

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

September 26, 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 858-30
SE/SE, SEC. 30, T9S, R23E
UINTAH COUNTY, UTAH
LEASE NO.: UTU-29535
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

OCT 01 2003

DIV. OF OIL & GAS MINING

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

001

APPLICATION FOR PERMIT TO DRILL OR REENTER

| | | |
|--|--|---|
| 1a. TYPE OF WORK <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER | | 5. Lease serial No. <p align="center">UTU-29535</p> |
| b. TYPE OF WELL <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone | | 6. If Indian, Allottee or Tribe name <p align="center">CHAPITA WELLS UNIT</p> |
| 2. Name of Operator <p align="center">EOG RESOURCES, INC.</p> | | 7. If Unit or CA Agreement, Name and No. <p align="center">CHAPITA WELLS UNIT</p> |
| 3a. Address <p align="center">P.O. BOX 1910, VERNAL, UT 84078</p> | | 8. Lease Name and Well No. <p align="center">CHAPITA WELLS UNIT 858-30</p> |
| 3b. Telephone Number: (435)789-4120 | | 9. API Well No. 43-047-35272 |
| 4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 4428976Y 534' FSL & 784' FEL 639805X SE/SE 40.00130 At proposed prod. Zone -109.36218 | | 10. Field and pool, or Exploratory <p align="center">NATURAL BUTTES</p> |
| 14. Distance in miles and direction from nearest town or post office* <p align="center">21.2 MILES SOUTHEAST OF OURAY, UTAH</p> | | 11. Sec., T., R., M., or BLK. And survey of area <p align="center">SEC. 30, T9S, R23E, S.L.B.&M.</p> |
| 15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any) 534' | 16. No. of acres in lease <p align="center">440</p> | 12. County or parish <p align="center">UINTAH</p> |
| 17. Spacing Unit dedicated to this well | 13. State <p align="center">UTAH</p> | |
| 18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft. See Map C | 19. Proposed depth <p align="center">8820'</p> | 20. BLM/BIA Bond No. on file <p align="center">#NM 2308</p> |
| 21. Elevations (show whether DF, KDB, RT, GL, etc.) <p align="center">5079.0 FEET GRADED GROUND</p> | 22. Approx. date work will start* <p align="center">UPON APPROVAL</p> | 23. Estimated duration <p align="center">RECEIVED OCT 01 2003</p> |

24. Attachments

DIV. OF OIL, GAS & MINING

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

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Well plat certified by a registered surveyor. 2. A Drilling Plan 3. A Surface Use Plan (if the location is on National Forest System lands, the SUPO shall be filed with the appropriate Forest Service Office. | <ol style="list-style-type: none"> 4. Bond to cover the operations unless covered by an existing bond on file (see item 20 above). 5. Operator certification. 6. Such other site specific information and/or plans as may be required by the Authorized officer. |
|--|---|

| | | |
|---|--|-----------------------------------|
| 25. Signature | Name (Printed/Typed) Ed Trotter | Date September 26, 2003 |
| Title Agent | | |
| Approved by (Signature) | Name (Printed/Typed) BRADLEY G. HILL | Date 10-06-03 |
| Title ENVIRONMENTAL SCIENTIST III | | |

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, are attached.

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

T9S, R23E, S.L.B.&M.

EOG RESOURCES, INC.

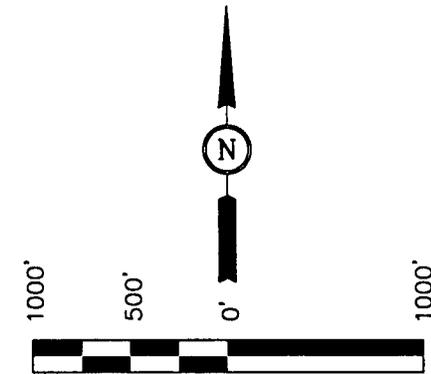
Well location, CWU #858-30, located as shown in the SE 1/4 SE 1/4 of Section 30, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH 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 5132 FEET.

BASIS OF BEARINGS

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

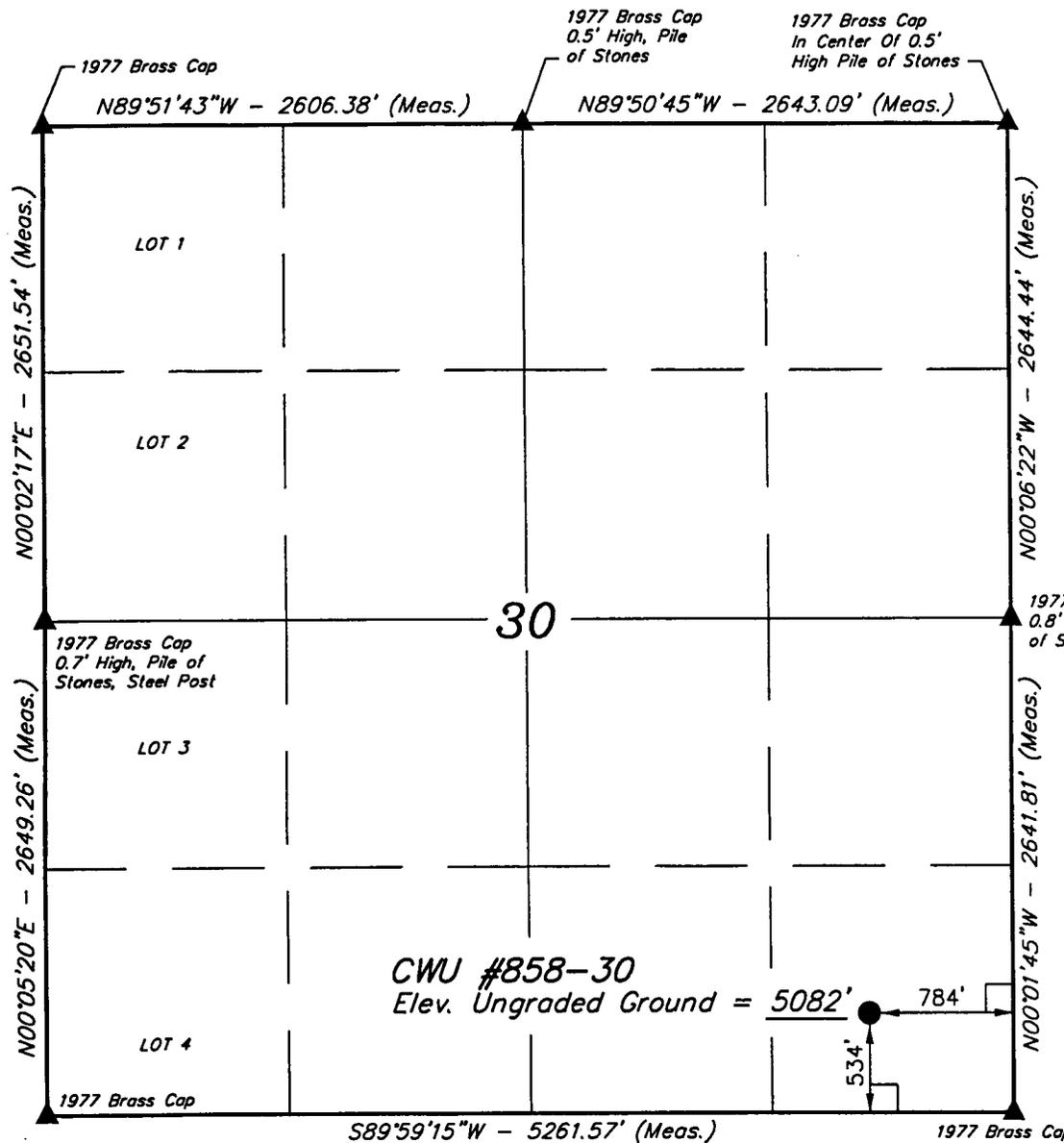


CERTIFICATE

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.

Robert L. Hays

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH.



LEGEND:

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

(AUTONOMOUS NAD 27)

LATITUDE = $40^{\circ}00'04.41''$ (40.001225)
 LONGITUDE = $109^{\circ}21'44.24''$ (109.362289)

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

| | | |
|--------------------------|-----------------------------|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 07-18-03 | DATE DRAWN: 07-30-03 |
| PARTY D.A. R.D. D.COX | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | FILE EOG RESOURCES, INC. | |

EIGHT POINT PLAN

CHAPITA WELLS UNIT 858-30
SE/SE, SEC. 30, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

| FORMATION | DEPTH (KB) |
|------------------------|-------------------|
| Green River | 1,330' |
| Wasatch | 4,401' |
| Island | 6,810' |
| KMV Price River | 7,060' |
| KMV Price River Middle | 7,500' |
| KMV Price River Lower | 8,203' |
| Bit Trip Segoe | 8,680' |
| Segoe | 8,720' |

EST. TD: 8820

Anticipated BHP 3800 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>RATING FACTOR</u> | | |
|-------------------------|------------------------|----------------------|--------------------|----------------------|---------------------|----------------------|-----------------------------|---------------------|-----------------------|
| | | | | | | | <u>COLLAPSE</u> | <u>BURST</u> | <u>TENSILE</u> |
| 17 1/2" | 0' - 250'+/- KB | 250' +/- | 13 3/8" | 48.0 # | H-40 | STC | 770 PSI | 1730 PSI | 322,000# |
| 12 1/4" | 250' - 2500'+/-KB | 2500+/- | 9 5/8" | 36.0 # | J-55 | STC | 2020 PSI | 3520 PSI | 394,000# |
| 7 7/8" | 2500' - TD +/-KB | 8820' +/- | 4 1/2" | 11.6 # | N-80 | LTC | 6350 PSI | 7780 PSI | 223,000# |

All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0-250' Below GL):

Guide Shoe

Insert Baffle

Wooden wiper plug

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

Intermediate Hole Procedure (250'-2500'):

Guide Shoe

Insert Float Collar (PDC drillable)

Cents.: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2500'-TD):

FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at $\pm 7,060'$ (Top of Price River) and $\pm 4,000'$ (400' above the Wasatch) (alter depth if needed to avoid placing across any potentially- productive intervals).

EIGHT POINT PLAN

CHAPITA WELLS UNIT 858-30 SE/SE, SEC. 30, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

Float Equipment- Production Hole Procedure (2500'-TD)(Continued):

Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to 400' above Island top (50 total). Thread lock FS, top and bottom of FC, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (0-250' below GL):

Air – Air Water Mist

Intermediate Hole Procedure (250-2500'):

Water (circulate through reserve pit) with Gel/LCM sweeps.

Production Hole Procedure (2500'-TD):

2700' - 4500' Water (circulate through reserve pit) with Gel/LCM sweeps.

4500' - 6900' Close in mud system. "Mud up" with **6.0 ppb** Diammonium Phosphate (DAP). Drill with DAP water, POLYPLUS for viscosity and hole cleaning, adding KLA-GARD B for supplemental inhibition. Also sweep hole periodically w/ Durogel / LCM sweeps to clean the hole and seal loss zones. Add additional LCM as hole dictates. Mud weight and vis as needed, water loss – no control.

6900' - TD Discontinue KLA-GARD B. Utilize POLYPAC-R for fluid loss control. Maintain **5.5 ppb** DAP. **Do not mix caustic or lime.** Maintain 7.5-8.5 pH. Weight up system and add vis as hole conditions require. Run LCM sweep periodically to seal off loss zones or more often as hole dictates. Water loss: 20 cc's maximum. Expect increasing gas shows requiring heavier mud weights from top of Island onward. Treat CO₂ contamination with DESCO CF and OSIL (Oxygen scavenger) if mud properties dictate.

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).
- 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.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 858-30
SE/SE, SEC. 30, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Schlumberger Platform Express TD – Surface Casing, with Di-pole Sonic from TD to surface in 1 run.

9. CEMENT PROGRAM:

Surface Hole Procedure (0-250' Below GL)

Lead: 300 sks (100% excess volume) Class 'G' cement with 2% S1 (CaCl₂) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft³./sk., 4.95 gps water.

Top Out: Top out with Class 'G' cement with 2% S1 (CaCl₂) in mix water, 15.8 ppg, 1.16 ft³./sk., 4.95 gps via 1" tubing set at 25' if needed.

Intermediate Hole Procedure (250'-2500')

Lead: 85 sks: (50% excess volume) Class 'G' lead cement (coverage from 1700-1000') 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.

Tail: 290 sks: (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl₂) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft³/sk., 7.9 gps water.

Production Hole Procedure (2500' to TD)

Lead: 110 sks 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 cu. ft./sk., 9.06 gps water

Tail: 190 sks: 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 cu. ft./sk., 5.9 gps water.

10. ABNORMAL CONDITIONS:

INTERMEDIATE HOLE (250-2500')

Potential Problems: Lost circulation below 1800' and minor amounts of gas may be present.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 858-30
SE/SE, SEC. 30, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

ABNORMAL CONDITIONS (Continued):

PRODUCTION HOLE (2500'-TD)

Potential Problems: Sloughing shales and key seat development are possible in the Wasatch Formation. CO₂ contamination in the mud is possible in the Price River (Mesa Verde).

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.

