells Unit, Uintah County, Utah.

Api Number	Well	Location
(Proposed PZ Wasatch)		
43-047-34994	Chapita Wells U 642-2	Sec. 2 T09S R22E 0601 FNL 2111 FWL
43-047-35011	Chapita Wells U 644-1	Sec. 1 T09S R22E 0567 FSL 0833 FEL
43-047-35024	Chapita Wells U 649-2	Sec. 2 T09S R22E 0486 FNL 2063 FEL
43-047-35025	Chapita Wells U 646-1	Sec. 1 T09S R22E 0728 FNL 0628 FEL
43-047-35026	Chapita Wells U 647-1	Sec. 1 T09S R22E 0604 FSL 1818 FWL
43-047-35027	Chapita Wells U 648-1	Sec. 1 T09S R22E 0528 FSL 2170 FEL
43-047-35028	Chapita Wells U 645-1	Sec. 1 T09S R22E 0507 FNL 0789 FWL
43-047-35029	Chapita Wells U 650-3	Sec. 3 T09S R22E 0550 FNL 2080 FWL
43-047-35012	Chapita Wells U 643-3	Sec. 3 T09S R22E 0694 FNL 1945 FEL
43-047-35013	Chapita Wells U 539-3	Sec. 3 T09S R22E 1890 FNL 0602 FEL

(Proposed PZ Mancos)

43-047-35014	Chapita Wells U 831-4	Sec. 4 T09S R22E 0988 FSL 1994 FEL
43-047-35015	Chapita Wells U 830-4	Sec. 4 T09S R22E 0543 FSL 0785 FWL
43-047-35016	Chapita Wells U 834-10	Sec. 10 T09S R22E 0572 FSL 1818 FEL
43-047-35017	Chapita Wells U 826-15	Sec. 15 T09S R22E 1943 FNL 1947 FEL
43-047-35018	Chapita Wells U 825-23	Sec. 23 T09S R22E 0645 FSL 1898 FEL
43-047-35019	Chapita Wells U 824-23	Sec. 23 T09S R22E 0510 FSL 0542 FWL

Please be advised that there is currently no participating area for the Mancos Formation within the Chapita Wells Unit.

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:6-13-3

EIGHT POINT PLAN

CHAPITA WELLS UNIT 642-2
NE/NW, SEC. 2, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River	
'M' Marker	
Wasatch	5,154'
Chapita Wells	5,784'
Buck Canyon	6,469'

EST. TD: 6900

Anticipated BHP 3000 PSI

*Replace w/ fax pages
2/24/03 DNE*

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>
12 1/4"	0' - 220' +/- GL	220' +/-	8 5/8"	24.0 #	J-55	ST&C	1370 PSI	2950 PSI	244,000#
7 7/8"	200' - TD +/-KB	6900' +/-	4 1/2"	10.5 #	J-55	ST&C	3310 PSI	4790 PSI	132,000#

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0-220' Below GL):

- Guide Shoe
- Insert Baffle
- Wooden wiper plug
- Centralizers: 1 - 5-10' above shoe, every collar for next 3 joints (4 total).
- Have bottom of first collar tack-welded, guide shoe and top of first collar thread-locked.

Production Hole Procedure (200'-TD):

- Texas-Pattern shoe, short casing shoe joint ($\pm 20'$), Float Collar, and balance of casing to surface. Run short casing joint (less than 38') at $\pm 4,100'$ (1000' above projected top of Wasatch). Centralize 5' above shoe on joint #1, top of joint #2, then every 4th joint to 4,700' (400' above Wasatch top - 15 total).
- Thread lock shoe, top and bottom of FC, and top of 2nd joint.

6. MUD PROGRAM

- 200' - 1700' Water (circulate through reserve pit). Anco-Drill sweeps for hole cleaning, Paper sweeps to seal off loss zones. Add LIME to reserve pit to keep clear.
- 1700-4900' Continue as above as far as possible. Should it become necessary to trip for a bit prior to reaching TD, either slug drillpipe and fill hole with brine or with 9.2 ppg mud (pre-mixed in rig mud tanks) to control gas. Once back on bottom after trip, turn flow back and

EIGHT POINT PLAN

CHAPITA WELLS UNIT 642-2
NE/NW, SEC. 2, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

*RR Use w/ fax pages
2/24/03 PRD*

Mud Program (Continued):

recirculate through reserve pit to resume drilling ahead. Stay on as clear of fluid as long as possible. Try to control any fluid losses if drilling on clear fluid with paper LCM. Add LIME and Gyp if needed to control alkalinities.

4900'-TD

Continue sweeping hole with Anco-Drill for hole cleaning. Again, should it become necessary to trip for a bit prior to reaching TD, either slug drillpipe and fill hole with brine or with 9.2 ppg mud (pre-mixed in rig mud tanks) to control gas. Once back on bottom after trip, turn flow back and recirculate through reserve pit to resume drilling ahead. Stay on as clear of fluid as long as possible. Increase Anco-Drill sweep frequency as you near TD in preparation to logging and running casing. Be alert at all times while drilling the Wasatch on water for any signs of hole sloughing (i.e. tight connections, fill, etc.). Should sloughing be detected, immediately mud up the hole. If mud-up becomes necessary to log, run casing, for hole sloughing or to control water and gas flows, mix Gel, Anco-Drill and Aqua-Pac if chloride content of mud will allow or SALT GEL and STARCH if chloride content is high. When mudding up, add 6% LCM (mixture of Cedar Fiber, Paper, Cottonseed Hulls and Sawdust) to control losses.

7. 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).
- C. 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.

8. EVALUATION PROGRAM:

Logs: No Open Hole Logs

9. CEMENT PROGRAM:

Surface Hole Procedure (0-220' Below GL)

Lead: 90 sx. (100% excess volume) Class 'G' cement with 2% S1 (CaCl₂) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.15 cu. ft./sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl₂) in mix water, 15.8 ppg, 1.15 cu. ft./sk., 4.95 gps via 1" tubing set at 25' if needed.

Install 6' x 4' cellar ring, drill rat and mouse holes, RDMO Rocker spud rig.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 642-2
NE/NW, SEC. 2, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

Cement-Production Hole Procedure (200'-TD)

^{306 ft sk}
Lead: Class 'G' lead cement with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

^{355 ft sk}
Tail: 50:50 Poz G w/ 2% D20 (Bentonite), 10% D44 (Salt), mixed at 14.1 ppg, 1.35 cu. ft./sk., 5.0 gps water.

*Replace w/fix pipe
9/24/03 DEO*

10. ABNORMAL CONDITIONS:

PRODUCTION HOLE 200'-TD

Lost circulation, asphaltic, black oil flows, large Trona water flows and gas lows may be encountered in the Green River, beginning at $\pm 1700'$. Monitor for and report any hydrocarbon shows and/or water zones. No other offset experienced these troubles. Be alert for any flows, volume gains and/or losses. While none of NBU 376-05E's immediate offsets encountered severe deviation problems, a few wells in the general region have experienced acute deviation (up to 18° inclination) beginning around 2000'. This deviation problem has been determined to be associated with gilsonite-filled vertical faults, whose existence and extent are not able to be predicted beforehand. (Some area wells experienced an increase in hole angle to 3° from 2000-4700', then fell back to "normal" inclination). Other wells in the general area of the CWU 642-02 (all drilled with air/mist or aerated water) reported problems with sloughing formation in the Wasatch while attempting to mud up for logs or to run casing.

