

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

February 20, 2004

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 906-26  
NE/SE, SEC. 26, T9S, R22E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0285A  
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

**RECEIVED**

**FEB 23 2004**

DIV. OF OIL, GAS & MINING

Sincerely,



Ed Trotter  
Agent  
EOG Resources, Inc.

Attachments

001

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work:  DRILL  REENTER  
1b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

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

3a. Address **P.O. BOX 1815  
VERNAL, UT 84078**  
3b. Phone No. (Include area code)  
**(435)789-0790**

4. Location of Well (Report location clearly and in accordance with any State requirements.)\*  
At surface **1606' FSL, 711' FEL** *4429241 Y NE/SE 40.00421*  
At proposed prod. Zone *636597 Y -109.39973*

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

15. Distance from proposed\* location to nearest property or lease line, ft. **711'**  
(Also to nearest drig. Unit line, if any)  
16. No. of Acres in lease  
**1800**

18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C  
**9050'**  
19. Proposed Depth  
**9050'**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5012.9 FEET GRADED GROUND**  
22. Approximate date work will start\*  
**UPON APPROVAL**

23. Esti mated duration  
**45 DAYS**

5. Lease Serial No.  
**U-0285A**

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
**CHAPITA WELLS UNIT 906-26**

9. API Well No.  
**43-047-35541**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**

11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 26, T9S, R22E, S.L.B.&M.**

12. County or Parish  
**UINTAH**

13. State  
**UTAH**

17. Spacing Unit dedicated to this well  
**'**

20. BLM/BIA Bond No. on file  
**NM-2308**

24. Attachments

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

- 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).
- 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 *[Signature]* Name (Printed/Typed) **Ed Trotter** Date **February 20, 2004**

Title **Agent** **RECEIVED FEB 23 2004** **DIV. OF OIL, GAS & MINING**

Approved by (Signature) *[Signature]* Name (Printed/Typed) **BRADLEY G. HILL** Date **03-01-04**  
Title **ENVIRONMENTAL SCIENTIST III**

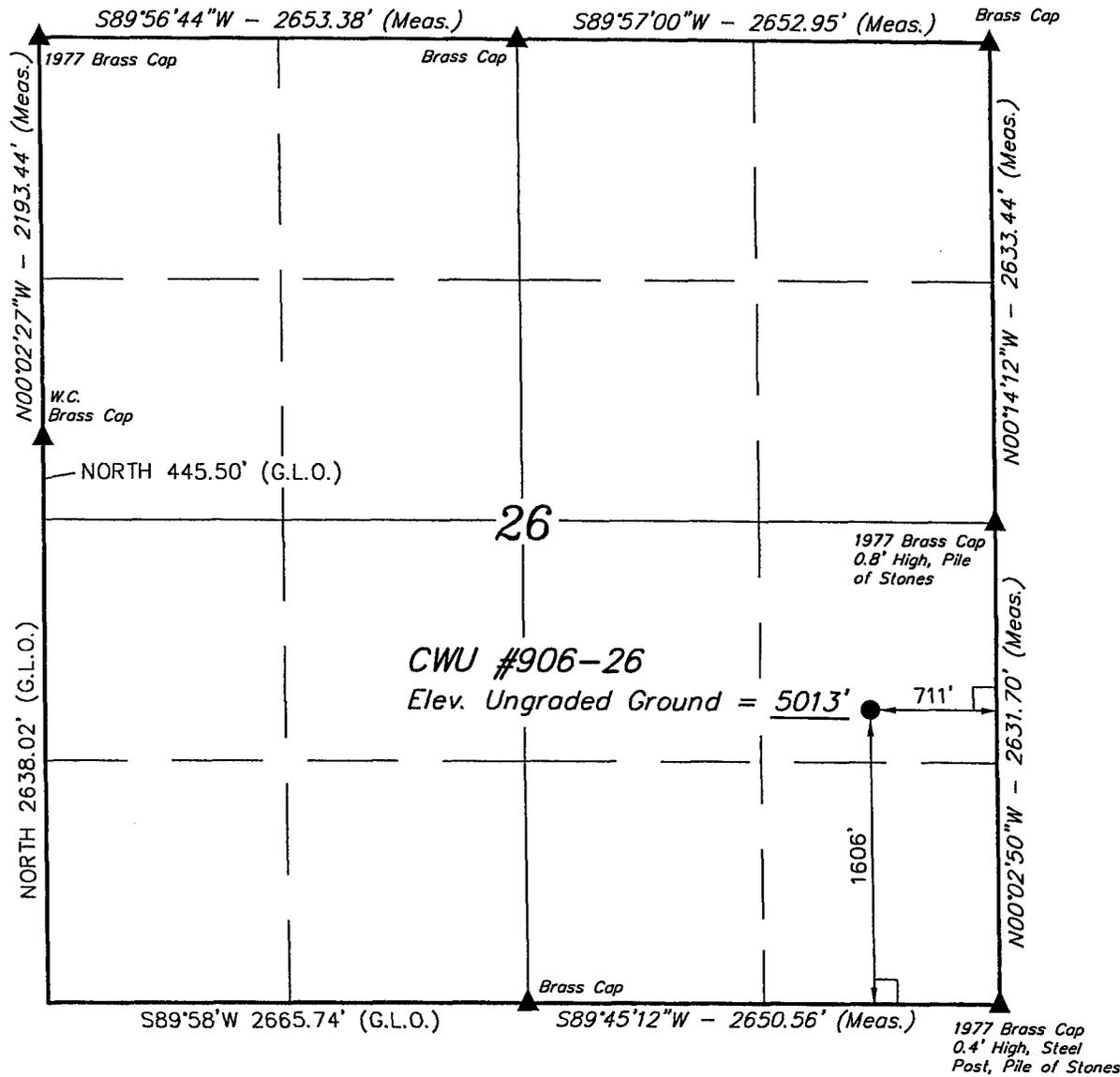
**Federal Approval of this Action is Necessary**

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



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

(NAD 27)  
 LATITUDE = 40°00'15.20" (40.004222)  
 LONGITUDE = 109°23'58.51" (109.399586)

## EOG RESOURCES, INC.

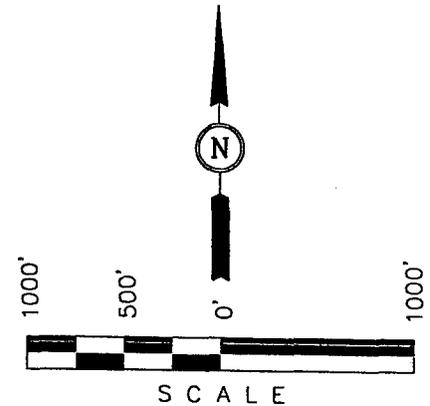
Well location, CWU #906-26, located as shown in the NE 1/4 SE 1/4 of Section 26, T9S, R22E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

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

### BASIS OF BEARINGS

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



### CERTIFICATE

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

*John H. Gray*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161318  
 STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 12-01-03	DATE DRAWN: 12-02-03
PARTY K.K. G.M. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 906-26**  
**NE/SE, SEC. 26, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River	1,597'
Wasatch	4,509'
Island	7,038'
KMV Price River	7,211'
KMV Price River Middle	7,749'
KMV Price River Lower	8,518'
Sego	8,945'

EST. TD: 9050

Anticipated BHP 3900 PSI

**3. PRESSURE CONTROL EQUIPMENT: 5000 PSIG BOP Schematic Diagram attached.**

**4. CASING PROGRAM:**

<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>LENGTH</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
<i>Option 1</i>									
17 1/2"	0' - 250'	250'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
12 1/4"	250' - 2700'+/- KB	2700' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2700' - TD +/-KB	9050' +/-	4 1/2"	11.6 #	N-80	LT&C	6350 PSI	7780 PSI	223,000#
<i>Option 2</i>									
12 1/4"	0' - 2300'+/- KB	2300' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2300' - TD +/-KB	9050' +/-	4 1/2"	11.6 #	N-80	LT&C	6350 PSI	7780 PSI	223,000#

The 12 1/4" Intermediate hole will be drilled to a total depth of 200' below the base of the Green River lost circulation zone and 9 5/8" casing will be set to that depth. Actual setting depth of the 9 5/8" casing may be less than 2700' in this well.

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).

EIGHT POINT PLAN

CHAPITA WELLS UNIT 906-26  
NE/SE, SEC. 26, T9S, R22E, S.L.B.&M.  
UINTAH COUNTY, UTAH

Float Equipment (Continued):

Intermediate Hole Procedure (250'- 2700'):

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2700'-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  $\pm 7,211'$  (Top of Price River) and  $\pm 4,100'$  (400' above the Wasatch) (alter depth if needed to avoid placing across any potentially- productive intervals). 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 2<sup>nd</sup> joint.