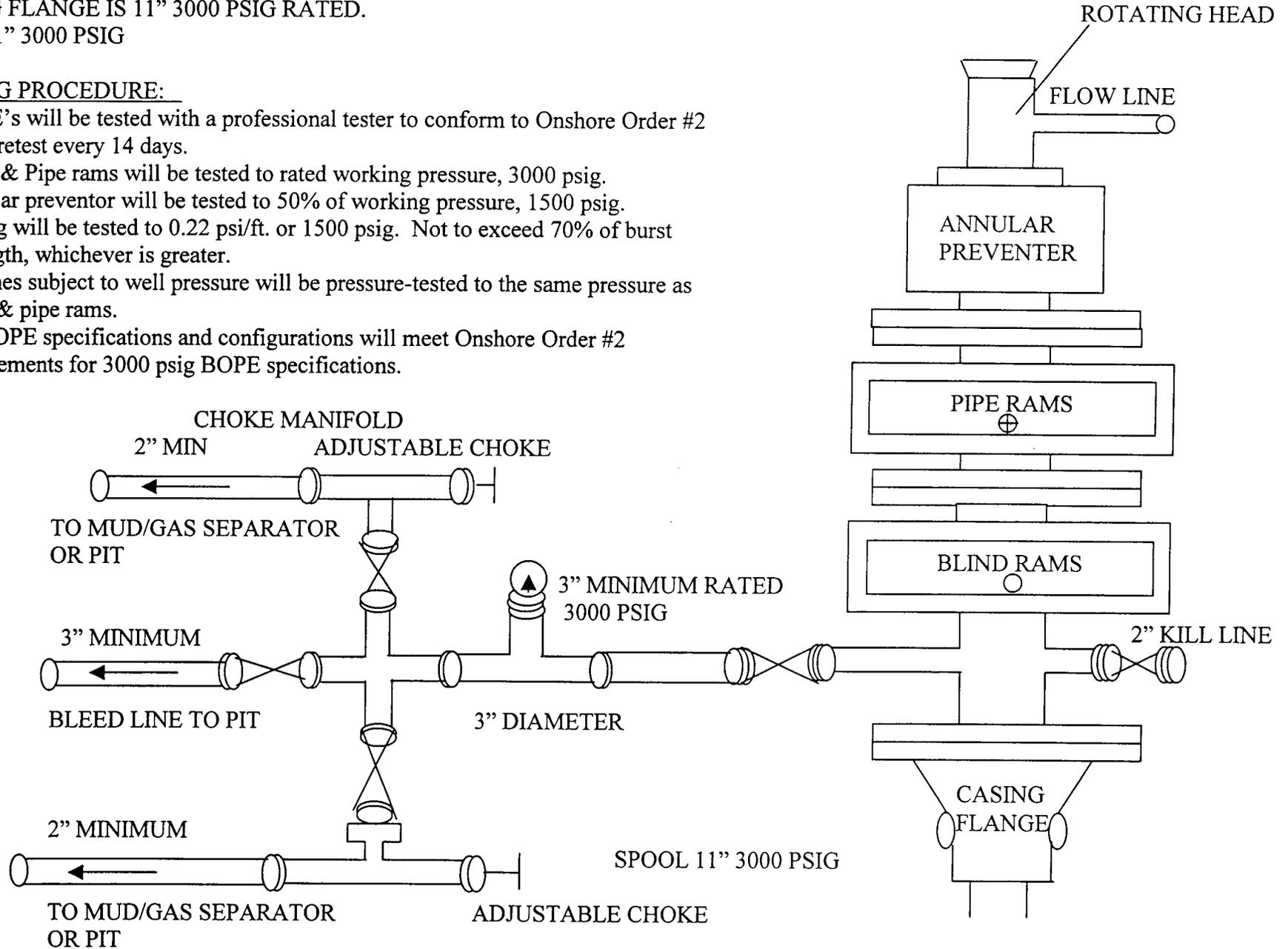
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG 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.

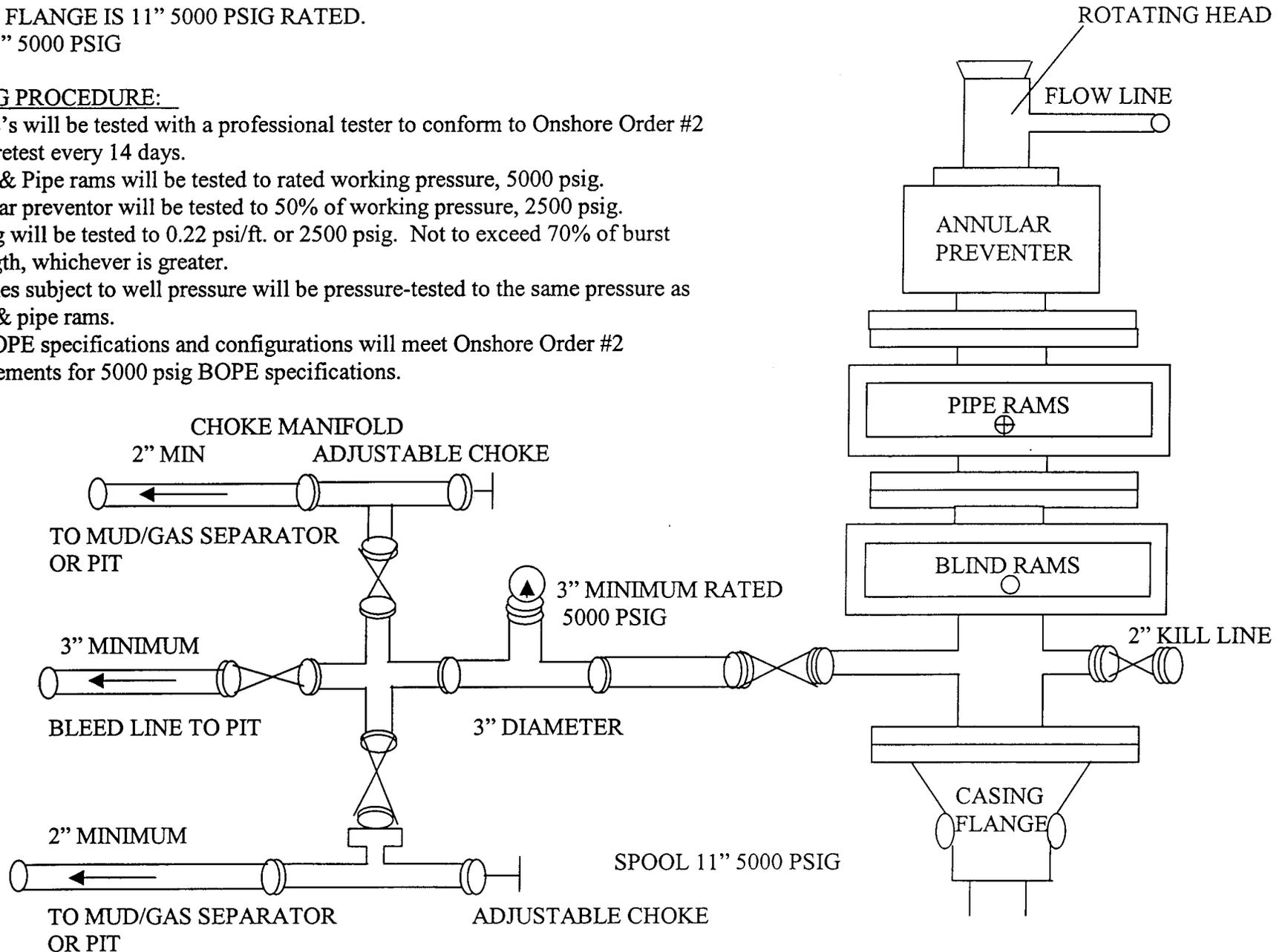


5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
 CASING FLANGE IS 11" 5000 PSIG RATED.
 BOPE 11" 5000 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, 5000 psig.
3. Annular preventer will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 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 5000 psig BOPE specifications.



EOG RESOURCES, INC.
CWU #858-30
SECTION 30, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 2.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN LEFT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 2.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 1.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE SOUTMAN CANYON #923-31B TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.15 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY, THEN SOUTHEASTERLY, THEN NORTHEASTERLY, DIRECTION APPROXIMATELY 0.5 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.35 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 858-30
Lease Number: UTU-29535
Location: 534' FSL & 784' FEL, SE/SE, Sec. 30,
T9S, R23E, 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 - 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 21.2 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 0.5 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.

The road shall be upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Upgrading shall include ditching, drainage, graveling, crowning, and capping the roadbed as necessary to provide a well-constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot Right-of-Way will not be allowed.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

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

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

- A. Abandoned wells – 4*
- B. Producing wells - 3*
- 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 wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, 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 2026’ from proposed location to a point in the NW/SE of Section 30, T9S, R23E, where it will tie into Questar Pipeline Co.’s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of -Way grant will 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.

The production facilities will be placed on the Northeast 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 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a 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 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.

On BLM administered land:

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

The reserve pit shall be lined with a plastic liner. A felt liner will also be installed if rock is encountered during pit construction.

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 this location is:
 - Shad Scale – 4 pounds per acre
 - Gardner Salt Bush – 3 pounds per acre
 - Hi-Crest Crested Wheat Grass – 2 pounds per acre

The reserve pit will be located on the West side of the location. The flare pit will be located downwind of the prevailing wind direction on the West 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 B and 5. The stockpiled location topsoil will be stored between Corners 2 and 8. 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 South.

Corner #2 will be rounded off to minimize excavation.

FENCING REQUIREMENTS:

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

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence).
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

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

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to 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 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 recontoured 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

X No construction or drilling activities shall be conducted between February 1 and July 15 because of Golden Eagle stipulations.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

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

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

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.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 858-30 Well, located in the SE/SE of Section 30, T9S, R23E, Uintah County, Utah; Lease #UTU-29535;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

9-26-2003
Date


Agent

EOG RESOURCES, INC.

CWU #858-30

LOCATED IN UINTAH COUNTY, UTAH
SECTION 30, T9S, R23E, S.L.B.&M.

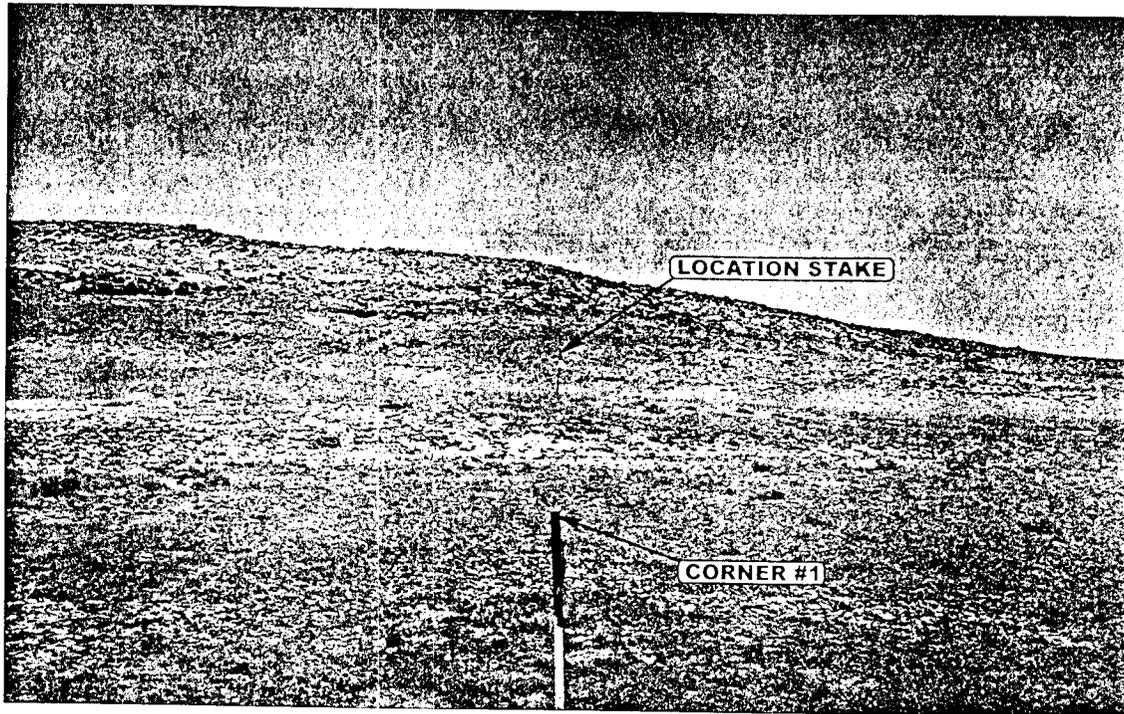


PHOTO: VIEW FROM CORNER #1 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

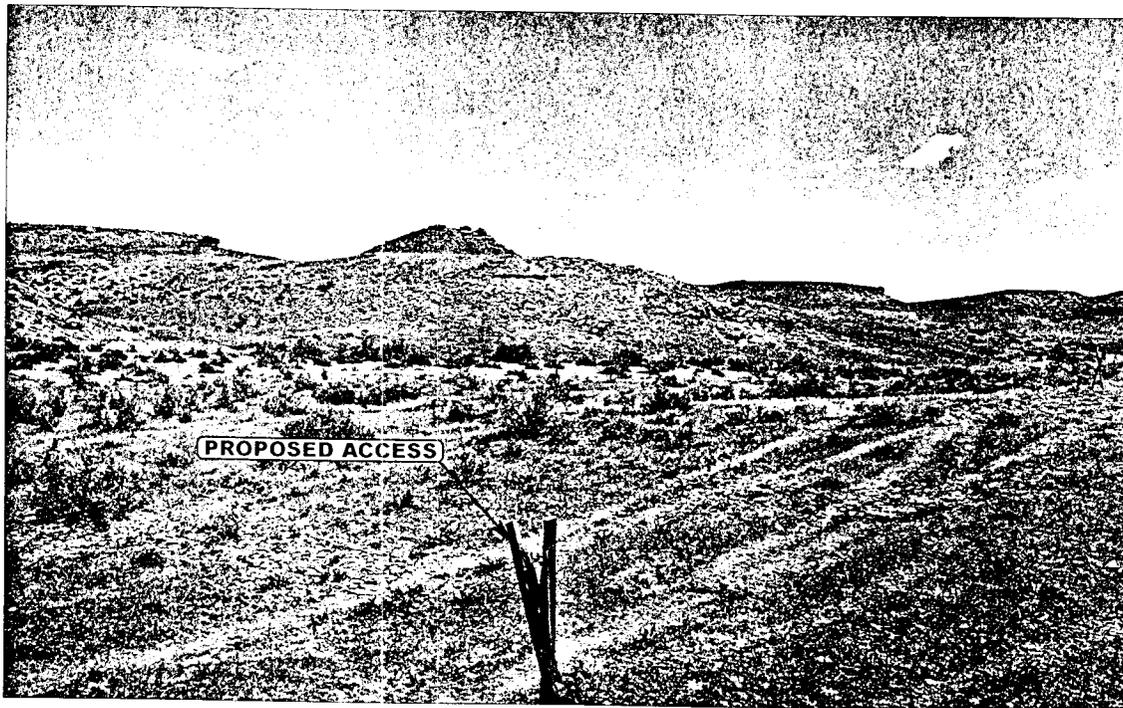


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



Since 1964

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

LOCATION PHOTOS

7 30 03
MONTH DAY YEAR

PHOTO

TAKEN BY: D.A.