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

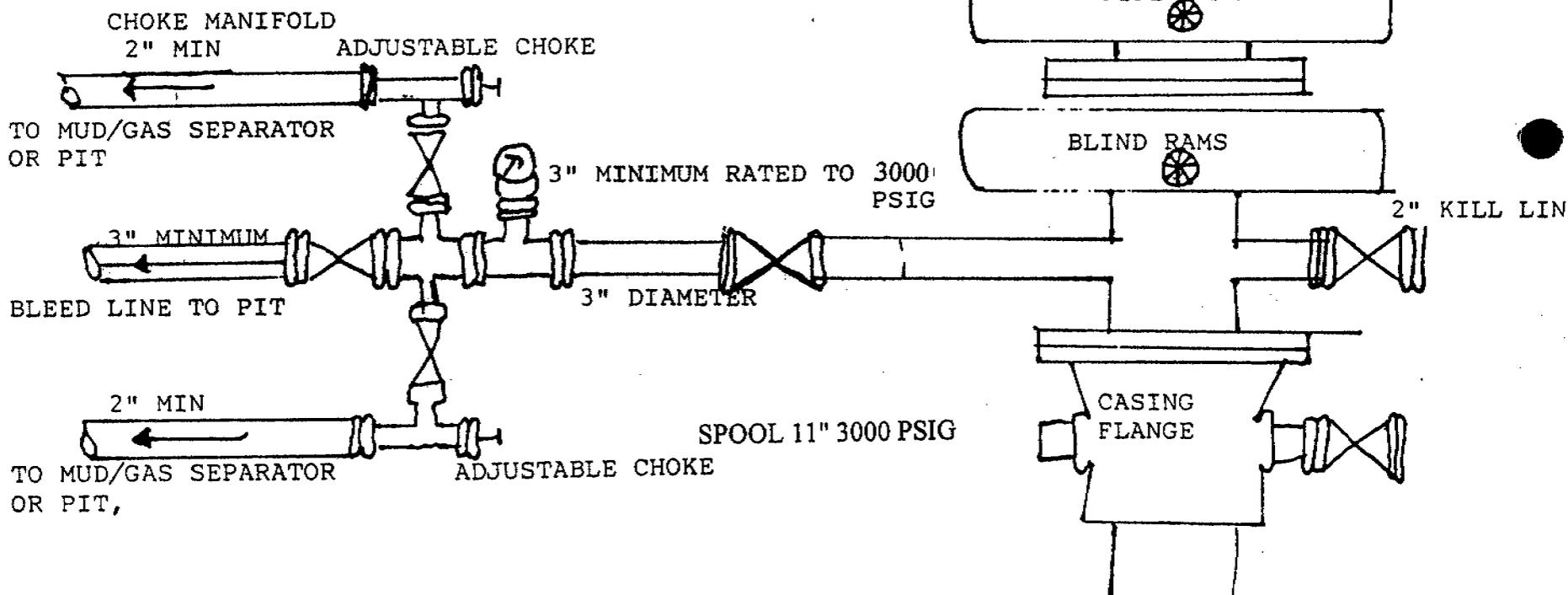
(Attachment: BOP Schematic Diagram)

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.



EOG RESOURCES, INC.
CHAPITA WELLS UNIT #642-2
SECTION 2, T9S, R22E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 19.2 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 4.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY, THEN EASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE EAST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 36.2 MILES.

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

Company/Operator: EOG Resources, Inc.
Well Name & Number: Chapita Wells Unit 642-2
Lease Number: ML-3077
Location: 601' FNL & 2111' FWL, NE/NW, Sec. 2,
T9S, R22E, S.L.B.&M.,
Uintah County, Utah

Surface Ownership: STATE OF UTAH

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 - 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 36.2 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. Diverting water off at frequent intervals by means of cutouts shall prevent erosion of drainage ditches by

run off water. 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. Abandoned wells – 4*
- B. Producing wells - 20*
- C. Shut in wells – 1*

(*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, separator, dehy, 210 Bbl condensate tank, meter house and attaching piping.
- 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 1279’ from proposed location to a point in the NW/NW of Section 2, T9S, R22E, where it will tie into Questar Pipeline Co.’s existing line. Proposed pipeline crosses State of Utah administered lands within the Chapita Wells Unit, thus a Right-of -Way grant will be not 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, unless more stringent protective requirements are deemed necessary by the authorized officer.

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

5. LOCATION & TYPE OF WATER SUPPLY

- A. Water supply will be from the Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Section 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. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
 - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
 - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County landfill.
 - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following 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.

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

The reserve pit shall be lined with plastic. A felt underliner will be used if rocky conditions are encountered.

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 Northeast 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 topsoil will be stored between Corners 5 and 6, and West of Corner #4.

Access to the well pad will be from the South.

Corner #6 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.

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.

11. SURFACE OWNERSHIP

Access road: State of Utah

Location: State of Utah

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.

EOG RESOURCES, INC.
CHAPITA WELLS UNIT #642-2
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 2, T9S, R22E, S.L.B.&M.

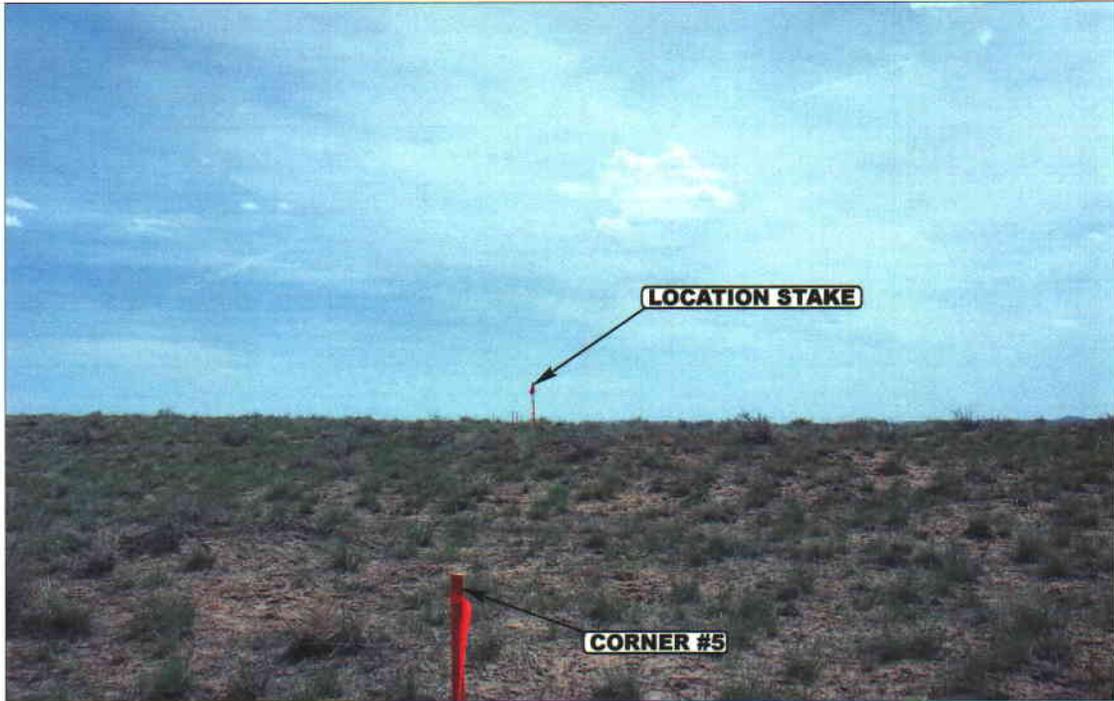


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: EASTERLY



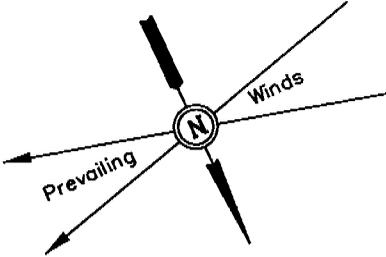
UELS Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	5	1	03	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: K.G.	REVISED: 00-00-00		

- Since 1964 -

EOG RESOURCES, INC.