6. MUD PROGRAM

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

Air – Air Water Mist

Intermediate Hole Procedure (250'- 2700'):

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

Production Hole Procedure (2700'-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 CO<sub>2</sub> contamination with DESCO CF and OSIL (Oxygen scavenger) if mud properties dictate.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 906-26  
NE/SE, SEC. 26, T9S, R22E, S.L.B.&M.  
UINTAH COUNTY, UTAH

**7. VARIANCE REQUESTS:**

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

**8. EVALUATION PROGRAM:**

Logs: RST (Reservoir Saturation Tool) Cased logs                      TD to Surface

**9. CEMENT PROGRAM:**

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

**Lead: 300 sks** (100% excess volume) Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps water.

**Top Out:** Top out with Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) in mix water, 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps via 1" tubing set at 25' if needed.

**Intermediate Hole Procedure (250'- 2700'):**

**Option 1:**

**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 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail: 290 sks:** (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl<sub>2</sub>) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft<sup>3</sup>/sk., 7.9 gps water.

**Option 2:**

**Lead: 210 sks:** (60% excess volume) Class 'G' lead cement (coverage from 2300-1800') with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Tail: 720 sks:** (60% excess volume) Class 'G' cement (coverage from 1800'-Surface) with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 906-26**  
**NE/SE, SEC. 26, T9S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Production Hole Procedure (2700' 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 Procedure (250'- 2700'):**

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

**Production Hole (2700'-TD):**

Sloughing shales and key seat development are possible in the Wasatch Formation. CO<sub>2</sub> 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.

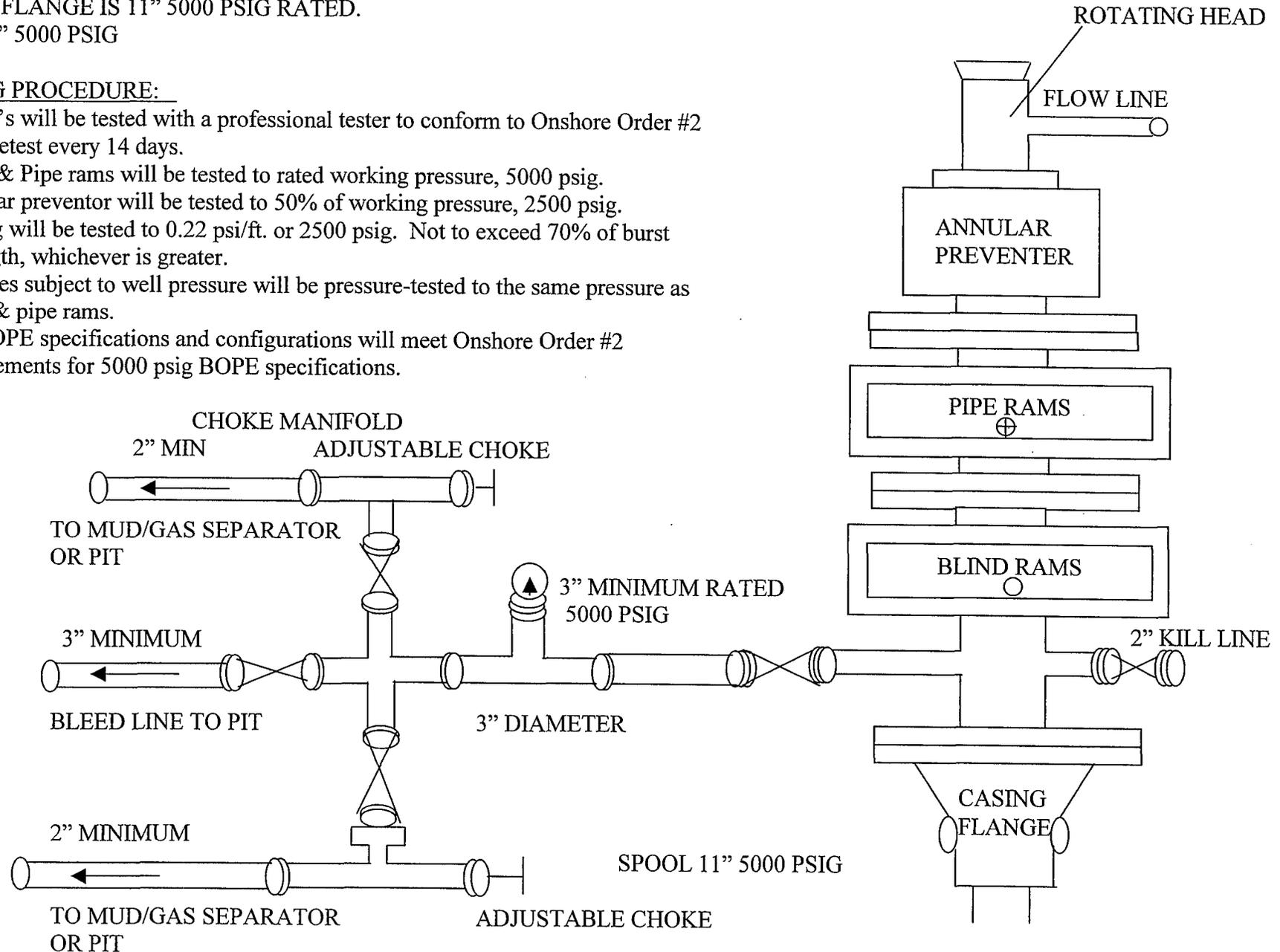
(Attachment: BOP Schematic Diagram)

## 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 preventor 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.



**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 906-26  
Lease Number: U-0285A  
Location: 1606' FSL & 711' FEL, NE/SE, Sec. 26,  
T9S, R22E, S.L.B.&M., Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

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

Location Completion - prior to moving on the drilling rig.

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

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

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

First Production Notice - 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 21.4 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. An existing access road will be utilized to service this well. 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 - 6\*
- B. Producing wells - 26\*
- 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 4" 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. 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.

The approved seed mixture for this location is:

Gardner Salt Bush – 4 pounds per acre

Shad Scale – 3 pounds per acre

Hi-Crest Crested Wheat Grass – 2 pounds per acre

The reserve pit will be located on the Southeast corner of the location.

The flare pit will be located downwind of the prevailing wind direction on the South 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 West of Corners B and 5. The stockpiled location topsoil will be stored East of Corner #6. 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 Southwest.

**The old top soil pile will be wind rowed and seeded with the approved seed mixture.**

## **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**

None

**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 906-26 Well, located in the NE/SE Section 26, T9S, R22E, Uintah County, Utah; Lease #U-0285A;** 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.

2-20-2004  
Date

  
Agent

EOG RESOURCES, INC.  
CWU #906-26  
SECTION 26, T9S, R22E, 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 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; PROCEED IN A SOUTHWESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE CWU #480-26F AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.4 MILES.

# EOG RESOURCES, INC.

CWU #906-26

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 26, T9S, R22E, S.L.B.&M.

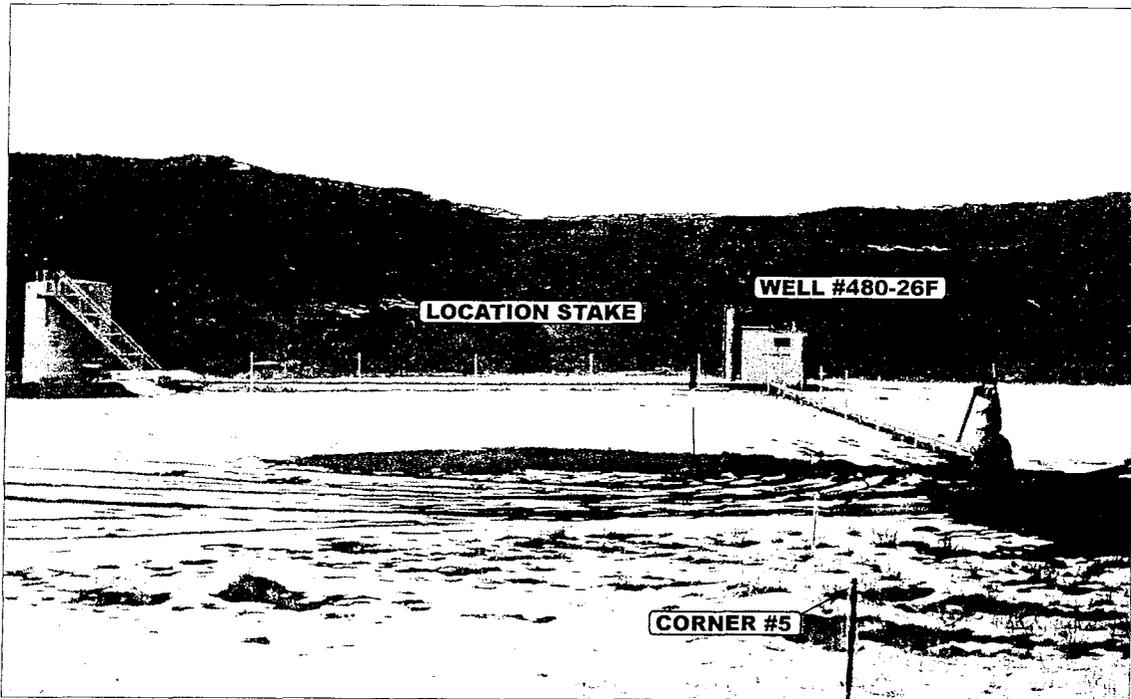


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

**E  
L  
S**

Uintah Engineering & Land Surveying

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

LOCATION PHOTO

12 15 03  
MONTH DAY YEAR

PHOTO

TAKEN BY: K.K.