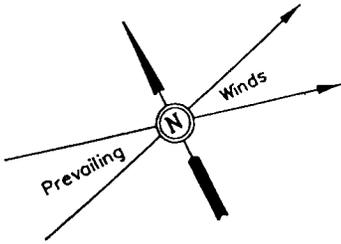
DRAWN BY: K.G.

REVISED: 00-00-00

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

CWU #858-30
SECTION 30, T9S, R23E, S.L.B.&M.
534' FSL 784' FEL



SCALE: 1" = 50'
DATE: 07-31-03
Drawn By: D.COX

Construct Diversion Ditch

Sta. 3+25

C-3.2'
El. 82.2'

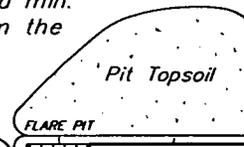
C-2.3'
El. 81.3'

C-1.3'
El. 80.3'

Approx.
Top of
Cut Slope

Existing Drainage

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



Topsoil Stockpile

Sta. 1+50

El. 80.6'
C-13.6'
(btm. pit)

C-1.1'
El. 80.1'

C-3.1'
El. 82.1'

C-2.1'
El. 81.1'

F-1.5'
El. 77.5'

Reserve Pit Backfill
& Spoils Stockpile

15' WIDE BENCH

20' WIDE BENCH
46'

Pit Capacity
With 2' of
Freeboard is
± 12,250 Bbls.

RESERVE PITS
(12' Deep)

SLOPE = 1-1/2 : 1

Sta. 0+18

TRASH

150'

F-2.4'
El. 76.6'

TRAILER
TOILET
FUEL

Approx.
Toe of
Fill Slope

STORAGE
TANK

Sta. 0+00

El. 80.6'
C-13.6'
(btm. pit)

F-1.4'
El. 77.6'

F-4.1'
El. 74.9'

Proposed Access Road

Elev. Ungraded Ground at Location Stake = 5082.1'
Elev. Graded Ground at Location Stake = 5079.0'

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

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

CWU #858-30

SECTION 30, T9S, R23E, S.L.B.&M.

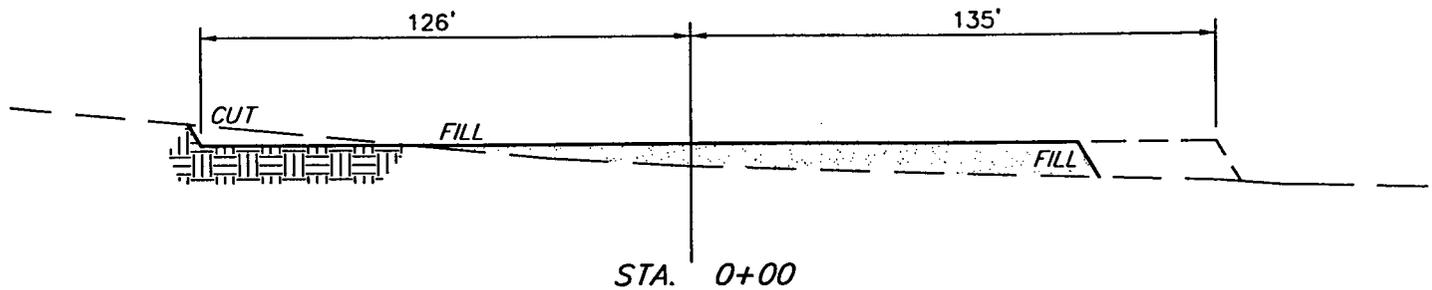
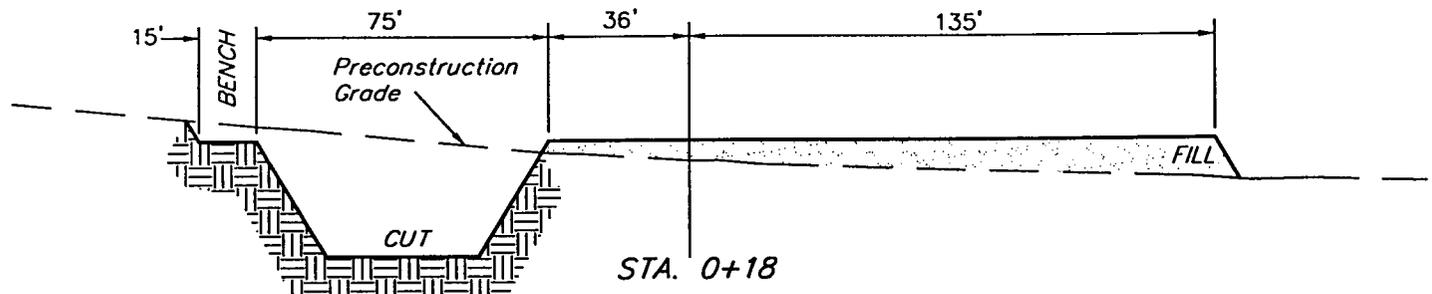
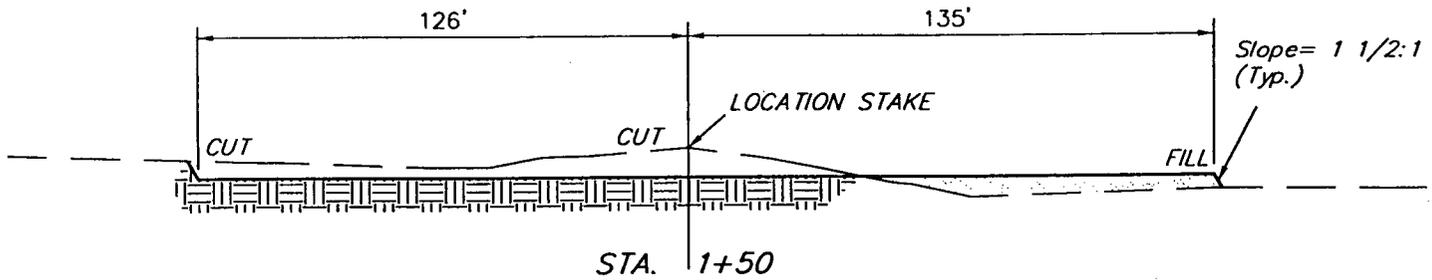
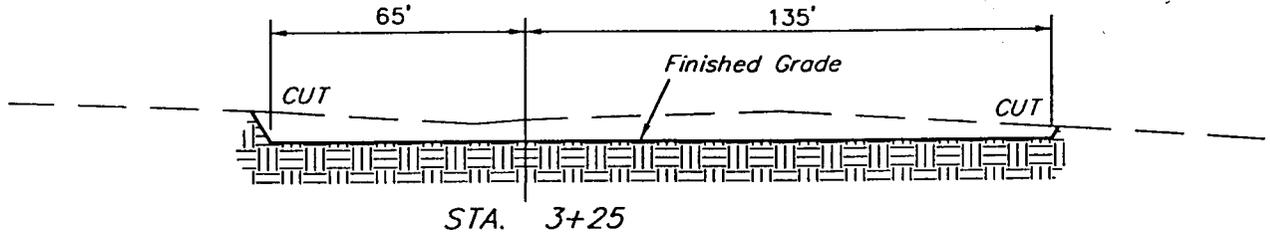
534' FSL 784' FEL



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

DATE: 07-31-03

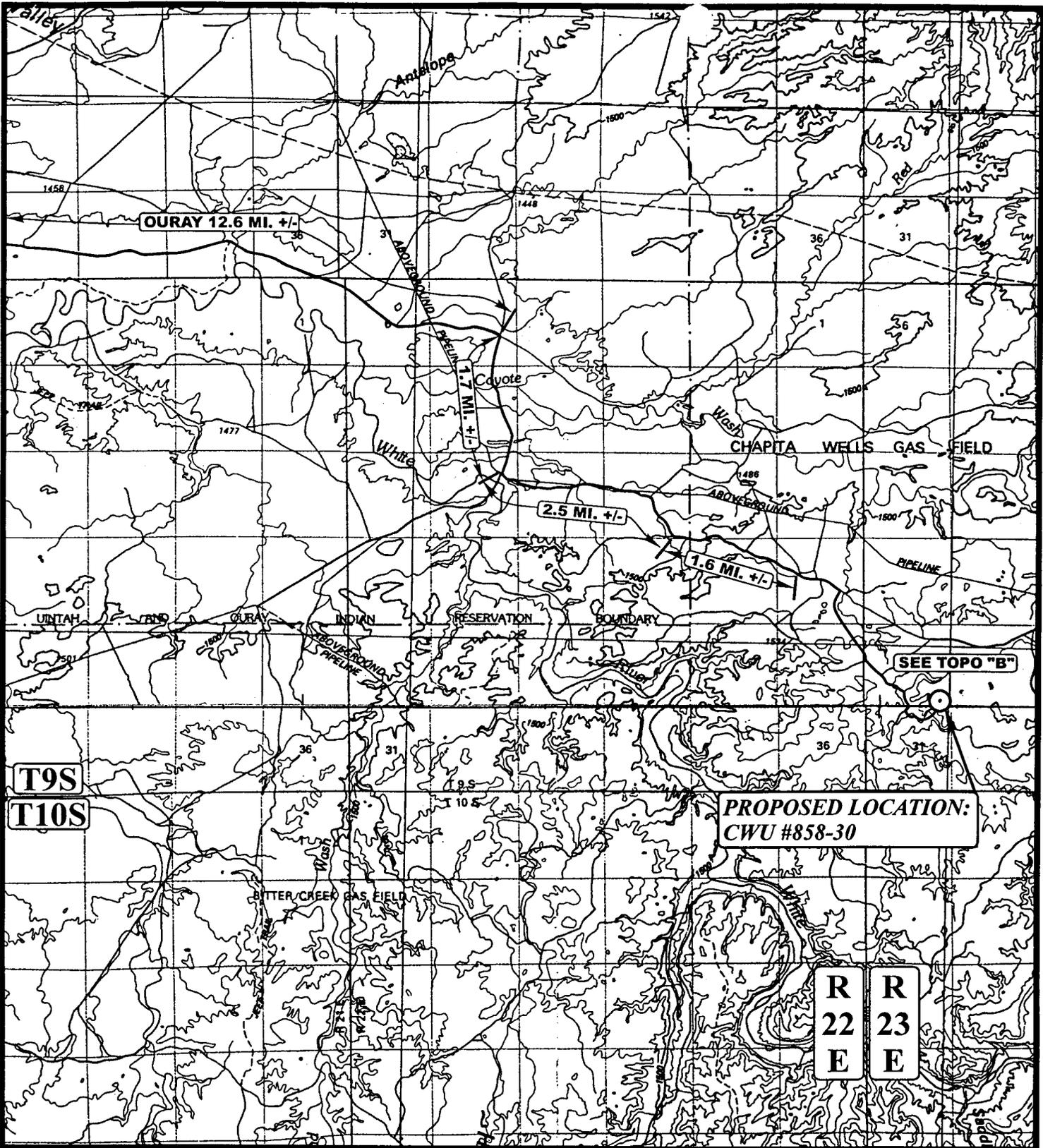
Drawn By: D.COX



APPROXIMATE YARDAGES

| | | | |
|------------------------|----------|--------------|----------------|
| (6") Topsoil Stripping | = | 1,430 | Cu. Yds. |
| Remaining Location | = | 4,660 | Cu. Yds. |
| TOTAL CUT | = | 6,090 | CU.YDS. |
| FILL | = | 2,850 | 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. |



LEGEND:

⊙ PROPOSED LOCATION

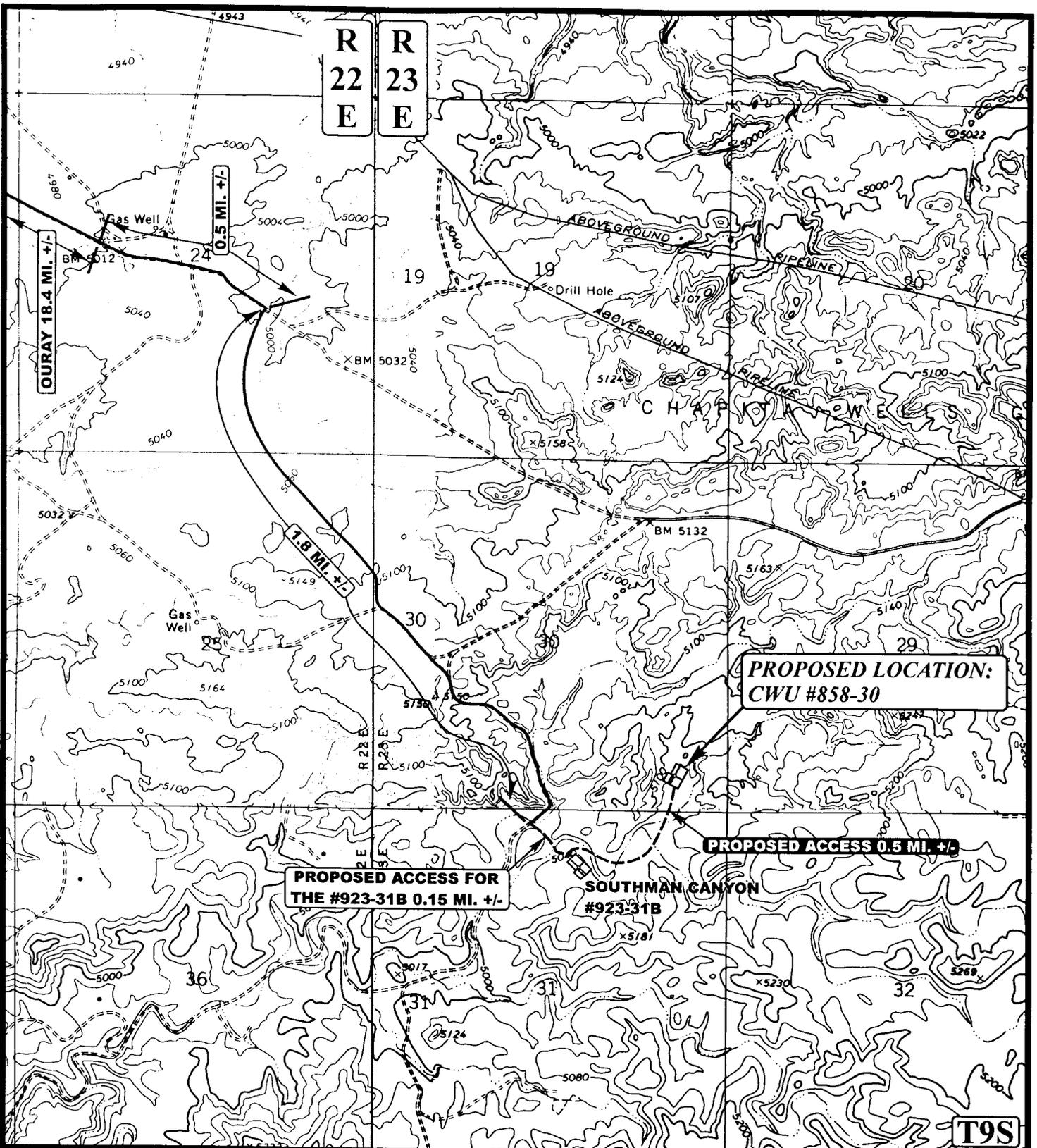


EOG RESOURCES, INC.