LOCATION LAYOUT FOR
 CHAPITA WELLS UNIT #642-2
 SECTION 2, T9S, R22E, S.L.B.&M.
 601' FNL 2111' FWL

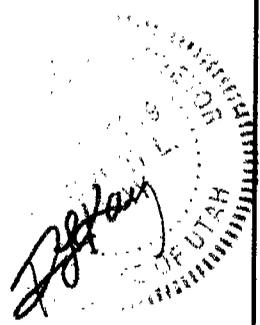


SCALE: 1" = 50'
 DATE: 04-28-03
 Drawn By: D.COX

Proposed Access Road

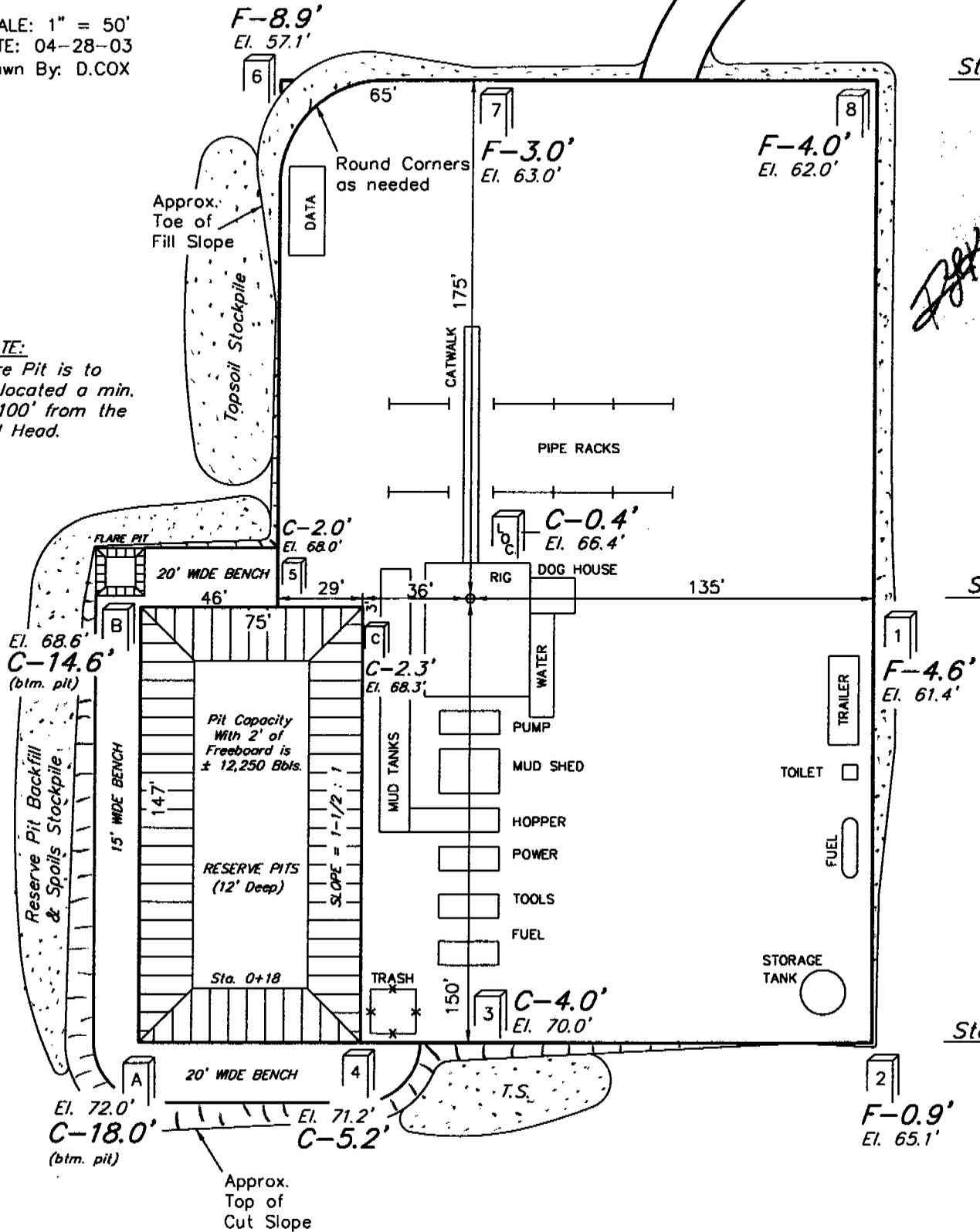
Sta. 3+25

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



Sta. 1+50

Sta. 0+00



Elev. Ungraded Ground at Location Stake = 4866.4'
 Elev. Graded Ground at Location Stake = 4866.0'

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

EOG RESOURCES, INC.