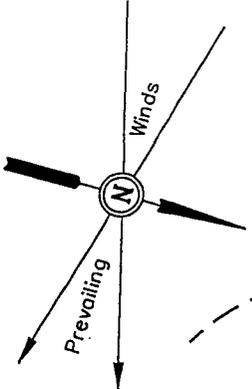
DRAWN BY: P.M.

REVISED: 00-00-00

EOG RESOURCES, INC.

LOCATION LAYOUT FOR

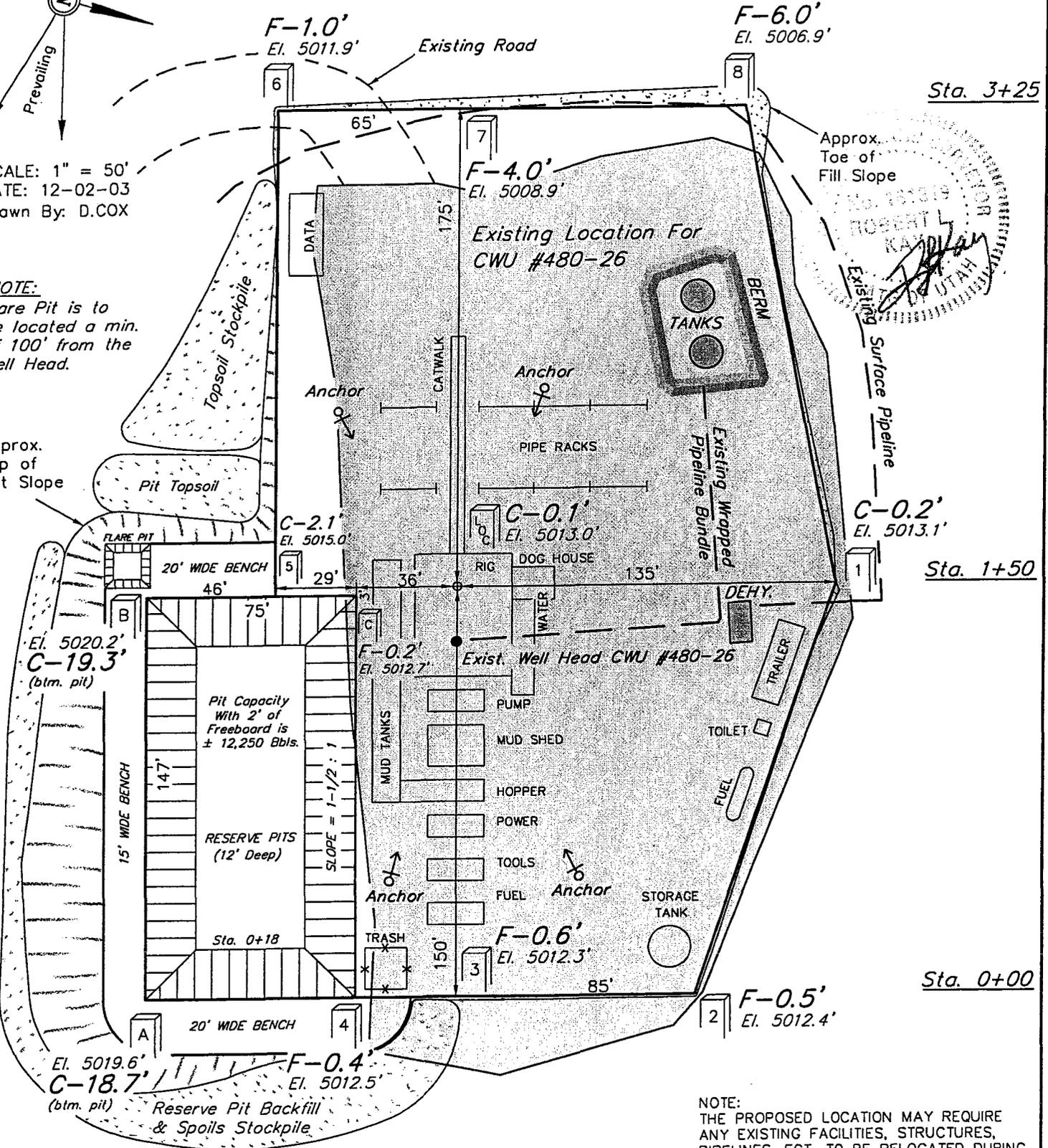
CWU #906-26  
SECTION 26, T9S, R22E, S.L.B.&M.  
1606' FSL 711' FEL



SCALE: 1" = 50'  
DATE: 12-02-03  
Drawn By: D.COX

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

Approx. Top of Cut Slope



**NOTE:**  
THE PROPOSED LOCATION MAY REQUIRE ANY EXISTING FACILITIES, STRUCTURES, PIPELINES, ECT. TO BE RELOCATED DURING DRILLING AND CONSTRUCTION.

Elev. Ungraded Ground at Location Stake = 5013.0'  
Elev. Graded Ground at Location Stake = 5012.9'

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

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

CWU #906-26

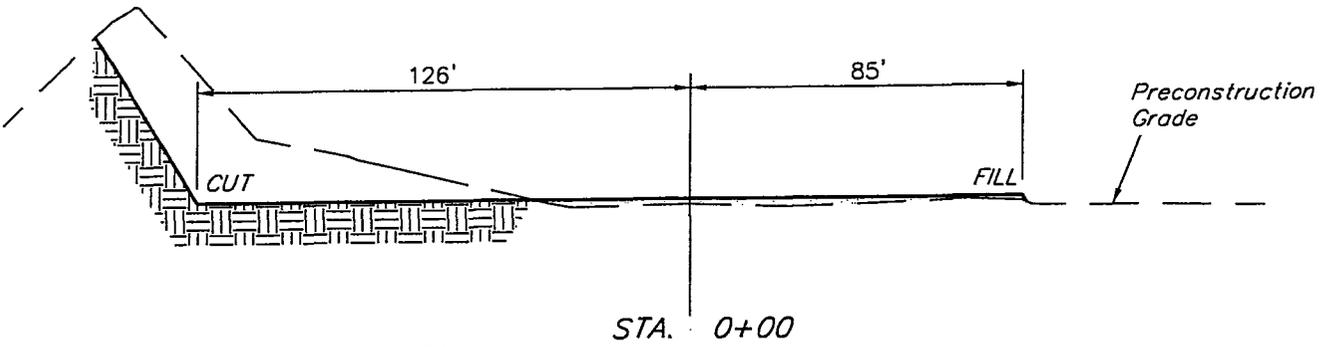
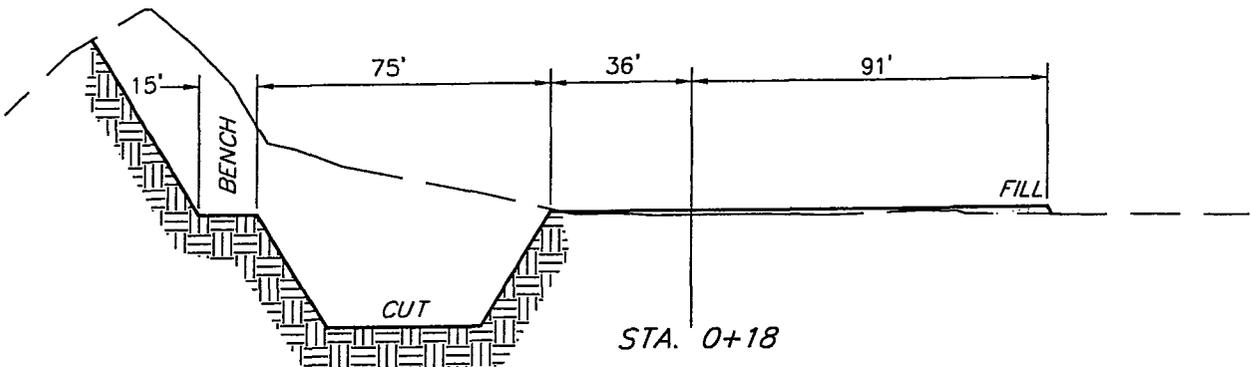
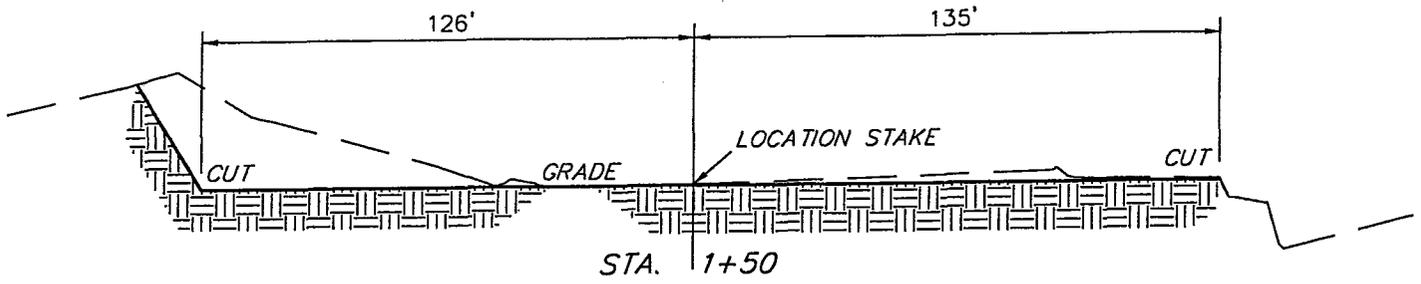
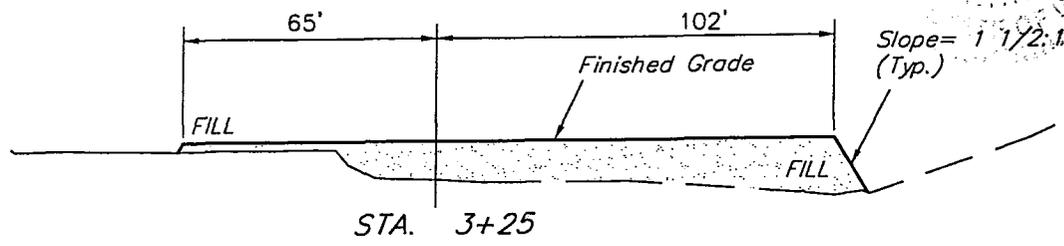
SECTION 26, T9S, R22E, S.L.B.&M.