CWU #858-30
 SECTION 30, T9S, R23E, S.L.B.&M.
 534' FSL 784' FEL

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

TOPOGRAPHIC **7** **30** **03**
MAP MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: K.G. REVISED: 00-00-00 **A**
 TOPO



LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



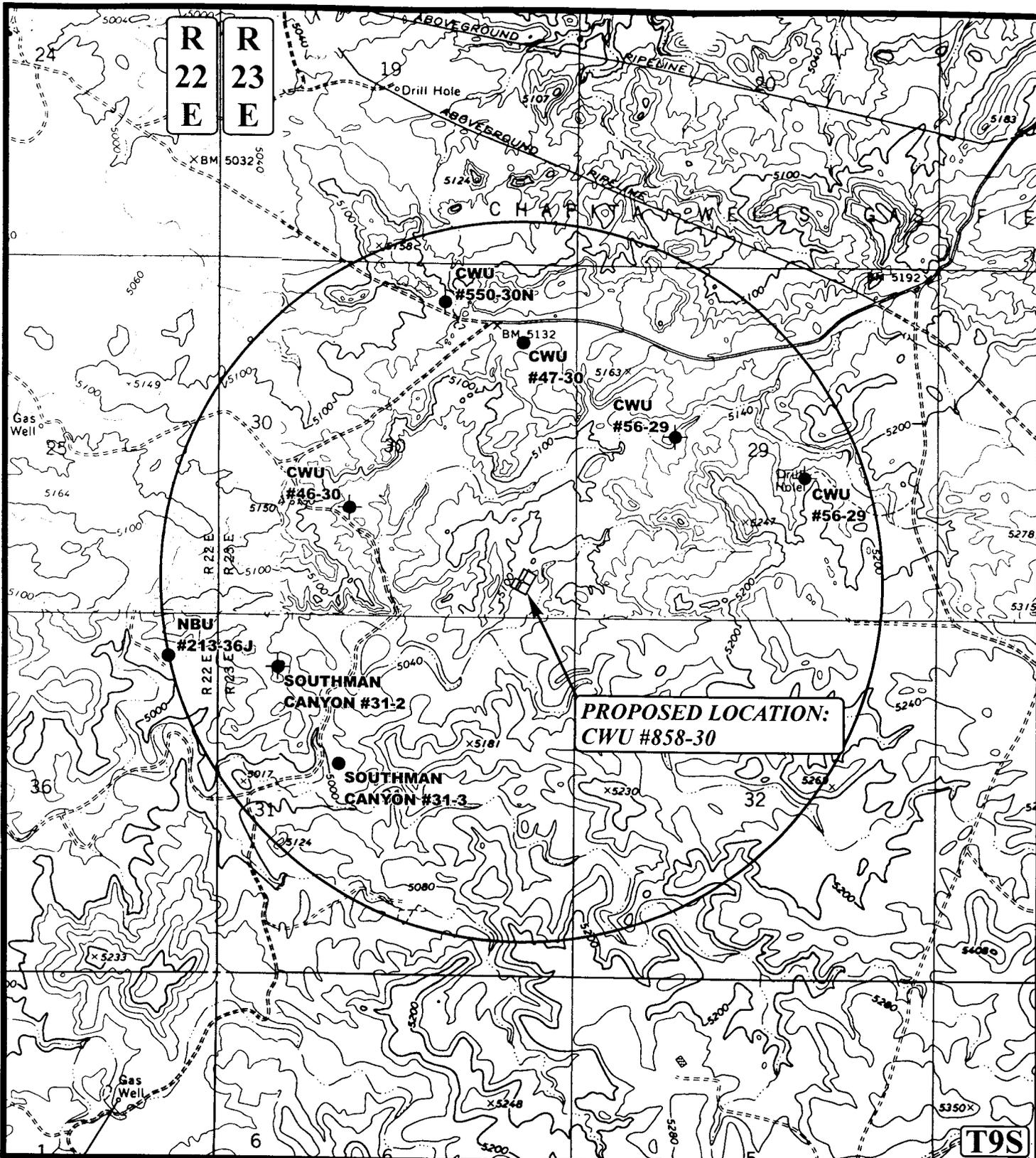
Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
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EOG RESOURCES, INC.

CWU #858-30
 SECTION 30, T9S, R23E, S.L.B.&M.
 534' FSL 784' FEL

| | | | | |
|----------------------------|----------------|-----------|-------------------|-------------------|
| TOPOGRAPHIC MAP | 7 | 30 | 03 | B TOPO |
| | MONTH | DAY | YEAR | |
| SCALE: 1" = 2000' | DRAWN BY: K.G. | | REVISED: 00-00-00 | |



PROPOSED LOCATION:
CWU #858-30

LEGEND:

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



EOG RESOURCES, INC.

CWU #858-30
SECTION 30, T9S, R23E, S.L.B.&M.
534' FSL 784' FEL



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

| | | | |
|--------------------|----------------|-----------|-------------------|
| TOPOGRAPHIC | 7 | 30 | 03 |
| MAP | MONTH | DAY | YEAR |
| SCALE: 1" = 2000' | DRAWN BY: K.G. | | REVISED: 00-00-00 |



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/01/2003

API NO. ASSIGNED: 43-047-35272

WELL NAME: CWU 858-30

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SESE 30 090S 230E
SURFACE: 0534 FSL 0784 FEL
BOTTOM: 0534 FSL 0784 FEL
UINTAH
NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-29535

SURFACE OWNER: 1 - Federal

LATITUDE: 40.00130

PROPOSED FORMATION: PRRV

LONGITUDE: 109.36218

RECEIVED AND/OR REVIEWED:

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

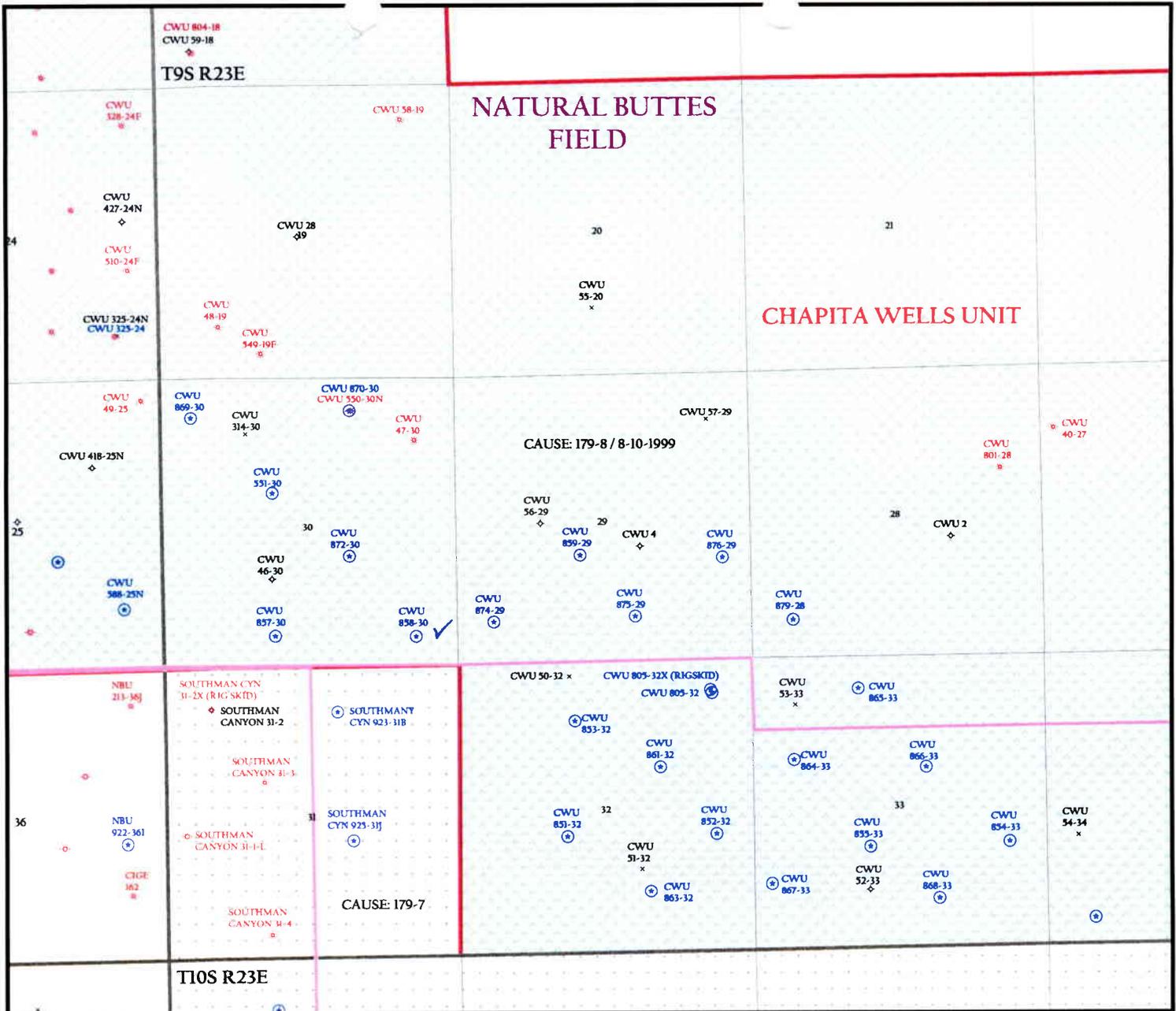
LOCATION AND SITING:

- _____ 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: 8-10-99
Siting: Suspends General Siting
- _____ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1-federal approval



OPERATOR: EOG RESOURCES INC (N9550)
 SEC. 30 T.9S, R.23E
 FIELD: NATURAL BUTTES (630)
 COUNTY: UINTAH
 CAUSE: 179-8 / 8-10-1999

| Wells | Unit Status |
|-----------------------|----------------|
| • GAS INJECTION | □ EXPLORATORY |
| • GAS STORAGE | □ GAS STORAGE |
| • LOCATION ABANDONED | □ NF PP OIL |
| • NEW LOCATION | □ NF SECONDARY |
| • PLUGGED & ABANDONED | □ PENDING |
| • PRODUCING GAS | ■ PI OIL |
| • PRODUCING OIL | ■ PP GAS |
| • SHUT-IN GAS | □ PP GEOTHERML |
| • SHUT-IN OIL | ■ PP OIL |
| • TEMP. ABANDONED | □ SECONDARY |
| • TEST WELL | □ TERMINATED |
| • WATER INJECTION | |
| • WATER SUPPLY | |
| • WATER DISPOSAL | |

Utah Oil Gas and Mining

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

PREPARED BY: DIANA MASON
DATE: 3-OCTOBER-2003

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)

October 3, 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 Mesaverde) | | |
| 43-047-35272 | CWU 858-30 | Sec 30 T09S R23E 0534 FSL 0784 FEL |
| 43-047-35274 | CWU 879-28 | Sec 28 T09S R23E 0679 FSL 0735 FWL |
| 43-047-35275 | CWU 875-29 | Sec 29 T09S R23E 0751 FSL 2095 FEL |
| 43-047-35276 | CWU 876-29 | Sec 29 T09S R23E 1816 FSL 0527 FEL |
| 43-047-35277 | CWU 874-29 | Sec 29 T09S R23E 0781 FSL 0623 FWL |
| 43-047-35278 | CWU 859-29 | Sec 29 T09S R23E 1987 FSL 2165 FWL |
| 43-047-35279 | CWU 857-30 | Sec 30 T09S R23E 0626 FSL 2000 FWL |
| 43-047-35280 | CWU 872-30 | Sec 30 T09S R23E 1975 FSL 1975 FEL |
| 43-047-35271 | CWU 847-22 | Sec 22 T09S R22E 0321 FNL 2091 FWL |
| 43-047-35273 | CWU 848-27 | Sec 27 T09S R22E 0582 FNL 2029 FWL |

Please be advised that these wells, except for the 847-22, are currently outside of the existing Mesaverde Participating Areas 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:10-3-3



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 6, 2003

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

Re: Chapita Wells Unit 858-30 Well, 534' FSL, 784' FEL, SE SE, Sec. 30, T. 9 South,
R. 23 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 43-047-35272.

Sincerely,

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

John R. Baza
Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 858-30
API Number: 43-047-35272
Lease: UTU-29535

Location: SE SE Sec. 30 T. 9 South R. 23 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.

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources Inc.

Well Name & Number: CWU 858-30

API Number: 43-047-35272

Lease Number: UTU - 29535

Location: SESE Sec. 30 TWN: 09S RNG: 23E

Agreement: CHAPITA WELLS UNIT

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.

Submit an electronic copy of all logs run on this well in LAS format. This submission will replace the requirement for submittal of paper logs to the BLM.

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 encountered to John Mayer 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 **5M** 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.

As a minimum, the usable water and other valuable resources shall be isolated and/or protected by having a cement top for the intermediate casing at least 200 ft. above the top of the Green River Formation, identified at $\pm 1,500$ ft. and by having a cement top for the production casing at least 200 ft. above the top of the Wasatch Formation, identified

at $\pm 4,620$ 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 to 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

Company/Operator: EOG Resources Inc.

API Number 43-047-35272

Well Name & Number: CWU 858-30

Lease number: U-29535

Location: SE SE Sec, 30, T.9S. R. 22E.