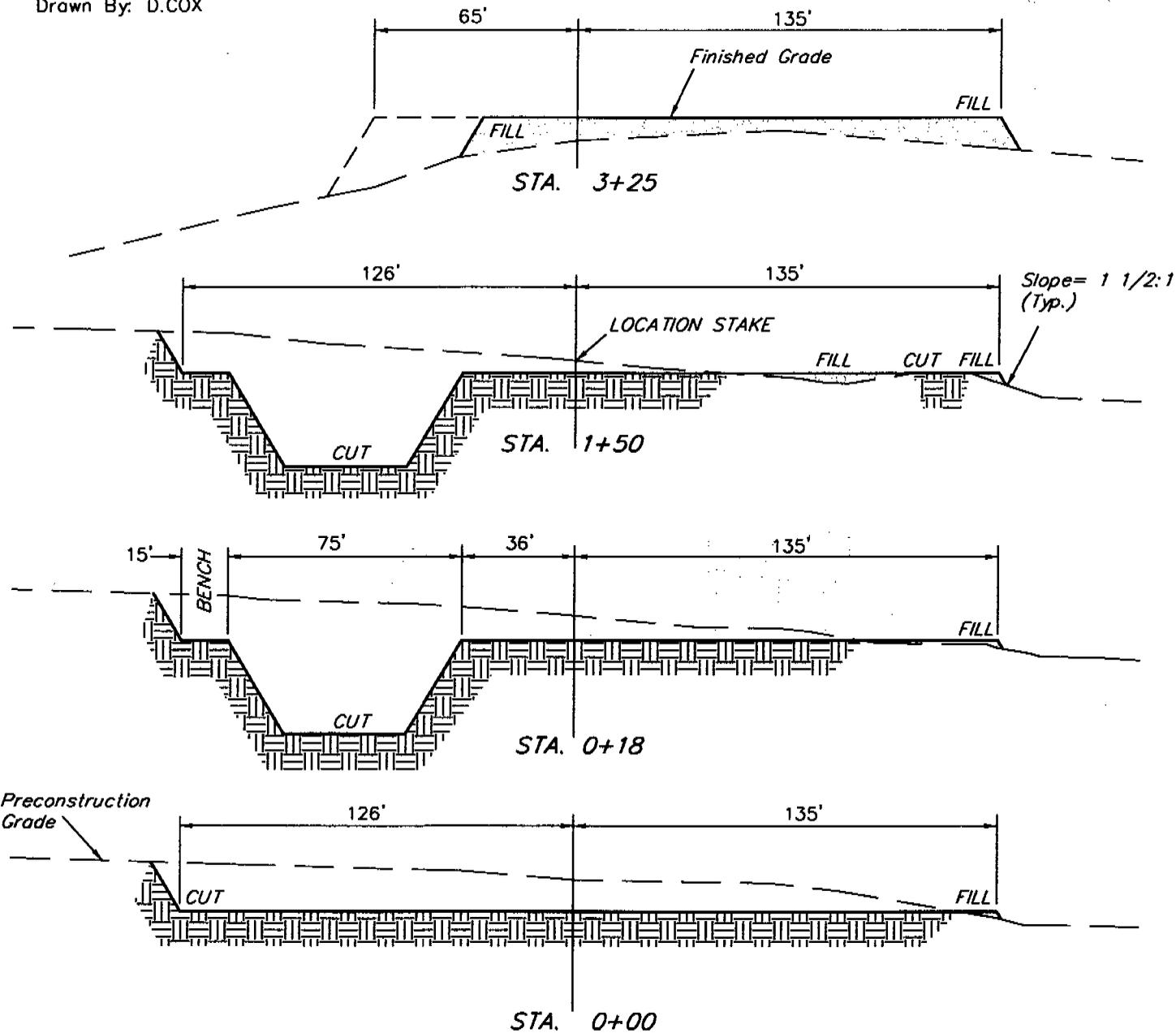
TYPICAL CROSS SECTIONS FOR

CHAPITA WELLS UNIT #642-2
SECTION 2, T9S, R22E, S.L.B.&M.
601' FNL 2111' FWL

Handwritten signature

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

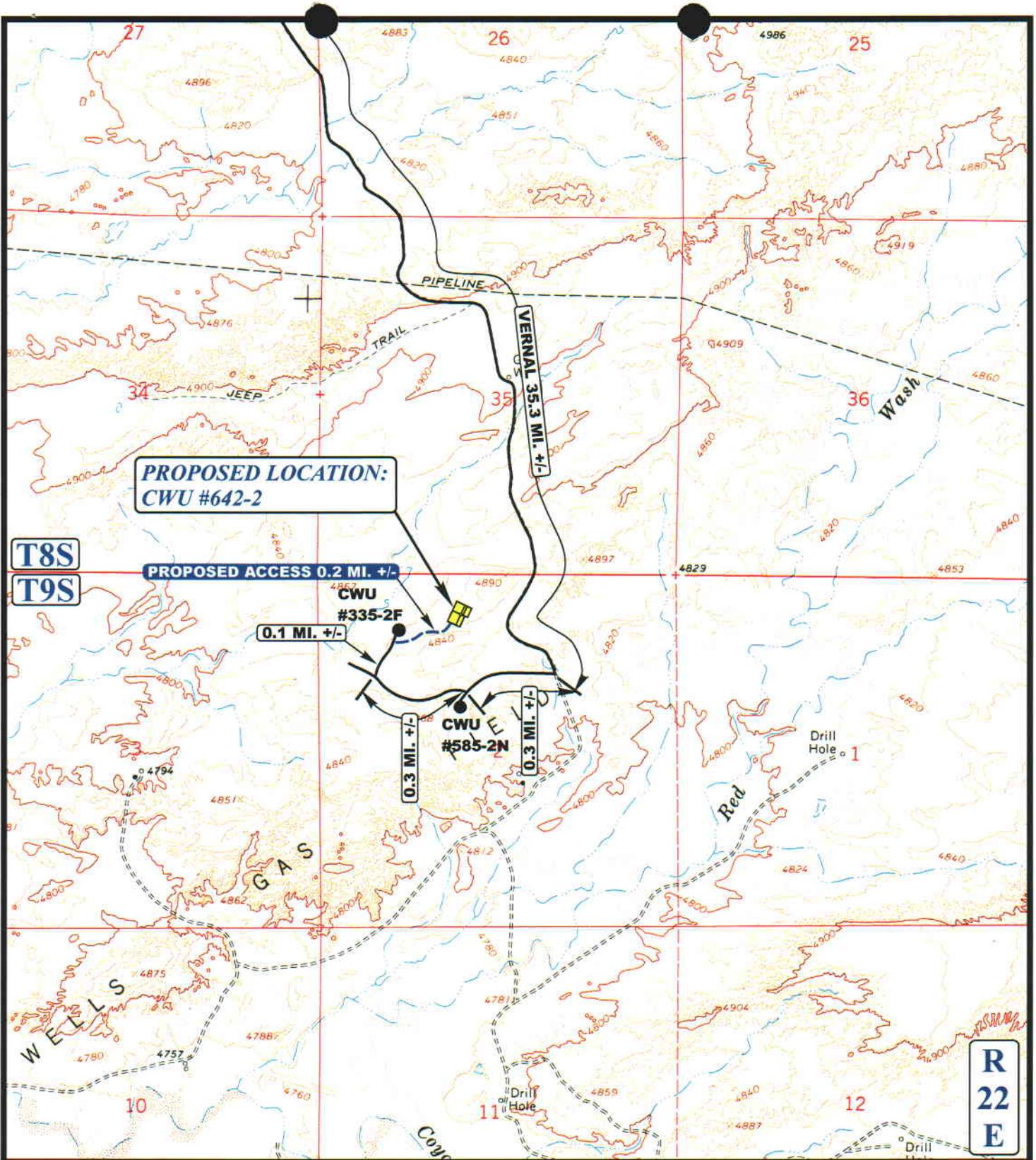
DATE: 04-28-03
Drawn By: D.COX



APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,430 Cu. Yds.
Remaining Location = 5,820 Cu. Yds.
TOTAL CUT = 7,250 CU.YDS.
FILL = 3,950 CU.YDS.

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



T8S
T9S

**PROPOSED LOCATION:
CWU #642-2**

PROPOSED ACCESS 0.2 MI. +/-

CWU #335-2F

0.1 MI. +/-

CWU #585-2N

0.3 MI. +/-

0.3 MI. +/-

R
22
E

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD

EOG RESOURCES, INC.

**CWU #642-2
SECTION 2, T9S, R22E, S.L.B.&M.
601' FNL 2111' FWL**



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

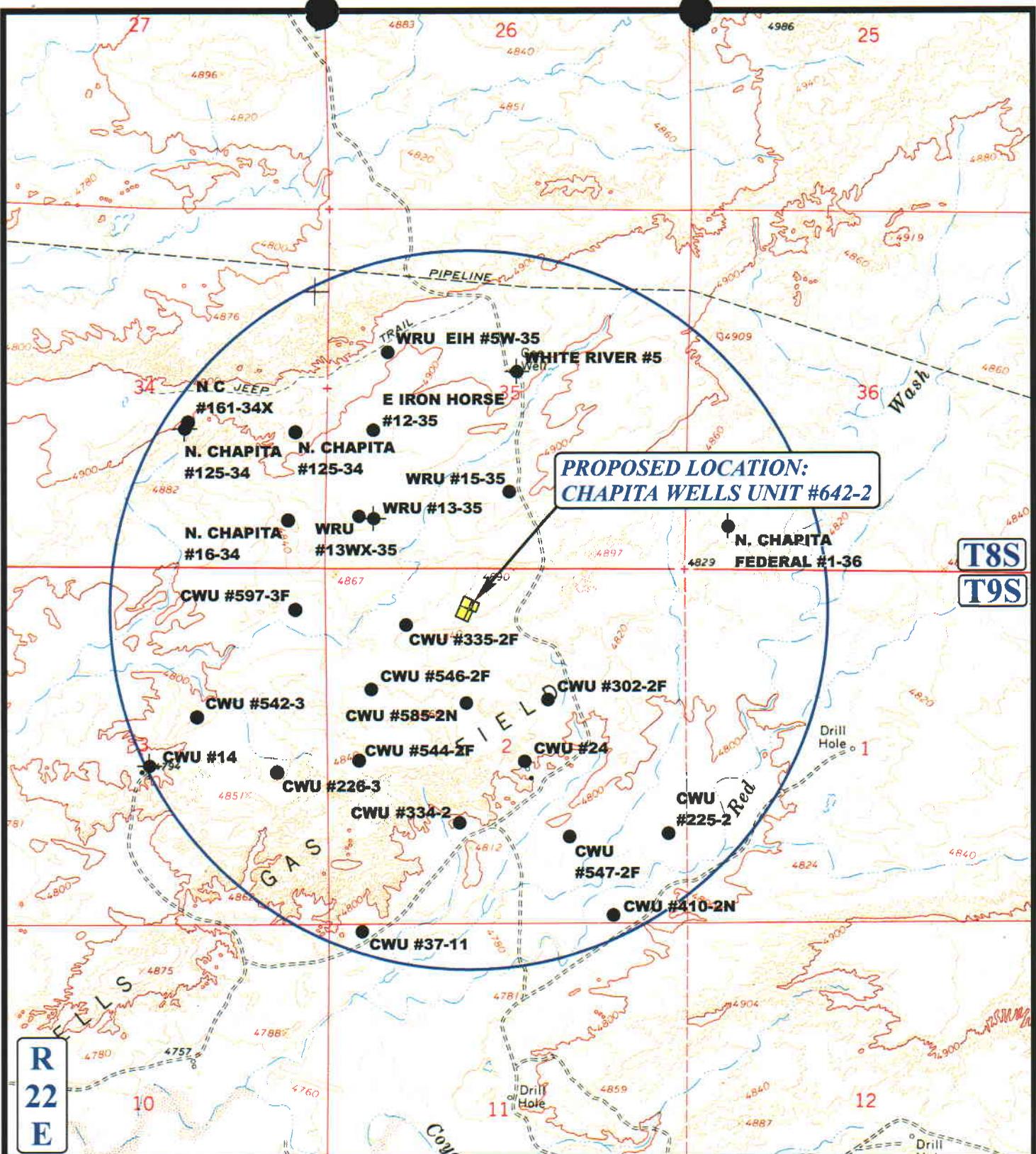


**TOPOGRAPHIC
MAP**

5 1 03
MONTH DAY YEAR

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





**PROPOSED LOCATION:
CHAPITA WELLS UNIT #642-2**

**T8S
T9S**

**R
22
E**

LEGEND:

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

EOG RESOURCES, INC.