1606' FSL 711' FEL



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

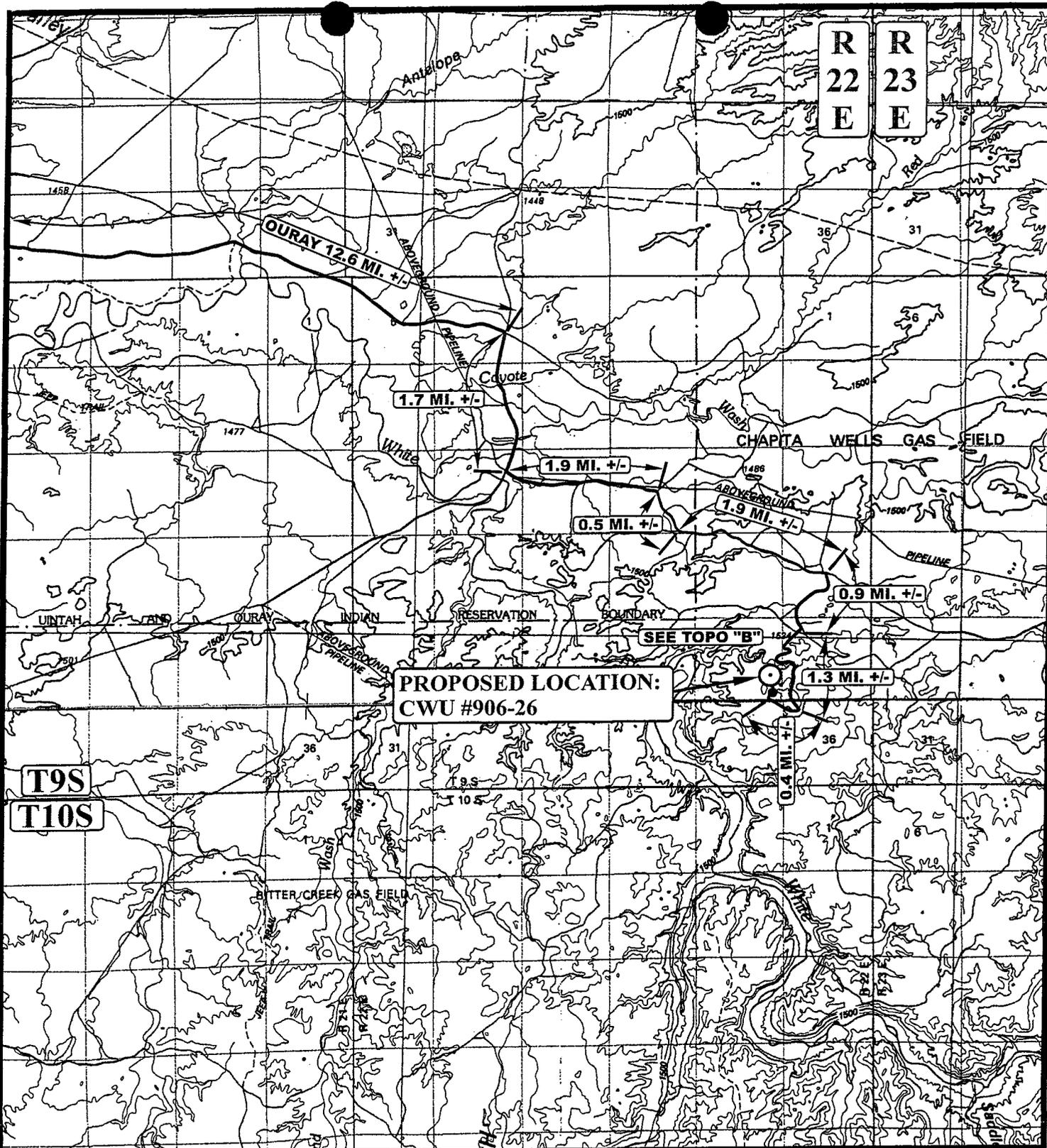
DATE: 12-02-03  
Drawn By: D.COX



APPROXIMATE YARDAGES

(6") Topsoil Stripping	=	320 Cu. Yds.
"NEW CONSTRUCTION ONLY"		
Remaining Location	=	7,620 Cu. Yds.
<b>TOTAL CUT</b>	=	<b>7,940 CU.YDS.</b>
<b>FILL</b>	=	<b>950 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	=	6,940 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	1,980 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	4,960 Cu. Yds.



**LEGEND:**

⊙ PROPOSED LOCATION



**EOG RESOURCES, INC.**

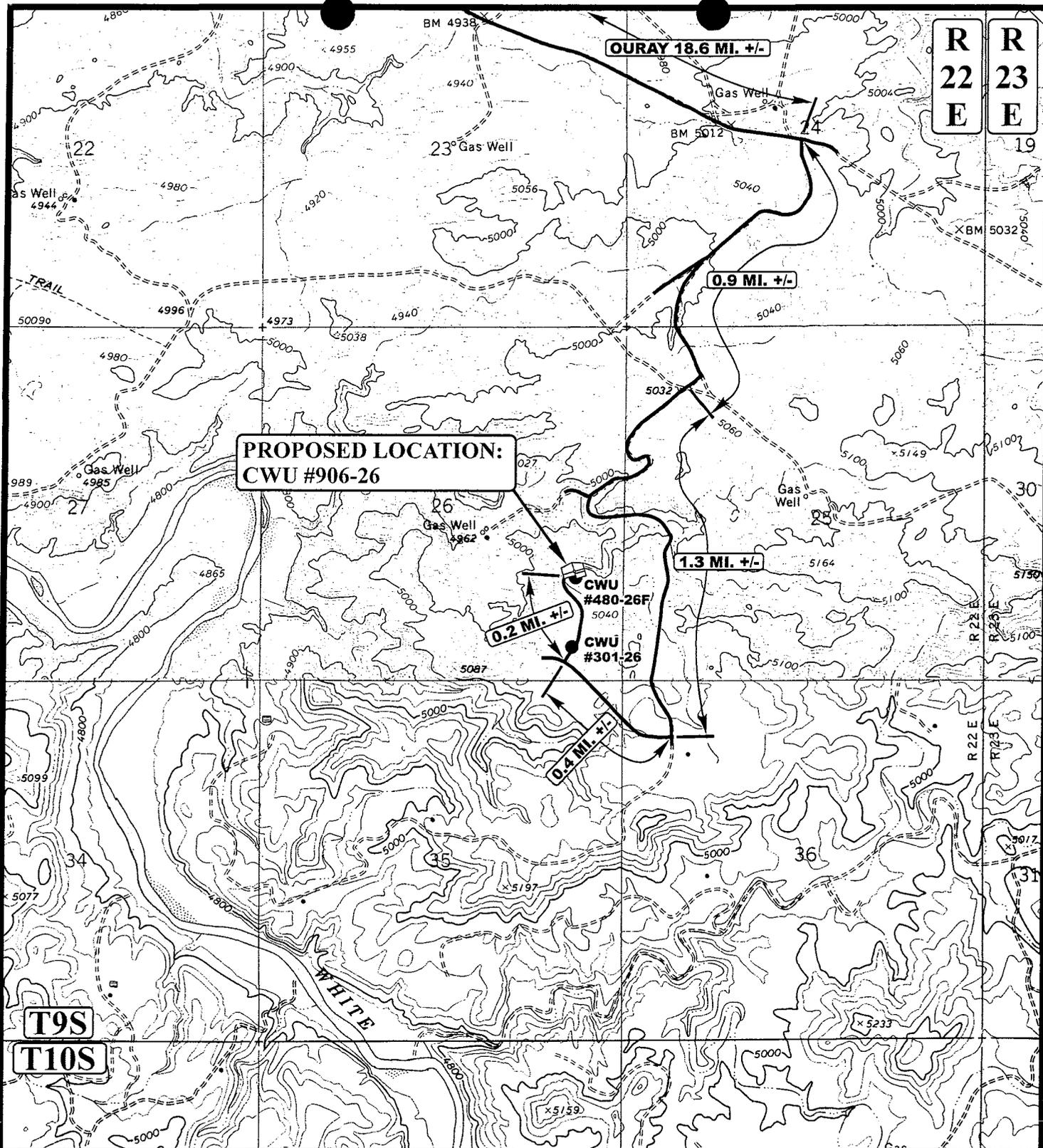
CWU #906-26  
SECTION 26, T9S, R22E, S.L.B.&M.  
1606' FSL 711' FEL