Surface Ownership: BLM

Date NOS Received: 8/22/03

Date APD Received: 9/30/03

Conditions for Approval are in the APD

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

FORM 9

007

SUNDRY NOTICES AND REPORTS ON WELLS

5. LEASE DESIGNATION AND SERIAL NUMBER:
UTU-29535

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:
CHAPITA WELLS UNIT

8. WELL NAME and NUMBER:
CHAPITA WELLS UNIT 858-30

9. API NUMBER:
4304735272

10. FIELD AND POOL, OR WILDCAT:
NATURAL BUTTES

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

1. TYPE OF WELL OIL WELL GAS WELL OTHER _____

2. NAME OF OPERATOR:
EOG RESOURCES, INC.

3. ADDRESS OF OPERATOR:
P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER:
(435) 789-4120

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **534' FSL, 784' FEL**

COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **SESE 30 9S 23E S**

STATE: **UTAH**

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

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

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

EOG requests that the APD for the subject well be extended for one year

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 10-26-04
By: [Signature]

DATE OF OPERATOR
10-2-04
CTHO

NAME (PLEASE PRINT) Ed Trotter TITLE Agent
SIGNATURE [Signature] DATE 9/26/2004

(This space for State use only)

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SEP 2 / 2004



**Application for Permit to Drill
Request for Permit Extension
Validation**

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

API: 4304735272
Well Name: CHAPITA WELLS UNIT 858-30
Location: 534' FSL, 784' FEL, SESE, SEC. 30, T9S, R23E, UIN
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 10/6/2003

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

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

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


 Signature

9/26/2004
 Date

Title: Agent

Representing: EOG Resources, Inc.

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 SEP 2 / 2004
 DIV. OF OIL, GAS & MINING

008

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 858-30

Api No: 43-047-35272 Lease Type: FEDERAL

Section 30 Township 09S Range 23E County UINTAH

Drilling Contractor PETE MARTIN'S RIG # BUCKET

SPUDDED:

Date 10/09/04

Time 10:00 AM

How DRY

Drilling will commence: _____

Reported by DALL COOK

Telephone # 1-435-828-3630

Date 10/12/2004 Signed CHD

009

DIVISION OF OIL, GAS AND MINING

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

FAX: EARLENE RUSSELL
(801) 359-3940

ENTITY ACTION FORM - FORM 6

| ACTION CODE | CURRENT ENTITY NO. | NEW ENTITY NO. | API NUMBER | WELL NAME | LOCATION | | | | COUNTY | SPUD DATE | EFFECTIVE DATE |
|--------------|--------------------|----------------|--------------|---------------------------|----------|------|----|-----|--------|-----------|----------------|
| | | | | | QQ | SEC. | TP | RG | | | |
| A | 99999 | 14313 | 43-047-35272 | CHAPITA WELLS UNIT 858-30 | SESE | 30 | 9S | 23E | UINTAH | 10/9/2004 | 10/19/04 K |
| PRRV = 77VVD | | | | | | | | | | | |
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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.


 Signature
 Regulatory Assistant
 Title
 10/8/2004
 Phone No. (307) 276-3331

RECEIVED
 OCT 14 2004
 DIV. OF OIL, GAS & MINING

(3/89)

14-10-2004 10:14am From: EOG Resources, Inc. Big Piney, Wyo. +307 276 3335 T-149 P.001/001 F-433

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires: January 31, 2004

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.

010

5. Lease Serial No.
UTU 29535

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 858-30

9. API Well No.
43-047-35272

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC

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

3b. Phone No. (include area code)
(307) 276-3331

4. Location of Well (Footage, Sec., T, R., M., or Survey Description)
SESE SECTION 30, T9S, R23E 40.001225 LAT 109.362289 LON
534 FSL 784 FEL

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 | |

3. 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.)

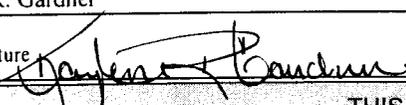
EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations:

1. Natural Buttes Unit 21-20B SWD.
2. Ace Disposal.
3. EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit, Stagecoach Uint).
4. 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

Name (Printed/Typed) Kaylene R. Gardner Title Regulatory Assistant

Signature  Date 10/13/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

| | | |
|---|----------------------|-------|
| Approved by (Signature) | Name (Printed/Typed) | Title |
| 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 | Date |

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.

(Continued on next page)

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UTAH DIVISION OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

011

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.
UTU 29535

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 858-30

9. API Well No.
43-047-35272

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UT

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC

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

3b. Phone No. (include area code)
(307) 276-3331

4. Location of Well (Footage, Sec., T. R., M., or Survey Description)
SESE SECTION 30, T9S, R23E 40.001225 LAT 109.362289 LON
534 FSL 784 FEL

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

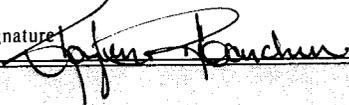
| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input checked="" type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" 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 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 | |

3. 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. spud a 20" surface hole at the referenced location 10/09/2004 at 10:00 a.m. The contractor was Pete Martin's Bucket Rig. Dall Cook, representative for EOG, notified Ed Forsman of the Vernal BLM office and Carol Daniels of the Utah Division of Oil Gas and Mining of the spud 10/08/2004 at 9:00 a.m.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)
Kaylene R. Gardner

Title Regulatory Assistant

Signature 

Date 10/13/2004

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by (Signature) _____

Name (Printed Typed) _____ Title _____

Office _____ 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.

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.

(Continued on next page)

OCT 18 2004

DIV. OF OIL, GAS & MINING

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

FORM 9

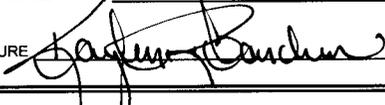
| | | |
|--|--|--|
| SUNDRY NOTICES AND REPORTS ON WELLS | | 5. LEASE DESIGNATION AND SERIAL NUMBER: UTU 29535 |
| | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 858-30 |
| 2. NAME OF OPERATOR: EOG RESOURCES, INC | | 9. API NUMBER: 4304735272 |
| 3. ADDRESS OF OPERATOR: P.O. BOX 250 CITY BIG PINEY STATE WY ZIP 83113 | PHONE NUMBER: (307) 276-3331 | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 534 FSL 784 FWL 40.001225 LAT 109.362289 LON | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 30 9S 23E S | | STATE: UTAH |

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

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

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

Please see the attached well chronology report for drilling operations from 10/08/2004 - 12/09/2004.

| | |
|---|-----------------------------------|
| NAME (PLEASE PRINT) Kaylene R. Gardner | TITLE Regulatory Assistant |
| SIGNATURE  | DATE 12/9/2004 |

(This space for State use only)

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DEC 13 2004
DIV OF OIL, GAS & MINING



**WELL CHRONOLOGY
REPORT**

Report Generated On: 12-09-2004

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|--------------|
| Well Name | CWU 858-30 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA WELLS DEEP | API # | 43-047-35272 | Well Class | DRIL |
| County, State | UINTAH, UT | Spud Date | 12-08-2004 | Class Date | |
| Tax Credit | N | TVD / MD | 8,820/ 8,820 | Property # | 053377 |
| Water Depth | 0 | Last CSG | 9.625 | Shoe TVD / MD | 2,231/ 2,231 |
| KB / GL Elev | 5,094/ 5,079 | | | | |
| Location | Section 30, T9S, R23E, SESE, 534 FSL & 784 FEL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|--------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 58.335 | NRI % | 48.418 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|------------|
| AFE No | 302481 | AFE Total | | DHC / CWC | |
| Rig Contr | SST | Rig Name | SST #2 | Start Date | 11-03-2004 |
| 11-03-2003 | Reported By | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$0 | Completion | \$0 | Well Total | \$0 |
| MD | 0 | TVD | 0 | Progress | 0 |
| Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: LOCATION DATA

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | LOCATION DATA |
| | | | 534' FSL & 784' FEL (SE/SE) |
| | | | SECTION 30, T9S, R23E |
| | | | UINTAH COUNTY, UTAH |
| | | | SST #2 |
| | | | OBJECTIVE: TD 8820' KMV PRICE RIVER LOWER |
| | | | DW/GAS |
| | | | CHAPITA WELL DEEP |
| | | | LEASE: UTU-29535 |
| | | | ELEVATION: 5082' NAT GL, 5079' PREP GL, 5094' KB (15') |
| | | | EOG WI 58.335%, NRI 48.418% |
| | | | WESTPORT OIL & GAS WI 41.665% |

| | | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|-----|------------|
| 11-09-2004 | Reported By | | | | | ED TROTTER |
| Daily Costs: Drilling | | Completion | | Daily Total | | |
| Cum Costs: Drilling | | Completion | | Well Total | | |
| MD | 2,243 | TVD | 2,243 | Progress | 0 | |
| Days | 0 | MW | 0.0 | Visc | 0.0 | |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | |

RECEIVED
DEC 13 2004
DIV. OF OIL, GAS & MINING

Activity at Report Time: WORT

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | MIRU BILL JR'S AIR RIG #3. SPURRED 20" HOLE @ 10:00 AM, 10/9/04. |

DRILLED 20" HOLE TO 45'. RAN 45' OF 13 3/8", 54#, H-40 CONDUCTOR PIPE AND CEMENTED TO SURFACE. DRILLED AND LINED RAT AND MOUSE HOLES. RD BUCKET RIG.

MIRU BILL JR'S AIR RIG.

DRILLED 12 1/4" HOLE TO 2243'. HIT WATER FLOW AT 875' AND HIT TRONA WATER ZONE AND LOST CIRCULATION AT 1770'. RU WIRELINE UNIT AND RUN DIRECTIONAL SURVEY, SURVEY 1.5 DEGREE @ 2200'. RAN 52 JTS (2213.00') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING & LANDED @ 2231.00' KB. RU BIG 4 CEMENTERS. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 160 BBLs WATER AHEAD. MIXED & PUMPED 20 BBLs GELLED WATER AHEAD OF CEMENT.

MIXED & PUMPED 225 SX CEMENT W/2% CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX (47.2 BBLs). DISPLACED CEMENT W/164 BBLs WATER, BUMPED PLUG W/300#, CHECKED FLOAT, FLOAT HELD, SHUT-IN CASING VALVE.

TOP OUT #1: MIXED & PUMPED 100 SX PREMIUM CEMENT W/4% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (19.5 BBLs).

TOP OUT #2: MIXED & PUMPED 225 SX PREMIUM CEMENT W/4% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (44 BBLs).

TOP OUT #3: MIXED & PUMPED 150 SX PREMIUM CEMENT W/4% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (29.3 BBLs).

TOP OUT #4: MIXED & PUMPED 200 SX PREMIUM CEMENT W/4% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (39.1 BBLs).

TOP OUT #5: MIXED & PUMPED 225 SX PREMIUM CEMENT W/4% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (44 BBLs).

TOP OUT #6: MIXED & PUMPED 175 SX PREMIUM CEMENT W/4% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (34.2 BBLs). HAD 5 BBLs CEMENT RETURNS TO SURFACE, CEMENT STAYED AT SURFACE.

RD BIG 4 CEMENTERS. PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NOTIFIED ED FORSMAN W/BLM & CAROL DANIELS W/UOGM OF SPUDDING WELL AT 9:00 AM, 10/8/04.

8 CENTRALIZERS: ON 1ST, 2ND & 3RD COLLARS AND EVERY 5TH COLLAR.

| 12-08-2004 | | Reported By | | JOHN FOREMAN | | | | | | | |
|------------------------------|-------|-------------------|-------|-------------------|----|------------------------|---|-----------|-----|-------------|------|
| Daily Costs: Drilling | | | | Completion | | Daily Total | | | | | |
| Cum Costs: Drilling | | | | Completion | | Well Total | | | | | |
| MD | 2,312 | TVD | 2,312 | Progress | 81 | Days | 1 | MW | 8.4 | Visc | 26.0 |
| Formation : | | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | |

Activity at Report Time: DRILLING.

| Start | End | Hrs | Activity Description |
|---|-------|-----|---|
| 06:00 | 08:00 | 2.0 | RIG UP SST RIG #2. ON DAYWORK RATE AT 06:00, 12/7/04. |
| <p>NOTE: DURING RIG MOVE TO 858-30 DIESEL TANK WAS LEFT ON CWU 871-30 DURING THE NIGHT SOMEONE TOOK 1,700 GALS OF DIESEL VALUED AT \$ 1.673 PER GAL. THIS WAS REPORTED TO THE UINTAH CO. SHERIFF DEPT (DET. SAMUEL), JOHN BOYD AND BILLY RUSHING.</p> | | | |
| 08:00 | 10:00 | 2.0 | NU BOP. |
| 10:00 | 14:00 | 4.0 | TEST BOPE: TEST UPPER AND LOWER KELLY VALVES, IBOP, TIW, PIPE RAMS, AND ALL BOP VALVES 250/5000#. BLIND RAMS, CHOKE LINE AND INNER CHOKE MANIFOLD VALVES 250/5000#. OUTER CHOKE MANIFOLD 250/5000#. ANNULAR 250/2500#. ALL TEST HELD 10 MINS. TESTED CASING TO 1500# FOR 30 MINS, GOOD TEST. CADE TAYLOR WITH VERNAL, BLM WITNESSED BOP TEST. NOTIFIED CARROL DANIELS WITH UOGM OF SPUD AT 12:55, 12/6/04, LEFT VOICE MAIL. INSTALLED WEAR BUSHING. |
| 14:00 | 17:30 | 3.5 | PU BHA & TOOLS. |
| 17:30 | 18:00 | 0.5 | SERVICE RIG. |
| 18:00 | 22:30 | 4.5 | PICK UP DRILL PIPE & TAGGED CEMENT AT 2105'. INSTALL ROTATING HEAD RUBBER AND RIG DOWN PICK UP MACHINE. |
| 22:30 | 23:30 | 1.0 | CHANGED OUT SWIVEL PACKING. |
| 23:30 | 03:30 | 4.0 | DRILL CEMENT AND SHOE TRACK. |
| 03:30 | 04:00 | 0.5 | DRILLED 2243' TO 2251'. |
| 04:00 | 05:00 | 1.0 | CIRC BTMS UP. SURVEY AT 2173', .75 DEGREES. PERFORMED PIT WITH 8.3 PPG WATER. PUMPED IN AT 300 PSI (10.9 PPGE). |
| 05:00 | 06:00 | 1.0 | DRILL FROM 2251' TO 2312'. |
| 06:00 | | | SPUD 7-7/8" HOLE AT 3:30 AM, 12/8/04 |

12-09-2004 Reported By RICK DITTO

| Daily Costs: Drilling | | Completion | | Daily Total | | | | | | | |
|-----------------------|-------|------------|------------|-------------|--------|------|-----------------|----|-----|------|------|
| Cum Costs: Drilling | | Completion | | Well Total | | | | | | | |
| MD | 3,930 | TVD | 3,930 | Progress | 1,618 | Days | 2 | MW | 8.4 | Visc | 26.0 |
| Formation : | | | PBSD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 11:30 | 5.5 | DRILL FROM 2312' TO 2747'. |
| 11:30 | 12:00 | 0.5 | CIRC & SURVEY AT 2704'. MISSRUN. |
| 12:00 | 13:00 | 1.0 | DRILL 2747' TO 2810'. |
| 13:00 | 13:30 | 0.5 | CIRC & SURVEY AT 2767', 1.5 DEGREES. |
| 13:30 | 20:30 | 7.0 | DRILL FROM 2810' TO 3218'. CIRC RESERVE PIT. |
| 20:30 | 21:30 | 1.0 | CIRC SWEEP & SURVEY AT 3298', 1 DEGREE. |
| 21:30 | 03:00 | 5.5 | DRILL FROM 3218' TO 3722'. CIRC RESERVE PIT. |
| 03:00 | 04:00 | 1.0 | CIRC & SURVEY AT 3644', 1 DEGREE. |
| 04:00 | 06:00 | 2.0 | DRILL FROM 3722' TO 3930'. CIRC RESERVE PIT. |

DSLTA 2654

SAFETY MEETING: MAKING CONNECTIONS/WORKING SHORT HANDED

NIGHT CREW SHORT TWO FLOOR MEN

TOTAL HRS ON MM 25.5

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.