**CHAPITA WELLS UNIT #642-2
SECTION 2, T9S, R22E, S.L.B.&M.
601' FNL 2111' FWL**



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

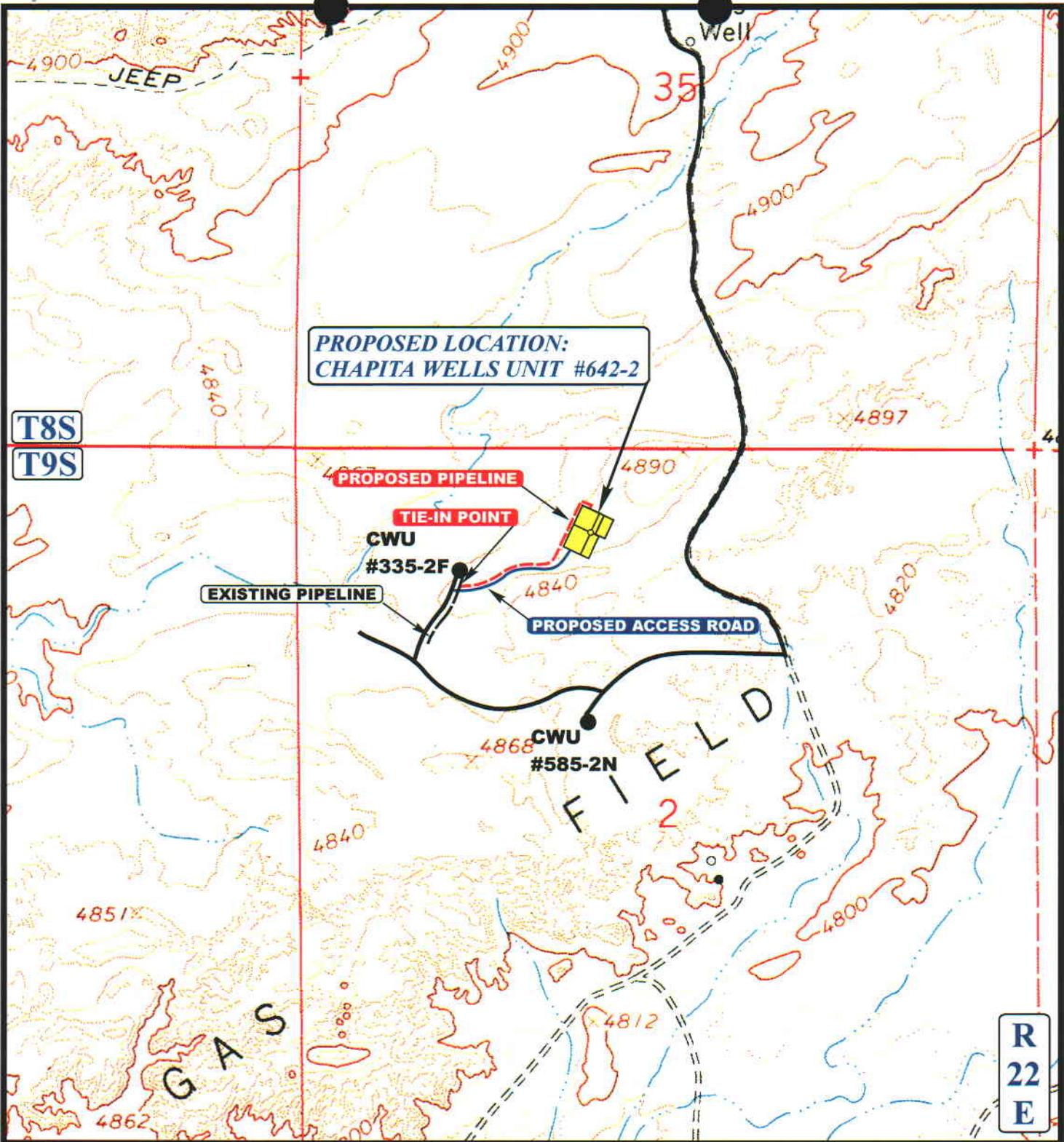


**TOPOGRAPHIC
MAP**

5 1 03
MONTH DAY YEAR

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





APPROXIMATE TOTAL PIPELINE DISTANCE = 1279' +/-

LEGEND:

-  EXISTING PIPELINE
-  PROPOSED PIPELINE
-  PROPOSED ACCESS



EOG RESOURCES, INC.

CHAPITA WELLS UNIT #642-2
SECTION 2, T9S, R22E, S.L.B.&M.
601' FNL 2111' FWL



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

TOPOGRAPHIC
MAP

5 1 03
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: K.G. REVISED: 00-00-00



003

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/30/2003

API NO. ASSIGNED: 43-047-34994

WELL NAME: CHAPITA WELLS U 642-2
OPERATOR: EOG RESOURCES INC (N9550)
CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NENW 02 090S 220E
SURFACE: 0601 FNL 2111 FWL
BOTTOM: 0601 FNL 2111 FWL
UINTAH
NATURAL BUTTES (630)

LEASE TYPE: 3 - State
LEASE NUMBER: ML-3077
SURFACE OWNER: 3 - State
PROPOSED FORMATION: WSTC

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DKO	9/24/03
Geology		
Surface		

LATITUDE: 40.07042
LONGITUDE: 109.40859

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[3] Fee[]
(No. JP-0921)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1501)
- RDCC Review (Y/N)
(Date:)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

- R649-2-3.
- Unit CHAPITA WELLS
- R649-3-2. General
Siting: 460' From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: 179-8
Eff Date: 8-10-1999
Siting: 460' Fr unit boundary
- R649-3-11. Directional Drill

COMMENTS:

Needs Permit (06-12-03)

STIPULATIONS:

- ① STATEMENT OF BASIS
- ② OIL SHALE
- ③ Surface Casing Cut Step

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

OPERATOR: EOG RESOURCES, INC.
WELL NAME & NUMBER: CHAPITA WELLS UNIT 642-2
API NUMBER: 43-047-34994
LOCATION: 1/4,1/4 NE/NW Sec: 2 TWP: 9S RNG:22E 2111' FWL 601' FNL

Geology/Ground Water:

EOG proposes to set 220 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 1,800 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the center of section 2. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers.

Reviewer: Brad Hill **Date:** 06-24-03

Surface:

The predrill investigation of the surface was performed on 6/12/03. Surface and minerals for this well are owned by the State of Utah. S.I.T.L.A. and D.W.R. were notified of this investigation on 6/6/03. Floyd Bartlett represented the D.W.R. S.I.T.L.A. did not have a representative present. Mr. Bartlett had no concerns regarding the construction of this location or the drilling of this well. Robert Kay, who regularly attends predrill investigations representing Uintah Engineering and Land Survey was present at this investigation representing EOG Resources. This site appears to be the best site in the immediate area for a location and well.

Reviewer: David W. Hackford **Date:** 6/16/03

Conditions of Approval/Application for Permit to Drill:

1. A synthetic liner with a minimum thickness of 12 mils shall be properly installed and maintained in the reserve pit.

ON-SITE PREDRILL EVALUATION
Division of Oil, Gas and Mining

OPERATOR: EOG RESOURCES INC.
WELL NAME & NUMBER: CHAPITA WELLS UNIT 642-2
API NUMBER: 43-047-34994
LEASE: ML-3077 FIELD/UNIT: NATURAL BUTTES
LOCATION: 1/4, 1/4 NE/NW Sec: 2 TWP: 9S RNG: 22E 2111' FWL 601' FNL
LEGAL WELL SITING: 460' from unit boundary.
GPS COORD (UTM): 12635716E 4436588N SURFACE OWNER: STATE OF UTAH.

PARTICIPANTS

DAVID W. HACKFORD (DOGM), ROBERT KAY (EOG), FLOYD BARTLETT (DWR).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS ON THE WEST SLOPE OF A LOW SANDY HILL WITH DRAINAGES TO THE NORTH AND SOUTH FLOWING WEST TOWARD COYOTE WASH. THE WHITE RIVER IS THREE MILES TO THE SOUTHWEST. OURAY, UTAH IS 36.2 MILES TO THE NORTHWEST.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 325' BY 246'. PROPOSED ACCESS IS 0.2 MILES.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: SEE ATTACHED MAP FROM GIS DATABASE.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: NEW PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. A GAS PIPELINE WILL FOLLOW ACCESS ROAD.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE BORROWED FROM SITE DURING CONSTRUCTION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: SALTBRUSH, SHADSCALE, PRICKLEY PEAR, GREASEWOOD, NATIVE GRASSES: PRONGHORN, COYOTES, SONGBIRDS, RAPTORS, RODENTS, RABBITS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SAND WITH SOME CLAY.

EROSION/SEDIMENTATION/STABILITY: VERY LITTLE NATURAL EROSION.
SEDIMENTATION AND STABILITY ARE NOT A PROBLEM AND LOCATION CONSTRUCTION
SHOULDN'T CAUSE AN INCREASE IN STABILITY OR EROSION PROBLEMS.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

CHARACTERISTICS: 147' BY 75' AND 12' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): A 12 MIL LINER WILL BE
REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN: AS PER S.I.T.L.A.