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

TOPOGRAPHIC MAP  
12 15 03  
MONTH DAY YEAR  
SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00





**PROPOSED LOCATION:  
CWU #906-26**

**OURAY 18.6 MI. +/-**

**0.9 MI. +/-**

**1.3 MI. +/-**

**0.2 MI. +/-**

**0.4 MI. +/-**

**CWU #480-26F**

**CWU #301-26**

**T9S**

**T10S**

**R 22 E**  
**R 23 E**

**LEGEND:**

————— EXISTING ROAD



**EOG RESOURCES, INC.**

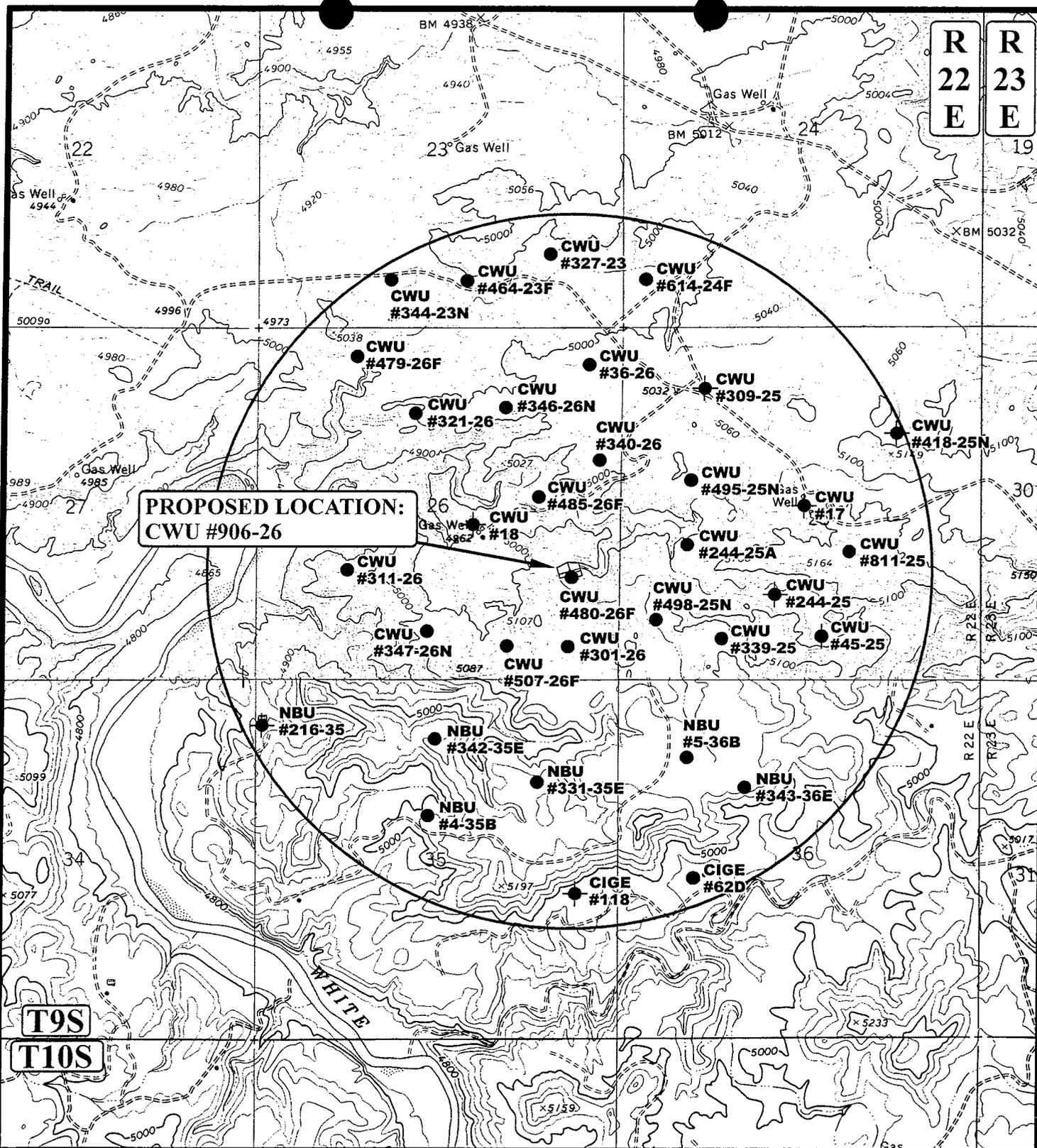
**CWU #906-26**  
**SECTION 26, T9S, R22E, S.L.B.&M.**  
**1606' FSL 711' FEL**



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

**TOPOGRAPHIC** 12 15 03  
**MAP** MONTH DAY YEAR  
**SCALE: 1" = 2000'** DRAWN BY: P.M. REVISED: 00-00-00





**PROPOSED LOCATION:**  
CWU #906-26

- LEGEND:**
- ⊗ DISPOSAL WELLS
  - PRODUCING WELLS
  - SHUT IN WELLS
  - ⊗ WATER WELLS
  - ABANDONED WELLS
  - TEMPORARILY ABANDONED



**EOG RESOURCES, INC.**

CWU #906-26  
SECTION 26, T9S, R22E, S.L.B.&M.  
1606' FSL 711' FEL

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

TOPOGRAPHIC MAP	12	15	03	<b>C</b> TOPO
	MONTH	DAY	YEAR	
SCALE: 1" = 2000'	DRAWN BY: P.M.		REVISED: 00-00-00	

**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 02/23/2004

API NO. ASSIGNED: 43-047-35541

WELL NAME: CWU 906-26

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NESE 26 090S 220E  
 SURFACE: 1606 FSL 0711 FEL  
 BOTTOM: 1606 FSL 0711 FEL  
 UINTAH  
 NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0285A

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

LATITUDE: 40.00421

LONGITUDE: 109.39973

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)

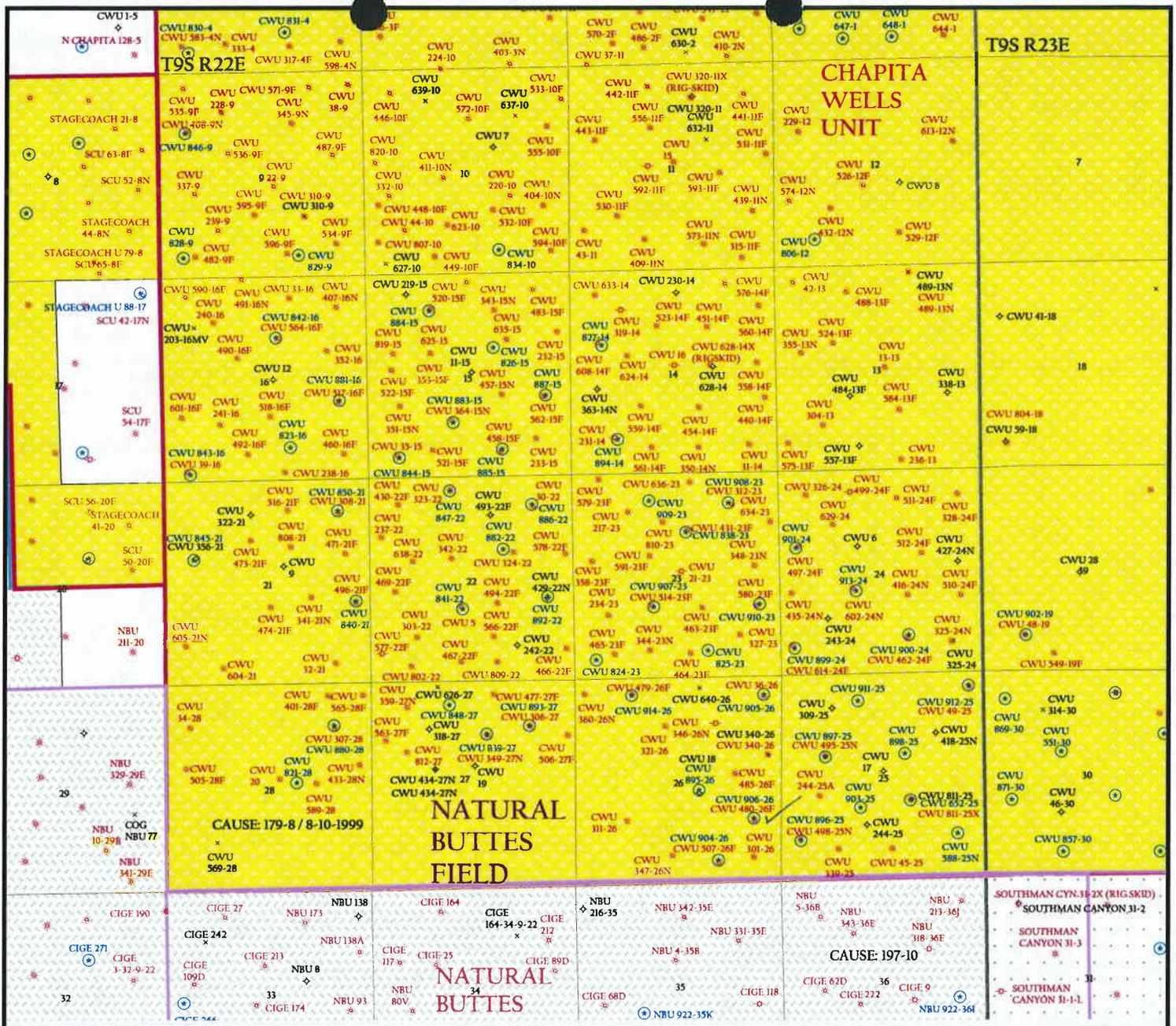
LOCATION AND SITING:

- 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: 8-10-1999  
Siting: Suspends General Siting
- R649-3-11. Directional Drill

COMMENTS: \_\_\_\_\_

STIPULATIONS: 1-Federal Approval

2-OIL SHALE



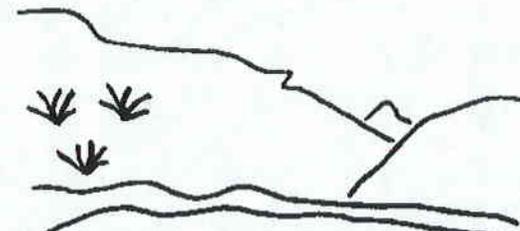
OPERATOR: EOG RESOURCES INC (N9550)

SEC. 26 T.9S, R.22E

FIELD: NATURAL BUTTES (630)

COUNTY: UTAH

CAUSE: 179-8 / 8-10-1999



Utah Oil Gas and Mining

- Wells**
- GAS INJECTION
  - GAS STORAGE
  - LOCATION ABANDONED
  - NEW LOCATION
  - PLUGGED & ABANDONED
  - PRODUCING GAS
  - PRODUCING OIL
  - SHUT-IN GAS
  - SHUT-IN OIL
  - TEMP. ABANDONED
  - TEST WELL
  - WATER INJECTION
  - WATER SUPPLY
  - WATER DISPOSAL

- Unit Status**
- EXPLORATORY
  - GAS STORAGE
  - NF PP OIL
  - NF SECONDARY
  - PENDING
  - PI OIL
  - PP GAS
  - PP GEOTHERML
  - PP OIL
  - SECONDARY
  - TERMINATED

- Field Status**
- ABANDONED
  - ACTIVE
  - COMBINED
  - INACTIVE
  - PROPOSED
  - STORAGE
  - TERMINATED



PREPARED BY: DIANA WHITNEY  
DATE: 26-FEBRUARY-2004

002

# 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)

February 27, 2004

## Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2004 Plan of Development Chapita Wells Unit  
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2004 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Mesaverde)

43-047-35525	CWU 881-16 Sec 16 T09S R22E 2023	FSL 0766 FEL
43-047-35526	CWU 892-22 Sec 22 T09S R22E 2151	FSL 0707 FEL
43-047-35527	CWU 909-23 Sec 23 T09S R22E 0678	FNL 1995 FWL
43-047-35528	CWU 908-23 Sec 23 T09S R22E 0805	FNL 1277 FEL
43-047-35529	CWU 910-23 Sec 23 T09S R22E 1852	FSL 0575 FEL
43-047-35530	CWU 907-23 Sec 23 T09S R22E 1882	FSL 2025 FWL
43-047-35531	CWU 901-24 Sec 24 T09S R22E 1990	FNL 0482 FWL
43-047-35532	CWU 913-24 Sec 24 T09S R22E 2177	FSL 1930 FWL
43-047-35533	CWU 899-24 Sec 24 T09S R22E 0692	FSL 0333 FWL
43-047-35534	CWU 912-25 Sec 25 T09S R22E 0370	FNL 0381 FEL
43-047-35535	CWU 911-25 Sec 25 T09S R22E 0660	FNL 1971 FWL
43-047-35537	CWU 896-25 Sec 25 T09S R22E 1026	FSL 0502 FWL
43-047-35538	CWU 897-25 Sec 25 T09S R22E 2105	FNL 1142 FWL
43-047-35539	CWU 903-25 Sec 25 T09S R22E 1877	FSL 2060 FWL
43-047-35540	CWU 904-26 Sec 26 T09S R22E 0518	FSL 1624 FEL
43-047-35541	CWU 906-26 Sec 26 T09S R22E 1606	FSL 0711 FEL
43-047-35542	CWU 914-26 Sec 26 T09S R22E 0403	FNL 1458 FWL
43-047-35543	CWU 905-26 Sec 26 T09S R22E 0495	FNL 0468 FEL
43-047-35544	CWU 895-26 Sec 26 T09S R22E 2331	FSL 2129 FEL
43-047-35545	CWU 893-27 Sec 27 T09S R22E 1189	FNL 1172 FEL
43-047-35548	CWU 902-19 Sec 19 T09S R23E 0940	FSL 1097 FWL

page 2

(Proposed PZ Wasatch)

43-047-35536 CWU 652-25 Sec 25 T09S R22E 1956 FSL 1949 FEL  
43-047-35547 CWU 651-6 Sec 6 T09S R23E 0820 FNL 0662 FEL  
43-047-35553 CWU 655-6 Sec 6 T09S R23E 2084 FSL 0434 FWL  
43-047-35554 CWU 653-1 Sec 1 T09S R22E 1827 FSL 0830 FEL

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:2-27-04



State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

MICHAEL O. LEAVITT  
*Governor*

OLENE S. WALKER  
*Lieutenant Governor*

March 1, 2004

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

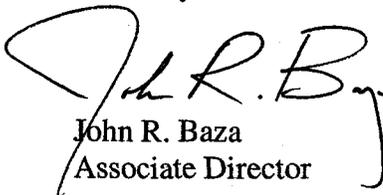
Re: Chapita Wells Unit 906-26 Well, 1606' FSL, 711' FEL, NE SE, Sec. 26,  
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35541.

Sincerely,



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 906-26  
API Number: 43-047-35541  
Lease: U-0285A

Location: NE SE                      Sec. 26                      T. 9 South                      R. 22 East

### Conditions of Approval

1. General

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

2. Notification Requirements

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.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

006

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work:  DRILL  REENTER  
1b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

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

3a. Address **P.O. BOX 1815  
VERNAL, UT 84078** 3b. Phone No. (Include area code)  
**(435)789-0790**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface **1606' FSL, 711' FEL NE/SE**  
At proposed prod. Zone  
10. Field and Pool, or Exploratory  
**NATURAL BUTTES**  
11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 26, T9S, R22E,  
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office\*  
**21.4 MILES SOUTHEAST OF OURAY, UTAH** 12. County or Parish  
**UINTAH** 13. State  
**UTAH**

15. Distance from proposed\* location to nearest property or lease line, ft. **711'**  
(Also to nearest drig. Unit line, if any) 16. No. of Acres in lease  
**1800** 17. Spacing Unit dedicated to this well

18. Distance from proposed location\* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C 19. Proposed Depth  
**9050'** 20. BLM/BIA Bond No. on file  
**NM-2308**

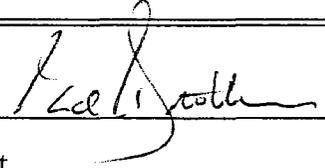
21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5012.9 FEET GRADED GROUND** 22. Approximate date work will start\*  
**UPON APPROVAL** 23. Esti mated duration  
**45 DAYS**

24. Attachments

Attachments

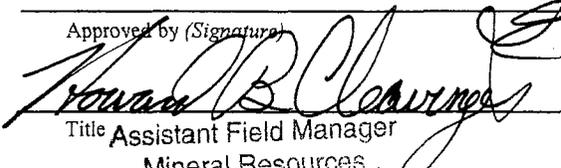
The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- 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).
- 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  
**February 20, 2004**

Title  
**Agent**

RECEIVED

Approved by (Signature)  Name (Printed/Typed)  
**Roman B. Cleaves** Date  
**JUN 8 2004 06/04/2004**  
Title **Assistant Field Manager Mineral Resources** Office  
**DIV. OF OIL, GAS & MINING**

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)

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED

U00617

CONDITIONS OF APPROVAL  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources Inc.

Well Name & Number: CWU 906-26

API Number: 43-047-35541

Lease Number: UTU - 0285-A

Location: NESE Sec. 26 TWN: 09S RNG: 22E

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  $\pm 1,580$  ft. (option 1) and by having a cement top for the production casing at least 200 ft. above the top of the Wasatch Formation, identified at  $\pm 4,490$  ft. (option 1 or 2). 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: 43-047-35541

Well Name & Number: CWU 906-26

Lease number: U-0285A

Location: NE SE Sec, 26, T.9S. R. 22E.