013

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator **EOG RESOURCES, INC.**

3a. Address
P.O. BOX 250 Big Piney WY, 83113

3b. Phone No. (include area code)
307-276-3331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 30, T9S, R23E, (SESE) 534 FSL 784 FEL 40.00122 LAT 109.36229 LON

5. Lease Serial No.
UTU 29535

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 858-30

9. API Well No.
43-047-35272

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, 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 DRILLING |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | OPERATIONS |
| | <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.)

Please see the attached well chronology report for drilling operations from 10/09/2004 - 12/30/2004.

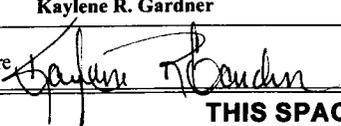
RECEIVED

JAN 03 2005

DIV. OF OIL, GAS & MINING

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

Name (Printed/Typed) **Kaylene R. Gardner** Title **Regulatory Assistant**

Signature  Date **12/30/2004**

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.

(Instructions on page 2)



WELL CHRONOLOGY REPORT

Report Generated On: 12-30-2004

| | | | | | |
|----------------------|--|------------------|--------------|----------------------|--------------|
| Well Name | CWU 858-30 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA WELLS DEEP | API # | 43-047-35272 | Well Class | COMP |
| County, State | UINTAH, UT | Spud Date | 12-08-2004 | Class Date | |
| Tax Credit | N | TVD / MD | 8,820/ 8,820 | Property # | 053377 |
| Water Depth | 0 | Last CSG | 4.5 | Shoe TVD / MD | 8,753/ 8,753 |
| KB / GL Elev | 5,094/ 5,079 | | | | |
| Location | Section 30, T9S, R23E, SESE, 534 FSL & 784 FEL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|--------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 58.335 | NRI % | 48.418 |

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|--------|--------------------|------------------------|---------------------|------------|-----------|-----|-------------|-----|
| AFE No | 302481 | AFE Total | | DHC / CWC | | | | | | | |
| Rig Contr | SST | Rig Name | SST #2 | Start Date | 11-03-2004 | Release Date | 12-15-2004 | | | | |
| 11-03-2003 | Reported By | | | | | | | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 | | | | | | |
| Cum Costs: Drilling | \$0 | Completion | \$0 | Well Total | \$0 | | | | | | |
| MD | 0 | TVD | 0 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: LOCATION DATA

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | LOCATION DATA 534' FSL & 784' FEL (SE/SE) SECTION 30, T9S, R23E UINTAH COUNTY, UTAH |
| | | | SST #2 OBJECTIVE: TD 8820' KMV PRICE RIVER LOWER DW/GAS CHAPITA WELL DEEP |
| | | | LEASE: UTU-29535 ELEVATION: 5082' NAT GL, 5079' PREP GL, 5094' KB (15') |
| | | | EOG WI 58.335%, NRI 48.418% WESTPORT OIL & GAS WI 41.665% |

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|------------|--------------------|------------------------|-------------|---|-----------|-----|-------------|-----|
| 11-09-2004 | Reported By | | ED TROTTER | | | | | | | | |
| Daily Costs: Drilling | | Completion | | Daily Total | | | | | | | |
| Cum Costs: Drilling | | Completion | | Well Total | | | | | | | |
| MD | 2,243 | TVD | 2,243 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU BILL JR'S AIR RIG #3. SPURRED 20" HOLE @ 10:00 AM, 10/9/04.

DRILLED 20" HOLE TO 45'. RAN 45' OF 13 3/8", 54#, H-40 CONDUCTOR PIPE AND CEMENTED TO SURFACE. DRILLED AND LINED RAT AND MOUSE HOLES. RD BUCKET RIG.

MIRU BILL JR'S AIR RIG.

DRILLED 12 1/4" HOLE TO 2243'. HIT WATER FLOW AT 875' AND HIT TRONA WATER ZONE AND LOST CIRCULATION AT 1770'. RU WIRELINE UNIT AND RUN DIRECTIONAL SURVEY, SURVEY 1.5 DEGREE @ 2200'. RAN 52 JTS (2213.00') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING & LANDED @ 2231.00' KB. RU BIG 4 CEMENTERS. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 160 BBLs WATER AHEAD. MIXED & PUMPED 20 BBLs GELLED WATER AHEAD OF CEMENT.

MIXED & PUMPED 225 SX CEMENT W/2% CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX (47.2 BBLs). DISPLACED CEMENT W/164 BBLs WATER, BUMPED PLUG W/300#, CHECKED FLOAT, FLOAT HELD, SHUT-IN CASING VALVE.

TOP OUT #1: MIXED & PUMPED 100 SX PREMIUM CEMENT W/4% CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (19.5 BBLs).

TOP OUT #2: MIXED & PUMPED 225 SX PREMIUM CEMENT W/4% CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (44 BBLs).

TOP OUT #3: MIXED & PUMPED 150 SX PREMIUM CEMENT W/4% CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (29.3 BBLs).

TOP OUT #4: MIXED & PUMPED 200 SX PREMIUM CEMENT W/4% CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (39.1 BBLs).

TOP OUT #5: MIXED & PUMPED 225 SX PREMIUM CEMENT W/4% CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (44 BBLs).

TOP OUT #6: MIXED & PUMPED 175 SX PREMIUM CEMENT W/4% CACL2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 16 PPG W/YIELD OF 1.18 CF/SX (34.2 BBLs). HAD 5 BBLs CEMENT RETURNS TO SURFACE, CEMENT STAYED AT SURFACE.

RD BIG 4 CEMENTERS. PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NOTIFIED ED FORSMAN W/BLM & CAROL DANIELS W/UOGM OF SPURRING WELL AT 9:00 AM, 10/8/04.

8 CENTRALIZERS: ON 1ST, 2ND & 3RD COLLARS AND EVERY 5TH COLLAR.

| | | | | | | | | | | | |
|-----------------------|-------|-------------|-------|--------------|----|------|---|-----------------|-----|------|------|
| 12-08-2004 | | Reported By | | JOHN FOREMAN | | | | | | | |
| Daily Costs: Drilling | | | | Completion | | | | Daily Total | | | |
| Cum Costs: Drilling | | | | Completion | | | | Well Total | | | |
| MD | 2,312 | TVD | 2,312 | Progress | 81 | Days | 1 | MW | 8.4 | Visc | 26.0 |
| Formation : | | PBTD : 0.0 | | Perf : | | | | PKR Depth : 0.0 | | | |

Activity at Report Time: DRILLING.

Start End Hrs Activity Description

06:00 08:00 2.0 RIG UP SST RIG #2. ON DAYWORK RATE AT 06:00, 12/7/04.

NOTE: DURING RIG MOVE TO 858-30 DIESEL TANK WAS LEFT ON CWU 871-30 DURING THE NIGHT SOMEONE TOOK 1,700 GALS OF DIESEL VALUED AT \$ 1.673 PER GAL. THIS WAS REPORTED TO THE UINTAH CO. SHERIFF DEPT (DET. SAMUEL), JOHN BOYD AND BILLY RUSHING.

08:00 10:00 2.0 NU BOP.

10:00 14:00 4.0 TEST BOPE: TEST UPPER AND LOWER KELLY VALVES, IBOP, TIW, PIPE RAMS, AND ALL BOP VALVES 250/5000#. BLIND RAMS, CHOKE LINE AND INNER CHOKE MANIFOLD VALVES 250/5000#. OUTER CHOKE MANIFOLD 250/5000#. ANNULAR 250/2500#. ALL TEST HELD 10 MINS. TESTED CASING TO 1500# FOR 30 MINS, GOOD TEST. CADE TAYLOR WITH VERNAL, BLM WITNESSED BOP TEST. NOTIFIED CARROL DANIELS WITH UOGM OF SPUD AT 12:55, 12/6/04, LEFT VOICE MAIL. INSTALLED WEAR BUSHING.

14:00 17:30 3.5 PU BHA & TOOLS.

17:30 18:00 0.5 SERVICE RIG.

18:00 22:30 4.5 PICK UP DRILL PIPE & TAGGED CEMENT AT 2105'. INSTALL ROTATING HEAD RUBBER AND RIG DOWN PICK UP MACHINE.

22:30 23:30 1.0 CHANGED OUT SWIVEL PACKING.

23:30 03:30 4.0 DRILL CEMENT AND SHOE TRACK.

03:30 04:00 0.5 DRILLED 2243' TO 2251'.

04:00 05:00 1.0 CIRC BTMS UP. SURVEY AT 2173', .75 DEGREES. PERFORMED PIT WITH 8.3 PPG WATER. PUMPED IN AT 300 PSI (10.9 PPGE).

05:00 06:00 1.0 DRILL FROM 2251' TO 2312'.

06:00 SPUD 7--7/8" HOLE AT 3:30 AM, 12/8/04

12-09-2004 Reported By RICK DITTO

| | | | | | | | | | | | |
|-----------------------------|-------|-----|-------------------|-------------------|-------|---------------|---|--------------------|------------------------|------|------|
| DailyCosts: Drilling | | | | Completion | | | | Daily Total | | | |
| Cum Costs: Drilling | | | | Completion | | | | Well Total | | | |
| MD | 3,930 | TVD | 3,930 | Progress | 1,618 | Days | 2 | MW | 8.4 | Visc | 26.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |

Activity at Report Time: DRILLING

Start End Hrs Activity Description

06:00 11:30 5.5 DRILL FROM 2312' TO 2747'.
 11:30 12:00 0.5 CIRC & SURVEY AT 2704'. MISSRUN.
 12:00 13:00 1.0 DRILL 2747' TO 2810'.
 13:00 13:30 0.5 CIRC & SURVEY AT 2767', 1.5 DEGREES.
 13:30 20:30 7.0 DRILL FROM 2810' TO 3218'. CIRC RESERVE PIT.
 20:30 21:30 1.0 CIRC SWEEP & SURVEY AT 3298', 1 DEGREE.
 21:30 03:00 5.5 DRILL FROM 3218' TO 3722'. CIRC RESERVE PIT.
 03:00 04:00 1.0 CIRC & SURVEY AT 3644', 1 DEGREE.
 04:00 06:00 2.0 DRILL FROM 3722' TO 3930'. CIRC RESERVE PIT.

DSLTA 2654
 SAFETY MEETING: MAKING CONNECTIONS/WORKING SHORT HANDED
 NIGHT CREW SHORT TWO FLOOR MEN
 TOTAL HRS ON MM 25.5

12-10-2004 Reported By RICK DITTO

| | | | | | | | | | | | |
|------------------------------|-------|------------|-------------------|-----------------|-------------------|---------------|---|-----------|------------------------|-------------|------|
| Daily Costs: Drilling | | | | | Completion | | | | Daily Total | | |
| Cum Costs: Drilling | | | | | Completion | | | | Well Total | | |
| MD | 5,500 | TVD | 5,500 | Progress | 1,570 | Days | 3 | MW | 8.4 | Visc | 26.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:30 | 3.5 | DRILL FROM 3930' TO 4251'. CIRC RESERVE PIT. |
| 09:30 | 10:00 | 0.5 | SERVICED RIG. |
| 10:00 | 10:30 | 0.5 | SURVEYED AT 4183', 2.75 DEGREES. |
| 10:30 | 16:00 | 5.5 | DRILL FROM 4251' TO 4722'. CIRC RESERVE PIT. |
| 16:00 | 16:30 | 0.5 | CIRC & SURVEYED AT 4652', 2.5 DEGREES. |
| 16:30 | 23:30 | 7.0 | DRILL FROM 4722' TO 5225'. CIRC RESERVE PIT. |
| 23:30 | 00:30 | 1.0 | CIRC & SURVEYED AT 5147', 2.25 DEGREES. |
| 00:30 | 06:00 | 5.5 | DRILL FROM 5225' TO 5500'. CIRC RESERVE PIT. |

DSLTA 2655
 SAFETY MEETING: MAKING CONNECTIONS/WORKING SHORT HANDED
 DAY CREW SHORT ONE FLOORMAN
 NIGHT CREW SHORT TWO FLOORMEN
 47 TOTAL HRS ON MM
 MUD LOGGER ON AT 4200'
 BOP DRILL NITES ON STATION IN 3 MINUTES