SURFACE AGREEMENT: AS PER STATE OF UTAH

CULTURAL RESOURCES/ARCHAEOLOGY: SITE HAS BEEN INSPECTED BY JIM TRUESDALE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A WARM, SUNNY DAY WITH NO
SNOW COVER.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

6/12/03 10:00 AM
DATE/TIME

**Evaluation Ranking Criteria and Ranking Score
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>5</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	20	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	10	
TDS >10000 or Oil Base Mud Fluid	15	
containing significant levels of hazardous constituents	20	<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>

Final Score 20 (Level I Sensitivity)

Sensitivity Level I = 20 or more; total containment is required.

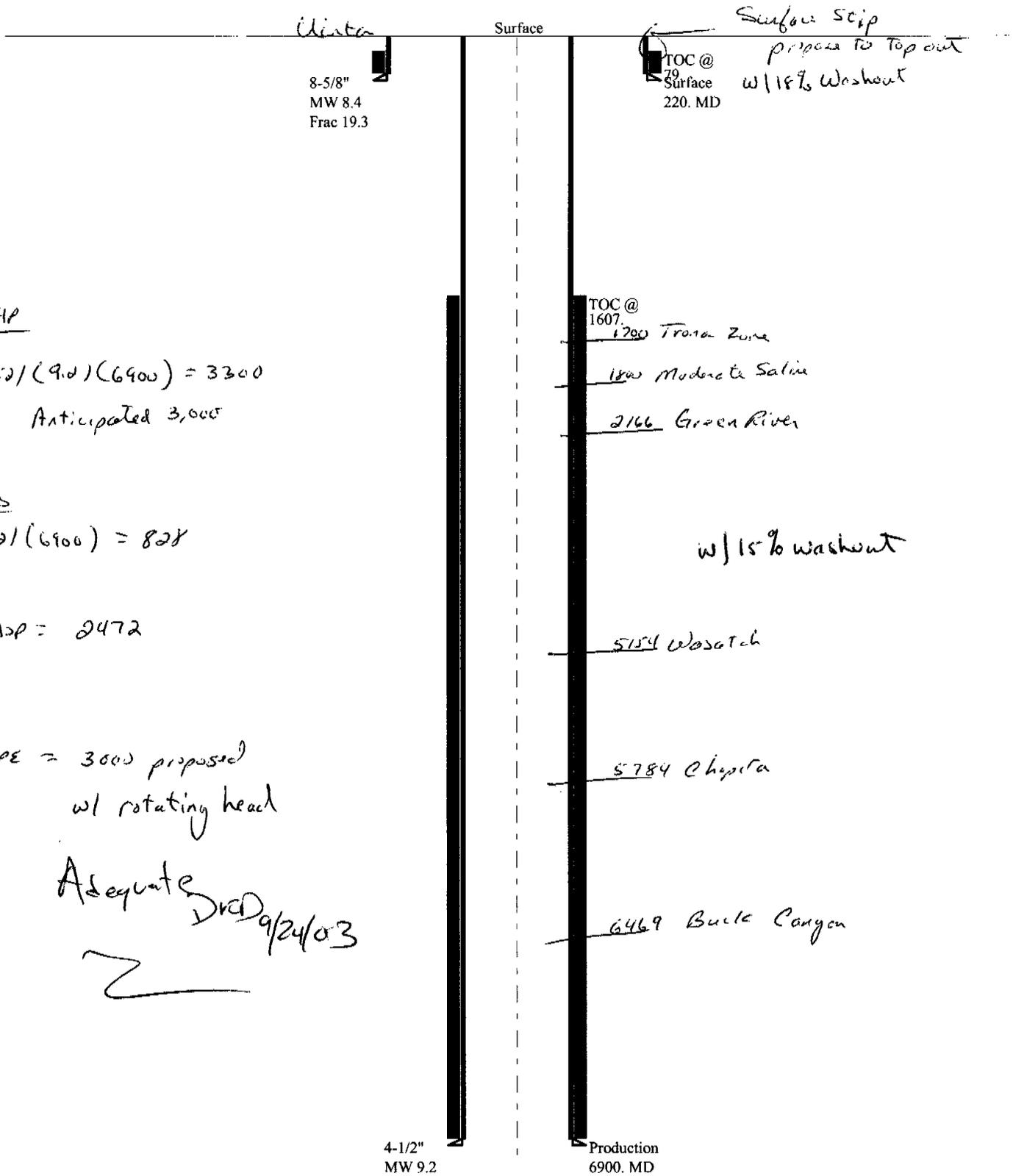
Sensitivity Level II = 15-19; lining is discretionary.

Sensitivity Level III = below 15; no specific lining is required.





Casing Schematic



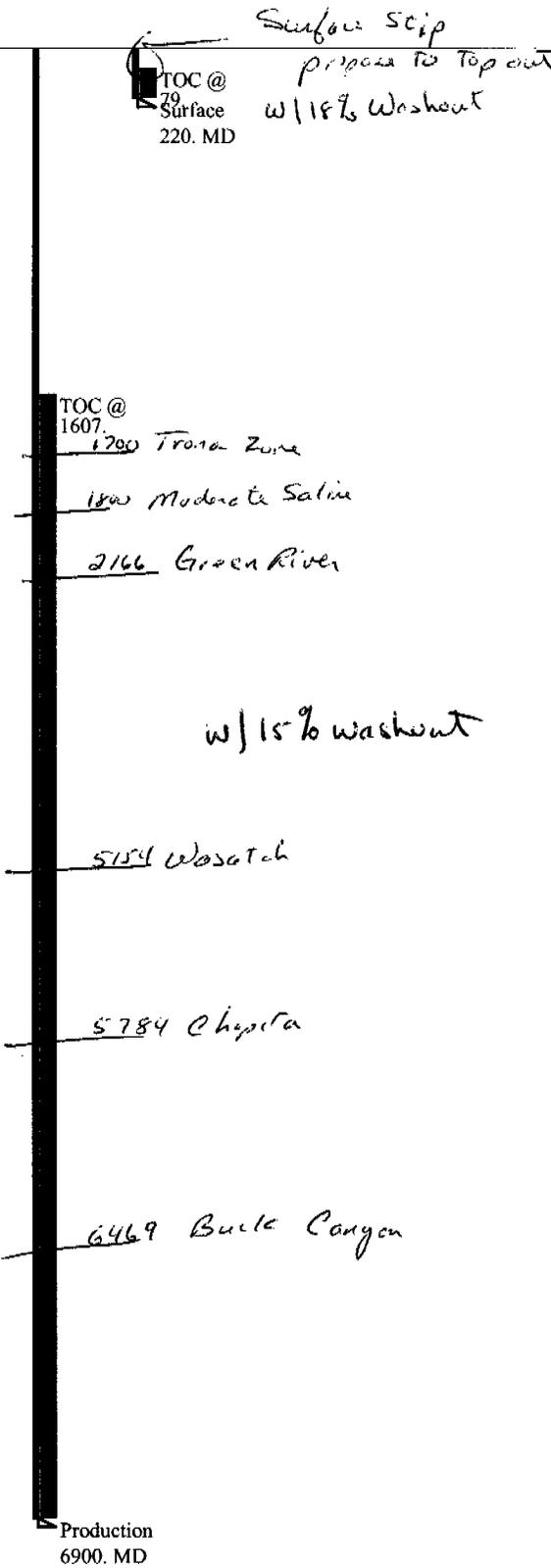
BHP
 $(.052) / (.92) (6900) = 3300$
 Anticipated 3,000