Surface Ownership: BLM

Date NOS Received: 1/6/04

Date APD Received: 2/23/04

Conditions for Approval are in the APD

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

FORM 9

008

**SUNDRY NOTICES AND REPORTS ON WELLS**

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: U-0285-A
2. NAME OF OPERATOR: EOG RESOURCES, INC.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1606' FSL, 711' FEL		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 906-26
PHONE NUMBER: (435) 789-4120		9. API NUMBER: 4304735541
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 26 9S 22E S		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
COUNTY: UINTAH		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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 checked="" 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 type="checkbox"/> OTHER: _____
	<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 Resources, Inc. requests authority to move the subject well from its present location to 1600' FSL and 731' FEL, Section 26, T9S, R22E. A copy of the revised staking plat is attached.

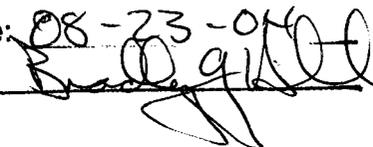
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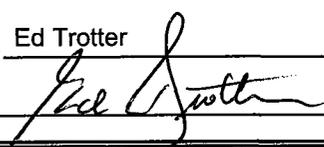
Approved by the  
Utah Division of  
Oil, Gas and Mining

RECEIVED  
AUG 09 2004

DIV. OF OIL, GAS & MINING

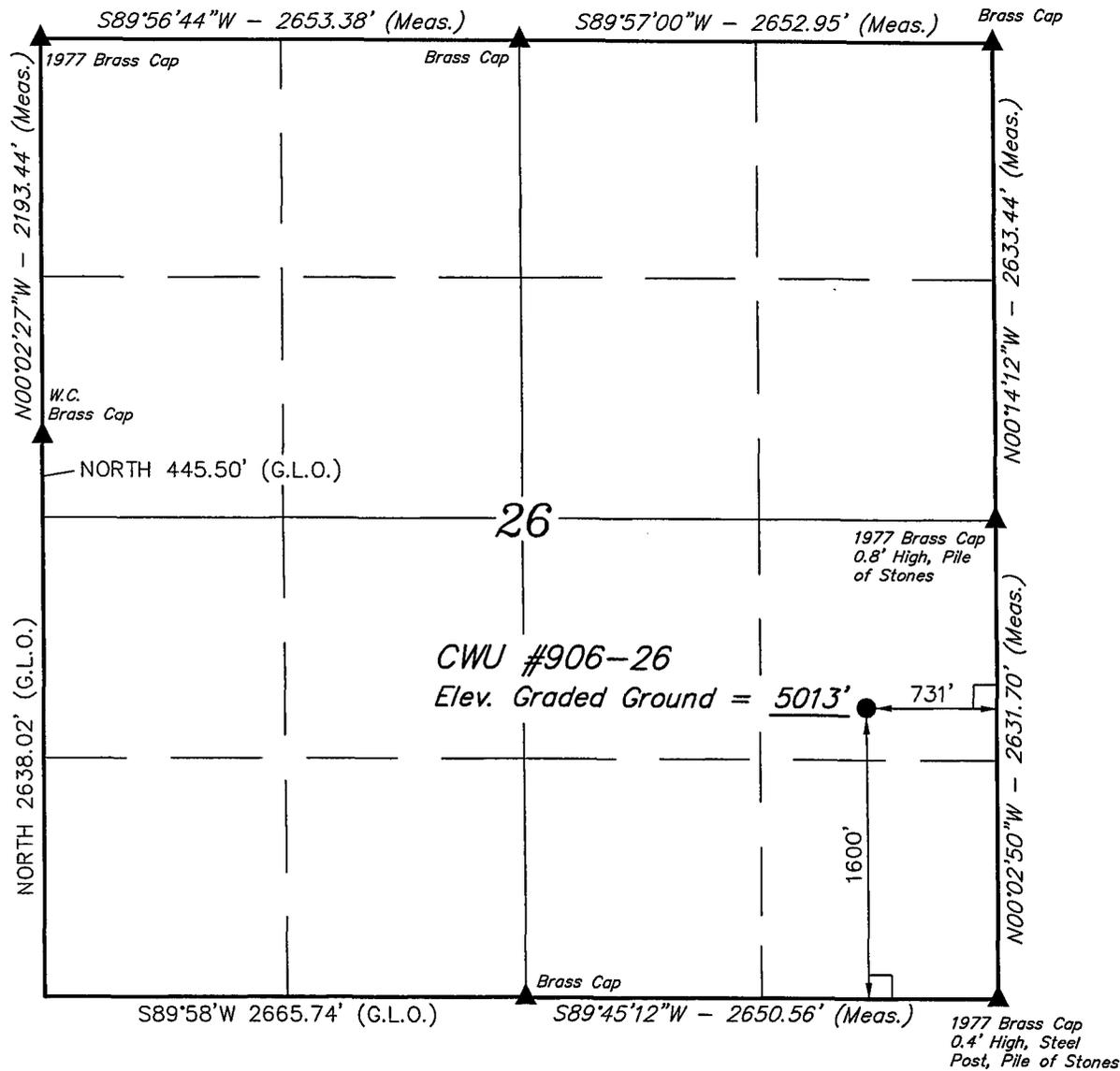
COPY SENT TO OPERATOR  
Date: 8-26-04  
Initials: CHD

Date: 08-23-04  
By: 

NAME (PLEASE PRINT) Ed Trotter	TITLE Agent
SIGNATURE 	DATE 8/4/2004

(This space for State use only)

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



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

(NAD 27)  
 LATITUDE = 40°00'15.14" (40.004206)  
 LONGITUDE = 109°23'58.77" (109.399658)

**EOG RESOURCES, INC.**

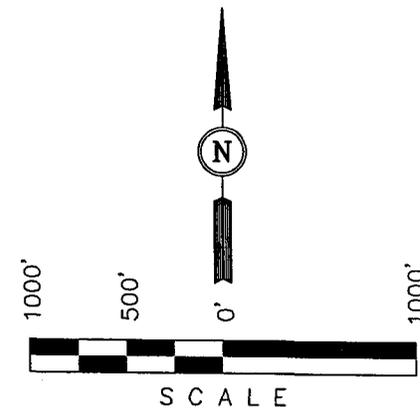
Well location, CWU #906-26, located as shown in the NE 1/4 SE 1/4 of Section 26, T9S, R22E, S.L.B.&M. Uintah County, Utah.

**BASIS OF ELEVATION**

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

**BASIS OF BEARINGS**

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



**CERTIFICATE**

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

*Robert L. Cox*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

REVISED: 07-30-04 D.COX

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

SCALE 1" = 1000'	DATE SURVEYED: 12-01-03	DATE DRAWN: 12-02-03
PARTY K.K. G.M. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

007

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.  
**U-0285-A**

6. If Indian, Allottee or Tribe Name

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

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

**CHAPITA WELLS UNIT**

1. Type of Well  
 Oil Well     Gas Well     Other

8. Well Name and No.  
**CHAPITA WELLS UNIT 906-26**

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

9. API Well No.  
**43-047-35541**      AUG - 9 2004

3. Address and Telephone No.      **(435)789-4120**  
**P.O. BOX 1910, VERNAL, UT 84078**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1606' FSL, 711' FEL, NE/SE**  
**SECTION 26, T9S, R22E**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

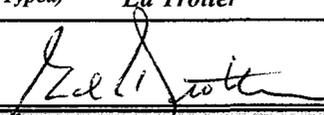
12 CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input checked="" type="checkbox"/> NOTICE OF INTENT	<input type="checkbox"/> Acidize
<input type="checkbox"/> SUBSEQUENT REPORT	<input type="checkbox"/> Alter Casing
<input type="checkbox"/> FINAL ABANDONMENT NOTICE	<input type="checkbox"/> Casing Repair
	<input checked="" type="checkbox"/> Change Plans
	<input type="checkbox"/> Convert to Injection
	<input type="checkbox"/> Deepen
	<input type="checkbox"/> Fracture Treat
	<input type="checkbox"/> New Construction
	<input type="checkbox"/> Plug and Abandon
	<input type="checkbox"/> Plug Back
	<input type="checkbox"/> Production (Start/Resume)
	<input type="checkbox"/> Reclamation
	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Water Disposal
	<input type="checkbox"/> Water Shut-Off
	<input type="checkbox"/> Well Integrity
	<input type="checkbox"/> Other

**RECEIVED**  
**SEP 07 2004**  
DIV. OF OIL, GAS & MINING

13. Describe Proposed or Completed Operations (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 recomplate 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 recomplate in a new interval, a form 3160-4 shall be filed once testing is 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 authority to move the subject well from its present location to 1600' FSL and 731' FEL, Section 26, T9S, R22E. A copy of the revised staking plat is attached.**

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed) **Ed Trotter**  
 Signature 

Title **Agent**  
 Date **August 4, 2004**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by   
 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 **ES**      DATE **Aug 30, 04**  
 Office



RECEIVED  
FEB 23 2005

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

009

SUNDRY NOTICES AND REPORTS ON WELLS

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 <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		6. LEASE DESIGNATION AND SERIAL NUMBER: U-0285-A
2. NAME OF OPERATOR: EOG RESOURCES, INC.		7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT
3. ADDRESS OF OPERATOR: P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078		8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 906-26
PHONE NUMBER: (435) 789-4120		9. API NUMBER: 4304735541
10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES		

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: 1600' FSL, 731' FEL COUNTY: UINTAH  
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESE 26 9S 22E 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"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<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 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 Resources, Inc. requests that the APD for the subject well be extended for one year.