12-11-2004 Reported By RICK DITTO

| | | | | | | | | | | | |
|------------------------------|-------|------------|-------------------|-----------------|-------------------|---------------|---|-----------|------------------------|-------------|------|
| Daily Costs: Drilling | | | | | Completion | | | | Daily Total | | |
| Cum Costs: Drilling | | | | | Completion | | | | Well Total | | |
| MD | 6,690 | TVD | 6,690 | Progress | 1,190 | Days | 4 | MW | 8.4 | Visc | 26.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 10:30 | 4.5 | DRILL FROM 5500' TO 5789'. CIRC RESERVE PIT. |
| 10:30 | 11:00 | 0.5 | SERVICED RIG. FUNCTION TESTED PIPE RAMS, ANNULAR & HCV. |
| 11:00 | 11:30 | 0.5 | SURVEY AT 5714', 2.5 DEGREES. |
| 11:30 | 06:00 | 18.5 | DRILL FROM 5789' TO 6690'. CIRC RESERVE PIT, NO FLARE. |

DSLTA 2656
 SAFETY MEETING: LOCKOUT/TAGOUT
 NO CREW SHORTAGE
 70 TOTAL HRS ON MM

BOP DRILL DAYS 2 MIN, 30 SEC
 BOP DRILL NITES 1 MIN, 25 SEC
 CHECK CROWN-O-MATIC X2

12-12-2004 Reported By RICK DITTO

| | | | | | | | | | | | |
|------------------------------|-------|-------------------|-------|-------------------|-----|---------------|---|------------------------|-----|-------------|------|
| Daily Costs: Drilling | | | | Completion | | | | Daily Total | | | |
| Cum Costs: Drilling | | | | Completion | | | | Well Total | | | |
| MD | 7,640 | TVD | 7,640 | Progress | 950 | Days | 5 | MW | 8.5 | Visc | 27.0 |
| Formation : | | PBTD : 0.0 | | | | Perf : | | PKR Depth : 0.0 | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 08:30 | 2.5 | CORRECT DEPTH FROM 6690' TO 6603'. DRILL FROM 6603' TO 6698'. CIRC RESERVE PIT. |
| 08:30 | 09:00 | 0.5 | SURVEY AT 6623', 2.25 DEGREES. |
| 09:00 | 10:00 | 1.0 | DRILL FROM 6698' TO 6761'. CLOSED IN MUD SYSTEM AT 6700'. BEGAN LIGHT MUD UP. |
| 10:00 | 10:30 | 0.5 | SERVICED RIG. FUNCTION TESTED PIPE RAMS, ANNULAR & HCV. |
| 10:30 | 11:00 | 0.5 | WORKED ON SCREEN, CHANGED OUT 2 BROKEN WIRES. |
| 11:00 | 17:30 | 6.5 | DRILL FROM 6761' TO 7104', MUD WEIGHT 9.3 WITH 35 VIS. |
| 17:30 | 18:00 | 0.5 | CHANGED OUT PRESSURE RELIEF VALVE ON KOOMEY UNIT. |
| 18:00 | 21:00 | 3.0 | DRILL FROM 7104' TO 7229', MUD WEIGHT 9.3 WITH 35 VIS. |
| 21:00 | 21:30 | 0.5 | CIRC. SURVEY AT 7153', 1.75 DEGREES. |
| 21:30 | 06:00 | 8.5 | DRILL FROM 7229' TO 7640', MUD WEIGHT 9.6 WITH 35 VIS. |

DSLTA 2657
 SAFETY MEETING: USING SPINNING CHAIN/MIXING CHEMICALS
 NIGHT CREW SHORT DRILLER & 1 FLOORMAN
 91.5 TOTAL HRS ON MM
 CHECK CROWN-O-MATIC X2

12-13-2004 Reported By RICK DITTO

| | | | | | | | | | | | |
|------------------------------|-------|-------------------|-------|-------------------|-----|---------------|---|------------------------|------|-------------|------|
| Daily Costs: Drilling | | | | Completion | | | | Daily Total | | | |
| Cum Costs: Drilling | | | | Completion | | | | Well Total | | | |
| MD | 8,430 | TVD | 8,430 | Progress | 790 | Days | 6 | MW | 10.0 | Visc | 38.0 |
| Formation : | | PBTD : 0.0 | | | | Perf : | | PKR Depth : 0.0 | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 15:30 | 9.5 | DRILL FROM 7640' TO 7985', MUD WT 10 PPG 36 VIS. |
| 15:30 | 16:00 | 0.5 | SERVICE RIG. FUNCTION TESTED PIPE RAMS, ANNULAR & HCV. |
| 16:00 | 06:00 | 14.0 | DRILL FROM 7985' TO 8430'. INCREASED MUD WEIGHT TO 10.4 PPG TO HOLD BACK SHALE. DRILLING WITH 5-10 FLARE SINCE THE TOP OF LOWER PRICE RIVER. |

DSLTA 2658
 SAFETY MEETING: SLICK & MUDDY WORKING CONDITIONS
 NO CREW SHORTAGE
 115 TOTAL HRS ON MM
 CHECK CROWN-O-MATIC X2

12-14-2004 Reported By RICK DITTO

DSLTA 2658

SAFETY MEETING: RUNNING CASING & CEMENTING/PRESSURE PUMPING

12-16-2004 Reported By RICK DITTO

| | | | | | | | | | | | |
|------------------------------|-------------------|------------|-------|-----------------|-------------------|-------------|---|------------------------|------|-------------|------|
| Daily Costs: Drilling | | | | | Completion | | | Daily Total | | | |
| Cum Costs: Drilling | | | | | Completion | | | Well Total | | | |
| MD | 8,780 | TVD | 8,780 | Progress | 0 | Days | 9 | MW | 10.7 | Visc | 36.0 |
| Formation : | PBTD : 0.0 | | | | Perf : | | | PKR Depth : 0.0 | | | |

Activity at Report Time: WO COMPLETION - LOG TOPS

| Start | End | Hrs | Activity Description |
|-------|-------|-----|----------------------|
| 06:00 | 10:00 | 4.0 | CLEAN MUD PIT. RDMO. |

TRANSFERRED 4335 GAL OF DIESEL TO CWU 874-29 AT \$1.505/GAL
TRUCKS SCHEDULED TO MOVE RIG ON FRIDAY

| | | |
|-------|------|---|
| 10:00 | 14.0 | RELEASE RIG AT 10:00 HRS, 12/15/04 CASING POINT COST \$468,107 |
|-------|------|---|

24.0 LOG TOPS
WASATCH 4391'
CHAPITA WELLS 4950'
NORTH HORN 6308'
ISLAND 6647'
MESAVERDE 6929'
SEGO 8669'

12-28-2004 Reported By HANSEN

| | | | | | | | | | | | |
|------------------------------|-------------------|------------|-------|-----------------|-------------------|-------------|----|------------------------|-----|-------------|-----|
| Daily Costs: Drilling | | | | | Completion | | | Daily Total | | | |
| Cum Costs: Drilling | | | | | Completion | | | Well Total | | | |
| MD | 8,780 | TVD | 8,780 | Progress | 0 | Days | 10 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | | | Perf : | | | PKR Depth : 0.0 | | | |

Activity at Report Time: PREP FRAC

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | NU FRAC TREE. RU SINGLE JACK. TESTED CASING & FRAC TREE TO 6500 PSIG. SDFN. |

12-29-2004 Reported By HANSEN

| | | | | | | | | | | | |
|--------------------------------------|-------------------|------------|-------|-----------------|-------------------|-------------|----|------------------------|-----|-------------|-----|
| Daily Costs: Drilling | | | | | Completion | | | Daily Total | | | |
| Cum Costs: Drilling | | | | | Completion | | | Well Total | | | |
| MD | 8,780 | TVD | 8,780 | Progress | 0 | Days | 11 | MW | 0.0 | Visc | 0.0 |
| Formation : LOWER PRICE RIVER | PBTD : 0.0 | | | | Perf : | 8160-8438 | | PKR Depth : 0.0 | | | |

Activity at Report Time: FRAC

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 07:00 | 07:00 | 24.0 | RU CUTTERS WL. PERFORATED LPR FROM 8160-62', 8183-85', 8196-97', 8217-19', 8271-72', 8288-89', 8310-11', 8357-58', 8386-87' & 8436-38' W/3-1/8" HSC PORTED CASING GUNS @ 2 SPF & 180° PHASING. RDWL. SDFN. UNABLE TO FRAC DUE TO SCHLUMBERGER BLENDER FAILURE. |

12-30-2004 Reported By HANSEN

| | | | | | |
|------------------------------|-------------------|-------------------|---------------|--------------------|------------------------|
| Daily Costs: Drilling | | Completion | | Daily Total | |
| Cum Costs: Drilling | | Completion | | Well Total | |
| MD | 8,780 | TVD | 8,780 | Progress | 0 |
| | | | | Days | 12 |
| Formation : | PBTD : 0.0 | | Perf : | 7034-8438 | PKR Depth : 0.0 |

Activity at Report Time: FLOW TEST

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 07:00 | 06:00 | 23.0 | SICP 1370 PSIG. RU SCHLUMBERGER. RU BIG RED HOT OIL SERVICE. PUMPED 165 GALS CHAMPION GYPTRON T-106 SCALE INHIBITOR. RD BIG RED. FRAC DOWN CASING WITH 4964 GALS YF125ST PAD, 10,537 GALS YF125ST, 37,917 GALS YF118ST & 190,945# 20/40 SAND @ 1-6 PPG. MTP 6268 PSIG. MTR 50.4 BPM. ATP 5283 PSIG. ATR 46.8 BPM. ISIP 3260 PSIG. RD SCHLUMBERGER. |

RU CUTTERS WL. SET 10K COMPOSITE FRAC PLUG @ 8130'. PERFORATED MPR FROM 7998-99', 8018-21', 8039-41', 8055-57' & 8092-94' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. RU BIG RED. PUMPED 165 GALS CHAMPION GYPTRON T-106 SCALE INHIBITOR. RD BIG RED. FRAC DOWN CASING WITH 4981 GALS YF125ST PAD, 10,535 GALS YF125ST, 33,652 GALS YF118ST & 167,109# 20/40 SAND @ 1-6 PPG. MTP 6345 PSIG. MTR 50.4 BPM. ATP 5528 PSIG. ATR 47.3 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K COMPOSITE FRAC PLUG @ 7965'. PERFORATED MPR FROM 7733-34', 7758-60', 7773-74', 7798-7800', 7840-42', 7878-80', 7900-01' & 7921-23' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. RU BIG RED. PUMPED 165 GALS CHAMPION GYPTRON T-106 SCALE INHIBITOR. RD BIG RED. FRAC DOWN CASING WITH 4944 GALS YF125ST PAD, 10,536 GALS YF125ST, 47,352, GALS YF118ST & 238,428# 20/40 SAND @ 1-6 PPG. MTP 6250 PSIG. MTR 50.4 BPM. ATP 5135 PSIG. ATR 47.4 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K COMPOSITE FRAC PLUG @ 7714'. PERFORATED MPR FROM 7433-36', 7561-64', 7611-14', 7645-47', & 7673-74' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. RU BIG RED. PUMPED 165 GALS CHAMPION GYPTRON T-106 SCALE INHIBITOR. RD BIG RED. FRAC DOWN CASING WITH 4964 GALS YF125ST PAD, 10,536 GALS YF125ST, 47,838 GALS YF118ST & 236,506# 20/40 SAND @ 1-6 PPG. MTP 6322 PSIG. MTR 50.4 BPM. ATP 4586 PSIG. ATR 45.9 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K COMPOSITE FRAC PLUG @ 7375'. PERFORATED UPR FROM 7034-35', 7070-72', 7088-90', 7126-28', 7144-46', 7183-84', 7279-82' & 7347-48' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. RU BIG RED. PUMPED 155 GALS CHAMPION GYPTRON T-106 SCALE INHIBITOR. RD BIG RED. FRAC DOWN CASING WITH 4964 GALS YF125ST PAD, 10,533 GALS YF125ST, 47,203 GALS YF118ST & 239,364# 20/40 SAND @ 1-6 PPG. MTP 6153 PSIG. MTR 50.3 BPM. ATP 4716 PSIG. ATR 47.2 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

FLOWED 12 HRS. 16/64" CHOKE. FCP 1950 PSIG. 45-50 BFPH. RECOVERED 662 BLW. 7191 BLWTR.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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.
UTU 29535

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 858-30

9. API Well No.
43-047-35272

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UT

014

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG RESOURCES, INC.

3a. Address
P.O. BOX 250 Big Piney WY, 83113

3b. Phone No. (include area code)
307-276-3331

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Section 30, T9S, R23E, (SESE) 534 FSL 784 FEL 40.00122 LAT 109.36229 LON

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

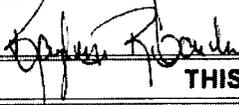
| TYPE OF SUBMISSION | TYPE OF ACTION | | | |
|---|---|---|--|---|
| <input type="checkbox"/> Notice of Intent | <input type="checkbox"/> Acidize | <input type="checkbox"/> Deepen | <input type="checkbox"/> Production (Start/Resume) | <input type="checkbox"/> Water Shut-Off |
| <input checked="" type="checkbox"/> 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 DRILLING |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | OPERATIONS |
| | <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.)

Please see the attached well chronology report for drilling operations from 12/20/2004 - 1/14/2005.

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

Name (Printed/Typed) **Kaylene R. Gardner** Title **Regulatory Assistant**

Signature  Date **1/15/05**

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.