Gas
 $(.12) (6900) = 828$

MAOP = 2472

BOPE = 3000 proposed
 w/ rotating head

Adequate
 Dred 9/24/03
 ~~~~~



Surface Strip  
 propose to top out  
 w/ 15% Washout

TOC @  
 1607.  
 1200 Trona Zone  
 1800 Moderate Saline  
 2166 Green River

w/ 15% washout

5154 Washatch

5784 Chipita

6469 Buck Canyon

4-1/2"  
 MW 9.2

Production  
 6900. MD

Well name:  
 Operator: **EOG**  
 String type: Surface  
 Location: Uintah Co.

**06-03 EOG Chapita Wells 649-2**

Project ID:  
 43-047-34994

**Design parameters:**

**Collapse**

Mud weight: 9.200 ppg  
 Design is based on evacuated pipe.

**Minimum design factors:**

**Collapse:**

Design factor 1.125

**Burst:**

Design factor 1.00

**Environment:**

H2S considered? No  
 Surface temperature: 65 °F  
 Bottom hole temperature: 68 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 220 ft

Cement top: 79 ft

**Burst**

Max anticipated surface pressure: 8 psi  
 Internal gradient: 0.442 psi/ft  
 Calculated BHP 105 psi

No backup mud specified.

**Tension:**

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

Tension is based on air weight.  
 Neutral point: 190 ft

Non-directional string.

**Re subsequent strings:**

Next setting depth: 9,200 ft  
 Next mud weight: 8,500 ppg  
 Next setting BHP: 4,062 psi  
 Fracture mud wt: 19,250 ppg  
 Fracture depth: 2,800 ft  
 Injection pressure 2,800 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|---------|---------------------|-----------|-------------------------|-------|------------|----------------------|---------------------|---------------------|-------------------------|
| 1       | 220                 | 8.625     | 24.00                   | J-55  | ST&C       | 220                  | 220                 | 7.972               | 10.6                    |

| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
|---------|---------------------|-------------------------|------------------------|------------------|----------------------|---------------------|---------------------|-------------------------|-----------------------|
| 1       | 105                 | 1370                    | 13.030                 | 105              | 2950                 | 28.06               | 5                   | 244                     | 46.21 J               |

Prepared by: Clinton Dworshak  
 Utah Div. of Oil & Mining

Date: June 30, 2003  
 Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
 Collapse is based on a vertical depth of 220 ft, a mud weight of 9.2 ppg. The casing is considered to be evacuated for collapse purposes.  
 Burst strength is not adjusted for tension.

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

|              |                            |              |
|--------------|----------------------------|--------------|
| Well name:   | <b>06-03 EOG CWU 642-2</b> |              |
| Operator:    | <b>EOG</b>                 | Project ID:  |
| String type: | Production                 | 43-047-34994 |
| Location:    | Uintah Co.                 |              |

**Design parameters:**

**Collapse**

Mud weight: 9.200 ppg  
 Design is based on evacuated pipe.

**Burst**

Max anticipated surface pressure: 287 psi  
 Internal gradient: 0.436 psi/ft  
 Calculated BHP: 3,298 psi  
  
 No backup mud specified.

**Minimum design factors:**

**Collapse:**

Design factor: 1.125

**Burst:**

Design factor: 1.00

**Tension:**

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

Tension is based on air weight.  
 Neutral point: 5,955 ft

**Environment:**

H2S considered? No  
 Surface temperature: 65 °F  
 Bottom hole temperature: 162 °F  
 Temperature gradient: 1.40 °F/100ft  
 Minimum section length: 220 ft  
  
 Cement top: 1,607 ft

Non-directional string.

| Run Seq | Segment Length (ft) | Size (in)               | Nominal Weight (lbs/ft) | Grade            | End Finish           | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in)     | Internal Capacity (ft³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| 1       | 6900 ✓              | 4.5 ✓                   | 10.50 ✓                 | J-55 ✓           | ST&C                 | 6900                 | 6900                | 3.927                   | 144.2                   |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor  | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor  | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor   |
| 1       | 3298                | 4010                    | 1.216 ✓                 | 3298             | 4790                 | 1.45 ✓               | 72                  | 132                     | 1.82 J ✓                |

Prepared by: Clinton Dworshak  
 Utah Div. of Oil & Mining

Date: September 24, 2003  
 Salt Lake City, Utah

**ENGINEERING STIPULATIONS: NONE**

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.  
 Collapse is based on a vertical depth of 6900 ft, a mud weight of 9.2 ppg. The casing is considered to be evacuated for collapse purposes.  
 Burst strength is not adjusted for tension.

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

**FAX COVER SHEET**

FROM: ED TROTTER

FAX NO. 435-789-1420

TELEPHONE NO. 435-789-4120

TO: UDOG & M

FAX NO. 801-359-3940

ATTENTION: Clinton Dworshak

DATE: 9-24-2003

TOTAL NUMBER OF PAGES INCLUDING COVER PAGE: 4

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

RECEIVED

SEP 24 2003

DIV. OF OIL, GAS &

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 642-2**  
**NE/NW, SEC. 2, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

| <b>FORMATION</b>  | <b>DEPTH (KB)</b> |
|-------------------|-------------------|
| Green River (Top) | 2166' MD          |
| 'M' Marker        |                   |
| Wasatch           | 5,154'            |
| Chapita Wells     | 5,784'            |
| Buck Canyon       | 6,469'            |

EST. TD: 6900

Anticipated BHP 3000 PSI

**3. PRESSURE CONTROL EQUIPMENT: BOP Schematic Diagram attached.**

**4. CASING PROGRAM:**

| <b>HOLE SIZE</b> | <b>INTERVAL</b> | <b>LENGTH</b> | <b>SIZE</b> | <b>WEIGHT</b> | <b>GRADE</b> | <b>THREAD</b> | <b><u>MINIMUM SAFETY FACTOR</u></b> |                     |                       |
|------------------|-----------------|---------------|-------------|---------------|--------------|---------------|-------------------------------------|---------------------|-----------------------|
|                  |                 |               |             |               |              |               | <b><u>COLLAPSE</u></b>              | <b><u>BURST</u></b> | <b><u>TENSILE</u></b> |
| 12 1/4"          | 0' - 220'+/- GL | 220' +/-      | 8 5/8"      | 24.0 #        | J-55         | ST&C          | 1370 PSI                            | 2950 PSI            | 244,000#              |
| 7 7/8"           | 220' - TD +/-KB | 6900' +/-     | 4 1/2"      | 10.5 #        | J-55         | ST&C          | 3310 PSI                            | 4790 PSI            | 132,000#              |

All casing will be new or inspected.

**5. Float Equipment:**

**Surface Hole Procedure (0-220' Below GL):**

Guide Shoe

Insert Baffle

Wooden wiper plug

Centralizers: 1 - 5-10' above shoe, every collar for next 3 joints (4 total).

Have bottom of first collar tack-welded, guide shoe and top of first collar thread-locked.

**Production Hole Procedure (220'-TD):**

Texas-Pattern shoe, short casing shoe joint ( $\pm 20'$ ), Float Collar, and balance of casing to surface. Run short casing joint (less than 38') at  $\pm 4,100'$  (1000' above projected top of Wasatch). Centralize 5' above shoe on joint #1, top of joint #2, then every 4th joint to 4,700' (400' above Wasatch top - 15 total).

Thread lock shoe, top and bottom of FC, and top of 2<sup>nd</sup> joint.

**6. MUD PROGRAM**

220'- 1700' Water (circulate through reserve pit). Anco-Drill sweeps for hole cleaning, Paper sweeps to seal off loss zones. Add LIME to reserve pit to keep clear.

1700-4900' Continue as above as far as possible. Should it become necessary to trip for a bit prior to reaching TD, either slug drillpipe and fill hole with brine or with 9.2 ppg mud (pre-mixed in rig mud tanks) to control gas. Once back on bottom after trip, turn flow back and

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 642-2**  
**NE/NW, SEC. 2, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**Mud Program (Continued):**

recirculate through reserve pit to resume drilling ahead. Stay on as clear of fluid as long as possible. Try to control any fluid losses if drilling on clear fluid with paper LCM. Add LIME and Gyp if needed to control alkalinities.

4900'-TD Continue sweeping hole with Anco-Drill for hole cleaning. Again, should it become necessary to trip for a bit prior to reaching TD, either slug drillpipe and fill hole with brine or with 9.2 ppg mud (pre-mixed in rig mud tanks) to control gas. Once back on bottom after trip, turn flow back and recirculate through reserve pit to resume drilling ahead. Stay on as clear of fluid as long as possible. Increase Anco-Drill sweep frequency as you near TD in preparation to logging and running casing. Be alert at all times while drilling the Wasatch on water for any signs of hole sloughing (i.e. tight connections, fill, etc.). Should sloughing be detected, immediately mud up the hole. If mud-up becomes necessary to log, run casing, for hole sloughing or to control water and gas flows, mix Gel, Anco-Drill and Aqua-Pac if chloride content of mud will allow or SALT GEL and STARCH if chloride content is high. When mudding up, add 6% LCM (mixture of Cedar Fiber, Paper, Cottonseed Hulls and Sawdust) to control losses.

**7. 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).
- C. 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.

**8. EVALUATION PROGRAM:**

Logs: No Open Hole Logs

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (0-220' Below GL)**

**Lead:** 90 sx. (100% excess volume) Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.15 cu. ft./sk., 4.95 gps water.

**Top Out:** Top out with Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) in mix water, 15.8 ppg, 1.15 cu. ft./sk., 4.95 gps via 1" tubing set at 25' if needed.

Install 6' x 4' cellar ring, drill rat and mouse holes, RDMO Rocker spud rig.

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 642-2**  