(Instructions on page 2)

JAN 21 2005

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: November 30, 2000

015 WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU 29535

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resrv.
 Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
CHAPITA WELLS UNI

2. Name of Operator
EOG RESOURCES, INC. Contact: KAYLENE R GARDNER
E-Mail: kaylene_gardner@eogresources.com

8. Lease Name and Well No.
CHAPITA WELLS UNIT 858-30

3. Address P.O. BOX 250
BIG PINEY, WY 83113 3a. Phone No. (include area code)
Ph: 307-276-3331 Ext: 4842

9. API Well No.
43-047-35272

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface SESE 534FSL 784FEL 40.00122 N Lat, 109.36229 W Lon
 At top prod interval reported below SESE 534FSL 784FEL 40.00122 N Lat, 109.36229 W Lon
 At total depth SESE 534FSL 784FEL 40.00122 N Lat, 109.36229 W Lon

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE

11. Sec., T., R., M., or Block and Survey
or Area Sec 30 T9S R23E Mer SLB

12. County or Parish
UINTAH 13. State
UT

14. Date Spudded
10/09/2004 15. Date T.D. Reached
12/13/2004 16. Date Completed
 D & A Ready to Prod.
01/17/2005

17. Elevations (DF, KB, RT, GL)*
5094 KB

18. Total Depth: MD 8750 TVD
19. Plug Back T.D.: MD 8671 TVD
20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST-GR/CCL, CBL-GR/CCL. 22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit analysis)
Directional Survey? No Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250 | 9.625 J-55 | 36.0 | 0 | 2231 | | 1300 | | | |
| 7.875 | 4.500 N-80 | 11.6 | 0 | 8753 | | 1320 | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 3.375 | 8453 | | | | | | | |

25. Producing Intervals 26. Perforation Record

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|------|--------|---------------------|------|-----------|--------------|
| A) MESAVERDE | 7034 | 8438 | 8160 TO 8438 | | 2 | SPF |
| B) | | | 7998 TO 8094 | | 2 | SPF |
| C) | | | 7733 TO 7923 | | 2 | SPF |
| D) | | | 7433 TO 7674 | | 2 | SPF |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material |
|----------------|---|
| 8160 TO 8438 | 1272 BBLs GELLED WATER & 190,945 # 20/40 SAND |
| 7998 TO 8094 | 1171 BBLs GELLED WATER & 167,109 # 20/40 SAND |
| 7733 TO 7923 | 1496 BBLs GELLED WATER & 238,428 # 20/40 SAND |
| 7433 TO 7674 | 1508 BBLs GELLED WATER & 236,506 # 20/40 SAND |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 01/17/2005 | 01/23/2005 | 24 | → | 40.0 | 1115.0 | 68.0 | | | FLOWS FROM WELL |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 10/64 | SI 2300 | 2850.0 | → | 40 | 1115 | 68 | | PGW | |

28a. Production - Interval B

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

(See Instructions and spaces for additional data on reverse side)
 ELECTRONIC SUBMISSION #53408 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
JAN 28 2005
DIV OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-----------|------|--------|------------------------------|---|--|
| | | | | | Meas. Depth |
| MESAVERDE | 7433 | 8438 | | WASATCH CHAPITA WELLS NORTHORN ISLAND MESAVERDE SEGO | 4391 4950 6308 6647 6929 8669 |

32. Additional remarks (include plugging procedure):

TURNED TO SALES THROUGH QUESTAR METER # 6619. Two 400 bbl tanks # 80539V & 80540V are on location.
Perforated the Lower Price River from 8160-62', 8183-85', 8196-97', 8217-19', 8271-72', 8288-89', 8310-11', 8357-58', 8386-87' & 8436-38' w/2 SPF.
Perforated the Middle Price River from 7998-99', 8018-21', 8039-41', 8055-57', & 8092-94' w/2 SPF.
Perforated the Middle Price River from 7733-34', 7758-60', 7773-79', 7798-7800', 7840-42', 7878-80', 7900-01' & 7921-23' w/2 SPF.

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 #53408 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) KAYLENE R GARDNER Title REGULATORY ASSISTANT

Signature (Electronic Submission) Date 01/26/2005

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 ****

Additional data for transaction #53408 that would not fit on the form

32. Additional remarks, continued

Perforated the Middle Price River from 7433-36', 7561-64', 7611-14', 7645-47' & 7673-74' w/2 SPF.
Perforated the Upper Price River from 7034-35', 7070-72', 7088-90', 7126-28', 7144-46', 7183-84', 7279-82' & 7347-48' w/2 SPF. Fracture stimulated with 1493 bbls gelled water & 239,364 # 20/40 sand.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

Amended

FORM APPROVED
OMB No. 1004-0137
Expires: November 30, 2000

016 WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU 29535

1a. Type of Well Oil Well Gas Well Dry Other
 b. Type of Completion New Well Work Over Deepen Plug Back Diff. Resvr.
 Other _____

6. If Indian, Allottee or Tribe Name
7. Unit or CA Agreement Name and No.
CHAPITA WELLS UNI

2. Name of Operator
EOG RESOURCES, INC. Contact: KAYLENE R GARDNER
E-Mail: kaylene_gardner@eogresources.com

8. Lease Name and Well No.
CHAPITA WELLS UNIT 858-30

3. Address P.O. BOX 250
BIG PINEY, WY 83113 3a. Phone No. (include area code)
Ph: 307-276-3745 Ext: 4842

9. API Well No.
43-047-35272

4. Location of Well (Report location clearly and in accordance with Federal requirements)*
 At surface SESE 534FSL 784FEL 40.00122 N Lat, 109.36229 W Lon
 At top prod interval reported below SESE 534FSL 784FEL 40.00122 N Lat, 109.36229 W Lon
 At total depth SESE 534FSL 784FEL 40.00122 N Lat, 109.36229 W Lon

10. Field and Pool, or Exploratory
NATURAL BUTTES/MESAVERDE
11. Sec., T., R., M., or Block and Survey
or Area Sec 30 T9S R23E Mer SLB
12. County or Parish
UINTAH 13. State
UT

14. Date Spudded
10/09/2004 15. Date T.D. Reached
12/13/2004 16. Date Completed
 D & A Ready to Prod.
01/17/2005

17. Elevations (DF, KB, RT, GL)*
5094 KB

18. Total Depth: MD 8780 TVD
19. Plug Back T.D.: MD 8671 TVD
20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST-GR/CCL, CBL -GR/CCL 22. Was well cored? No Yes (Submit analysis)
Was DST run? No Yes (Submit analysis)
Directional Survey? No Yes (Submit analysis)

23. Casing and Liner Record (Report all strings set in well)

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12.250 | 9.625 J-55 | 36.0 | 0 | 2231 | | 1300 | | | |
| 7.875 | 4.500 N-80 | 11.6 | 0 | 8753 | | 1320 | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2.375 | 8453 | | | | | | | |

25. Producing Intervals 26. Perforation Record

| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
|--------------|------|--------|---------------------|------|-----------|--------------|
| A) MESAVERDE | 7034 | 8438 | 8160 TO 8438 | | 2 | SPF |
| B) | | | 7998 TO 8094 | | 2 | SPF |
| C) | | | 7733 TO 7923 | | 2 | SPF |
| D) | | | 7433 TO 7674 | | 2 | SPF |

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

| Depth Interval | Amount and Type of Material |
|----------------|---|
| 8160 TO 8438 | 1272 BBLs GELLED WATER & 190,945 # 20/40 SAND |
| 7998 TO 8094 | 1171 BBLs GELLED WATER & 167,109 # 20/40 SAND |
| 7733 TO 7923 | 1496 BBLs GELLED WATER & 238,428 # 20/40 SAND |
| 7433 TO 7674 | 1508 BBLs GELLED WATER & 236,506 # 20/40 SAND |

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FEB 03 2005
DIV. OF OIL, GAS & MINING

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|-------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|-------------------|
| 01/17/2005 | 01/23/2005 | 24 | → | 40.0 | 1115.0 | 68.0 | | | FLOWS FROM WELL |
| Choke Size | Tbg. Press. Flwg. | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas:Oil Ratio | Well Status | |
| 10/64 | SI 2300 | 2850.0 | → | 40 | 1115 | 68 | | PGW | |

28a. Production - Interval B

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

28b. Production - Interval C

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

28c. Production - Interval D

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

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

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|-----------|------|--------|------------------------------|---|--|
| | | | | | Meas. Depth |
| MESAVERDE | 7433 | 8438 | | WASATCH CHAPITA WELLS NORTHORN ISLAND MESAVERDE SEGO | 4391 4950 6308 6647 6929 8669 |

32. Additional remarks (include plugging procedure):

TURNED TO SALES THROUGH QUESTAR METER # 6619. Two 400 bbl tanks # 80539V & 80540V are on location.
Perforated the Lower Price River from 8160-62', 8183-85', 8196-97', 8217-19', 8271-72', 8288-89', 8310-11', 8357-58', 8386-87' & 8436-38' w/2 SPF.
Perforated the Middle Price River from 7998-99', 8018-21', 8039-41', 8055-57' & 8092-94' w/2 SPF.
Perforated the Middle Price River from 7733-34', 7758-60', 7773-74', 7798-7800', 7840-42', 7878-80', 7900-01' & 7921-23' w/2 SPF.

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 #53456 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal**

Name (please print) KAYLENE R GARDNER Title REGULATORY ASSISTANT

Signature (Electronic Submission) Date 01/26/2005

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 ****

Additional data for transaction #53456 that would not fit on the form

32. Additional remarks, continued

Perforated the Middle Price River from 7433-36', 7561-64', 7611-14', 7645-47', & 7673-74' w/2 SPF.
Perforated the Upper Price River from 7034-35', 7070-72', 7088-90', 7126-28', 7144-46', 7183-84', 7279-82' & 7347-48' w/2 SPF. Fracture stimulated with 1493 bbls gelled water & 239,364 # 20/40 sand.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

SEP 26 2005

EOG Resources, Inc.
Attn: Debbie Spears
600 Seventeenth Street
Suite 100N
Denver, Colorado 80202

Re: 1st Revision of the
Consolidated Mesaverde Formation PA "E-J-K"
Chapita Wells Unit
Uintah County, Utah

Gentlemen:

The 1st Revision of the Consolidated Mesaverde Formation PA "E-J-K", Chapita Wells Unit, CRS No. UTU63013U, AFS No. 892000905U, is hereby approved effective as of January 1, 2005, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The 1st Revision of the Consolidated Mesaverde Formation PA "E-J-K" results in an addition of 160.00 acres to the participating area for a total of 875.84 acres and is based upon the completion of Well No.874-29, API No. 43-047-35277, located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 29, Township 9 South, Range 23 East, SLM&B and Well No.858-30, API No. 43-047-35272, located in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 30, Township 9 South, Range 23 East, SLM&B, Federal Unit Tract No. 37, Lease No. UTU29535, as being wells capable of producing unitized substances in paying quantities.

Copies of the approved request are being distributed to the appropriate federal agencies and one copy is returned herewith. Please advise all interested parties of the approval of the 1st Revision of the Consolidated Mesaverde Formation PA "E-J-K", Chapita Wells Unit, and the effective date.

Sincerely,

/s/ David H. Murphy

David H. Murphy
Acting Chief, Branch of Fluid Minerals

Enclosure

bcc: Dockets w/exhibit b
Division of Oil, Gas & Mining
SITLA
Chapita Wells Unit w/enclosure
MMS - Data Management Division (Attn: James Sykes)
Field Manager - Vernal w/enclosure
Agr. Sec. Chron.
Reading File
Central Files

UT922:TATHOMPSON:tt:9/26/05

RECEIVED

OCT 05 2005

DIV. OF OIL, GAS & MINING

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

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
 Address: P.O. BOX 1815
city VERNAL
state UT zip 84078 Phone Number: (435) 781-9111

Well 1 43-047-35214

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---|---------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-35200 | CHAPITA WELLS UNIT 869-30 | | NWNW | 30 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 14119 | 13918 | | | | 4/12/06 | |
| Comments: CHANGE TO PARTICIPATING AREA <u>MVRD</u> -K PER BLM EFFECTIVE 5/31/2004 | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---|---------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-35272 | CHAPITA WELLS UNIT 858-30 | | SESE | 30 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 14313 | 13918 | | | | 4/12/06 | |
| Comments: CHANGE TO PARTICIPATING AREA <u>MVRD</u> -K PER BLM EFFECTIVE 1/01/2005 | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---|---------------------------|-------------------|-----------|-----|-----|----------------------------------|--------|
| 43-047-35277 | CHAPITA WELLS UNIT 874-29 | | SWSW | 29 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| C | 14308 | 13918 | | | | 4/12/06 | |
| Comments: CHANGE TO PARTICIPATING AREA <u>MVRD</u> -K PER BLM EFFECTIVE 1/01/2005 | | | | | | | |

ACTION CODES:

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

Kaylene R. Gardner

Name (Please Print)

Signature

Regulatory Assistant

Title

4/11/2006

Date

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APR 11 2006

DIV. OF OIL, GAS & MINING

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

FORM 6

ENTITY ACTION FORM

Operator: EOG Resources, Inc.
Address: 600 17th St., Suite 1000N
city Denver
state CO zip 80202

Operator Account Number: N 9550
Phone Number: (303) 824-5526

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|---------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-35214 | Chapita Wells Unit 869-30 | | NWNN | 30 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| C | 13918 | 13650 | 4/9/2004 | | 9/1/2005 | | |
| Comments: <i>MVRD</i> — <i>9/27/06</i> | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|---------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-35272 | Chapita Wells Unit 858-30 | | SESE | 30 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| C | 13918 | 13650 | 10/9/2004 | | 9/1/2005 | | |
| Comments: <i>MVRD</i> — <i>9/27/06</i> | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--|---------------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| 43-047-35277 | Chapita Wells Unit 874-29 | | SWSW | 29 | 9S | 23E | Uintah |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| C | 13918 | 13650 | 9/11/2004 | | 9/1/2005 | | |
| Comments: <i>MVRD</i> — <i>9/27/06</i> | | | | | | | |

ACTION CODES:

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

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

9/27/2006

Date

RECEIVED

SEP 27 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OM B No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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

| | | |
|---|--|--|
| SUBMIT IN TRIPLICATE- Other instructions on reverse side. | | 5. Lease Serial No. UTU-29535 |
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 6. If Indian, Allottee or Tribe Name |
| 2. Name of Operator EOG Resources, Inc. | | 7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit |
| 3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202 | 3b. Phone No. (include area code) 303-824-5526 | 8. Well Name and No. Chapita Wells Unit 858-30 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 534' FSL & 784' FEL (SESE) Sec. 30-T9S-R23E 40.001225 LAT 109.362289 LON | | 9. API Well No. 43-047-35272 |
| | | 10. Field and Pool, or Exploratory Area Natural Buttes/Mesaverde |
| | | 11. County or Parish, State Uintah County, Utah |

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 Pit reclamation |
| | <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 must 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 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The reserve pit for the referenced location was closed on 8/30/2006 as per the APD procedure.

| | |
|---|-----------------------------------|
| 14. I hereby certify that the foregoing is true and correct | |
| Name (Printed/Typed) Mary A. Maestas | Title Regulatory Assistant |
| Signature <i>Mary A. Maestas</i> | Date 02/06/2007 |

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.

(Instructions on page 2)

FEB 08 2007

DIV. OF OIL, GAS & MINING