**NE/NW. SEC. 2, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**Cement-Production Hole Procedure (220'-TD)**

**Lead:** 261 SX Class 'G' lead cement with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 9.2 gps water.

**Tall:** 565 SX 50:50 Poz G w/ 2% D20 (Bentonite), 10% D44 (Salt), mixed at 14.1 ppg, 1.35 ft<sup>3</sup>/sk., 5.0 gps water.

**10. ABNORMAL CONDITIONS:**

**PRODUCTION HOLE 220'-TD**

Lost circulation

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

(Attachment: BOP Schematic Diagram)

**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.

5-15-2003  
Date

*Ed Trotter*  
Agent



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
(801) 538-7223 TTY  
www.nr.utah.gov

Michael O. Leavitt  
Governor  
Robert L. Morgan  
Executive Director  
Lowell P. Braxton  
Division Director

October 2, 2003

EOG Resources, Inc.  
P O Box 1910  
Vernal, UT 84078

Re: Chapita Wells Unit 642-2 Well, 601' FNL, 2111' FWL, NE NW, Sec. 2, T. 9 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 43-047-34994.

Sincerely,

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

John R. Baza  
Associate Director

pab  
Enclosures

cc: Uintah County Assessor  
SITLA

Operator: \_\_\_\_\_ EOG Resources, Inc.  
Well Name & Number \_\_\_\_\_ Chapita Wells Unit 642-2  
API Number: \_\_\_\_\_ 43-047-34994  
Lease: \_\_\_\_\_ ML-3077

Location: NE NW                      Sec. 2                      T. 9 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**

The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

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

The following are Division of Oil, Gas and Mining contacts and their work telephone numbers (please leave a voice mail message if the person is not available to take the call):

- Dan Jarvis at (801) 538-5338
- Carol Daniels at (801) 538-5284 (spud)

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. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. 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.

Page 2

Conditions of Approval API #43-047-34994

October 2, 2003

6. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
7. Surface casing shall be cemented to the surface.

**DIVISION OF OIL, GAS AND MINING****SPUDDING INFORMATION**Name of Company: EOG RESOURCES INCWell Name: CWU 642-2Api No: 43-047-34994 Lease Type: STATESection 02 Township 09S Range 22E County UINTAHDrilling Contractor BILL MARTIN RIG # AIR**SPUDDED:**Date 10/04/03Time 7:00 AMHow ROTARY**Drilling will commence:** \_\_\_\_\_Reported by ED TROTTERTelephone # 1-435-789-4120Date 10/08/2003 Signed CHD

006

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

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

OPERATOR ACCT. NO. 9550  
FAX: EARLENE RUSSELL  
(801) 359-3940

ENTITY ACTION FORM - FORM 6

T-066 P.001/001 F-130

| ACTION CODE       | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER            | WELL NAME                  | LOCATION |      |    |     | COUNTY | SPUD DATE | EFFECTIVE DATE |
|-------------------|--------------------|----------------|-----------------------|----------------------------|----------|------|----|-----|--------|-----------|----------------|
|                   |                    |                |                       |                            | QQ       | SEC. | TP | RG  |        |           |                |
| A                 | 99999              | 13922          | 43-047-35258          | CHAPITA WELLS UNIT 628-14X | SWNE     | 14   | 9S | 22E | UINTAH | 10/7/2003 | 10/16/03       |
| PPRU              |                    |                |                       |                            |          |      |    |     |        |           |                |
| B<br>A            | 99999              | 4905           | 24994<br>43-047-33994 | CHAPITA WELLS UNIT 642-2   | NENW     | 2    | 9S | 22E | UINTAH | 10/6/2003 | 10/16/03 K     |
| WSTC 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.

*Alynda Schulz*  
 Signature  
 ENGINEERING CLERK 10/16/2003  
 Title Date

Phone No. (307) 276-4842

RECEIVED  
 OCT 16 2003  
 DIV OF OIL, GAS & MINING

From 10-16-2003 04:38

*e*

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

007

**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.  
ML 3077

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 642-2

2. Name of Operator  
EOG RESOURCES, INC. Contact: KATY CARLSON  
E-Mail: Kathleen\_Carlson@EOGResources.com

9. API Well No.  
43-047-34994

3a. Address  
P.O. BOX 250  
BIG PINEY, WY 83113

3b. Phone No. (include area code)  
Ph: 307.276.4842

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 2 T9S R22E NENW 601FNL 2111FWL

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 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 checked="" 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 checked="" type="checkbox"/> Other Well Spud |
|                                                       | <input type="checkbox"/> Change Plans         | <input type="checkbox"/> Plug and Abandon | <input 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 recompleat 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 recompleat 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. spud 12-1/4" surface hole at the subject location 10/04/2003. The contractor was Craig's Air Rig. Ed Forsman of the Vernal BLM office and Carol Daniels of the Utah Division of Oil, Gas & Mining were notified of spud 10/04/2003.

RECEIVED  
OCT 24 2003  
DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #24449 verified by the BLM Well Information System For EOG RESOURCES, INC., will be sent to the Vernal**

Name (Printed/Typed) KATY CARLSON Title REGULATORY ANALYST

Signature (Electronic Submission) Date 10/22/2003

**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 \_\_\_\_\_

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.

**\*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\* DRAFT \*\***

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

FORM APPROVED  
OMB NO. 1004-0135  
Expires: November 30, 2000

009

**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.  
ML 3077

6. If Indian, Allottee or Tribe Name

**SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

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

8. Well Name and No.  
CHAPITA WELLS UNIT 642-2

1. Type of Well  
 Oil Well  Gas Well  Other

2. Name of Operator  
EOG RESOURCES, INC. Contact: KATY CARLSON  
E-Mail: Kathleen\_Carlson@EOGResources.com

9. API Well No.  
43-047-34994

3a. Address  
P.O. BOX 250  
BIG PINEY, WY 83113

3b. Phone No. (include area code)  
Ph: 307.276.4842

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 2 T9S R22E NENW 601FNL 2111FWL

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 type="checkbox"/> Temporarily Abandon       |                                         |
|                                                      | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back        | <input checked="" 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 recomplect 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 recomplect 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 authorization for disposal of produced water from the referenced well to any of the following locations.

- Natural Buttes Unit 21-20B SWD.
- Ace Disposal.
- EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
- RN Industries.

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

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

Electronic Submission #25838 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal

Name (Printed/Typed) KATY CARLSON

Title REGULATORY ANALYST

Signature (Electronic Submission) *Katy Carlson*

Date 12/08/2003

**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 \_\_\_\_\_

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.

**\*\* ORIGINAL \*\* ORIGINAL** RECEIVED

DEC 11 2003



28b. Production - Interval C

|                     |                      |              |                      |         |         |           |                       |             |                   |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |

28c. Production - Interval D

|                     |                      |              |                      |         |         |           |                       |             |                   |
|---------------------|----------------------|--------------|----------------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| Date First Produced | Test Date            | Hours Tested | Test Production<br>→ | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
| Choke Size          | Tbg. Press. Flwg. SI | Csg. Press.  | 24 Hr. Rate<br>→     | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio         | Well Status |                   |

29. Disposition of Gas (Sold, used for fuel, vented, etc.)  
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

| Formation     | Top  | Bottom | Descriptions, Contents, etc. | Name          | Top         |
|---------------|------|--------|------------------------------|---------------|-------------|
|               |      |        |                              |               | Meas. Depth |
| WASATCH       | 5154 | 5784   | SANDSTONE                    | WASATCH       | 5149        |
| CHAPITA WELLS | 5784 | 6469   | SANDSTONE                    | CHAPITA WELLS | 5755        |
| BUCK CANYON   | 6469 | 6900   | SANDSTONE                    | BUCK CANYON   | 6486        |

32. Additional remarks (include plugging procedure):  
NO REMARK PROVIDED

33. Circle enclosed attachments:

- |                                                       |                    |               |                       |
|-------------------------------------------------------|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.)     | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis   | 7. Other:     |                       |

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #25279 Verified by the BLM Well Information System.  
For EOG RESOURCES, INC., sent to the Vernal

Name (please print) KATY CARLSON Title REGULATORY ANALYST

Signature (Electronic Submission) *Katy Carlson* Date 12/08/2003

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.

**\*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\* ORIGINAL \*\***