Approved by the  
Utah Division of  
Oil, Gas and Mining  
Date: 03-01-05  
By: *[Signature]*

COPIES TO OPERATOR  
Date: 3-3-05  
610

NAME (PLEASE PRINT) Ed Trotter TITLE Agent  
SIGNATURE *[Signature]* DATE 2/19/2005

(This space for State use only)

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

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

**API:** 4304735541  
**Well Name:** CHAPITA WELLS UNIT 906-26  
**Location:** 1600' FSL, 731' FEL, NE/SE, SEC. 26, T9S, R22E  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 3/1/2004

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

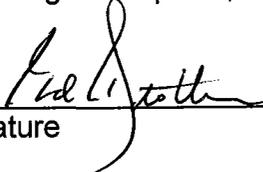
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

2/19/2005  
\_\_\_\_\_  
Date

Title: Agent

Representing: EOG Resources, Inc.

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**

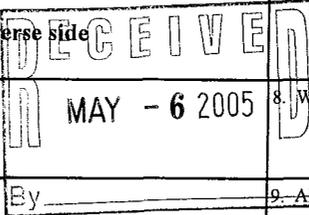
Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.  
**U-0285-A**

6. If Indian, Allottee or Tribe Name

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

SUBMIT IN TRIPLICATE - Other instructions on reverse side



8. Well Name and No.  
**CHAPITA WELLS UNIT 906-26**

1. Type of Well  
 Oil Well     Gas Well     Other

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

9. API Well No.  
**43-047-35541**

3a. Address  
**P.O. BOX 1910, VERNAL, UT 84078**

3b. Phone No. (include area code)  
**(435)789-4120**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1600' FSL, 731' FEL NE/SE SECTION 26, T9S, R22E, S.L.B.&M.**

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 checked="" type="checkbox"/> NOTICE OF INTENT	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input type="checkbox"/> SUBSEQUENT REPORT	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> FINAL ABANDONMENT NOTICE	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<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
			<input type="checkbox"/> Water Shut-off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other _____
			Extension _____
			Request _____

13. Describe Proposed or Completed Operations (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 recomplate 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 is 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. Is requesting that the APD for the subject well be extended for one year.**

RECEIVED  
SEP 09 2005

DIV. OF OIL, GAS & MINING

CONDITIONS OF APPROVAL ATTACHED

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

Name (Printed/Typed) **Ed Trotter** Title **Agent**

Signature *[Signature]* Date **May 4, 2005**

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by *[Signature]* TITLE **Petroleum Engineer** DATE **AUG 08 2005**

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, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

UDOGM

# CONDITIONS OF APPROVAL

## EOG Resources Inc.

### Notice of Intent APD Extension

**Lease:** UTU-0285-A  
**Well:** CWU 906-26  
**Location:** NESE Sec 26-T9S-R22E

An extension for the referenced APD is granted with the following conditions:

---

1. The extension and APD shall expire on 06/04/06
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Matt Baker of this office at (435) 781-4490

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:  
**U-0285-A**

**SUNDRY NOTICES AND REPORTS ON WELLS**

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     GAS WELL     OTHER \_\_\_\_\_

8. WELL NAME and NUMBER:  
**CHAPITA WELLS UNIT 906-26**

2. NAME OF OPERATOR:  
**EOG RESOURCES, INC.**

9. API NUMBER:  
**4304735541**

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

PHONE NUMBER:  
**(435) 789-4120**

10. FIELD AND POOL, OR WILDCAT:  
**NATURAL BUTTES**

4. LOCATION OF WELL  
FOOTAGES AT SURFACE: **1600' FSL, 731' FEL**

COUNTY: **UINTAH**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NESE 26 9S 22E 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"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: _____	<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 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 Resources, Inc. requests that the APD for the subject well be extended for one year.

Approved by the  
Utah Department of Natural Resources  
Oil, Gas and Mining Division  
Date: 03-06-06  
By: [Signature]

03-24-06  
CTO

NAME (PLEASE PRINT) Ed Trotter    TITLE Agent  
SIGNATURE [Signature]    DATE 2/19/2006

(This space for State use only)

FEB 23 2006

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

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

**API:** 4304735541  
**Well Name:** CHAPITA WELLS UNIT 906-26  
**Location:** 1600' FSL, 731' FEL, NESE, Sec. 26, T9S, R22E  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 3/1/2004

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

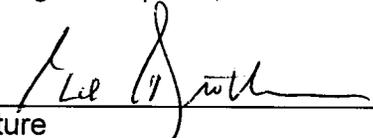
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

2/19/2006  
\_\_\_\_\_  
Date

Title: Agent

Representing: EOG RESOURCES, INC.

FEB 23 2006

# DIVISION OF OIL, GAS AND MINING

## SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 906-26

Api No: 43-047-35541 Lease Type: FEDERAL

Section 26 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKER DRILLING RIG # 1

### SPUDDED:

Date 04/06/06

Time \_\_\_\_\_

How DRY

**Drilling will Commence:** \_\_\_\_\_

Reported by DALL COOK

Telephone # (435) 828-3630

Date 04/07/2006 Signed CHD

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

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-35626	CHAPITA WELLS UNIT 892-22		NESE	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	99999	13650	3/16/2006		4/13/06		
Comments: <u>PRRU = MVRD</u> <span style="float: right;">- K</span>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-35641	CHAPITA WELLS UNIT 906-26		NESE	26	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	99999	13918	4/6/2006		4/13/06		
Comments: <u>PRRU = MVRD</u> <span style="float: right;">- K</span>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36002	CHAPITA WELLS UNIT 925-23		SESW	23	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	99999	13650	4/6/2006		4/13/06		
Comments: <u>PRRU = MVRD</u> <span style="float: right;">- K</span>							

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)

*Kaylene R. Gardner*  
Signature

Regulatory Assistant

Title

4/7/2006

Date

RECEIVED  
APR 07 2006  
DIV. OF OIL, GAS & MINING

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.*

**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 1815 Vernal, UT 84078**

3b. Phone No. (include area code)  
**435-781-9111**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1600 FSL 731 FEL (NE/SE) S.L.B.&M  
 SECTION 26, T9S, R22E 40.004206 LAT 109.399658 LON**

5. Lease Serial No.  
**U-0285A**

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 906-26**

9. API Well No.  
**43-047-35541**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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. RN Industries.**

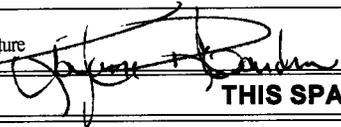
**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

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

**Kaylene R. Gardner**

Title **Regulatory Assistant**

Signature



Date

**04/07/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

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

Date

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)

**RECEIVED**

**APR 10 2006**

DIV. OF OIL, GAS & MINING

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.*

**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 1815 Vernal, UT 84078**

3b. Phone No. (include area code)  
**435-781-9111**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1600 FSL 731 FEL (NE/SE) S.L.B.&M  
SECTION 26, T9S, R22E 40.004206 LAT 109.399658 LON**

5. Lease Serial No.

**U-0285A**

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 906-26**

9. API Well No.

**43-047-35541**

10. Field and Pool, or Exploratory Area

**NATURAL BUTTES**

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 <b>WELL SPUD</b>
	<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 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.)

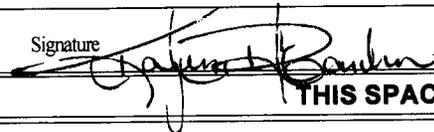
**EOG Resources, Inc. spud a 20" surface hole at the referenced location 4/6/2006 at 4:00 p.m. Dall Cook, representative for EOG, notified Matt Baker of the Vernal BLM office and Carol Daniels of the Utah Division of Oil Gas and Mining of the spud 4/6/2006 @ 3:45 p.m.**

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

**Kaylene R. Gardner**

Title **Regulatory Assistant**

Signature



Date

**04/07/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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

Date

Office

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(Instructions on page 2)

**RECEIVED**

**APR 10 2006**

DIV. OF OIL, GAS & MINING

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.  
**U-0285A**

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 906-26**

9. API Well No.  
**43-047-35541**

10. Field and Pool, or Exploratory Area  
**NATURAL BUTTES**

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

**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 1815 Vernal, UT 84078**

3b. Phone No. (include area code)  
**435-781-9111**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1600 FSL 731 FEL (NE/SE) S.L.B.&M  
SECTION 26, T9S, R22E 40.004206 LAT 109.399658 LON**

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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 <b>WATER ANALYSIS</b>
	<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 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.)

**Attached please find the requested water analysis report for the referenced well.**

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

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

Signature \_\_\_\_\_ Date **05/10/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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(Instructions on page 2)

**RECEIVED**

**MAY 11 2006**

DIV. OF OIL, GAS & MINING

Client : EOG Resources, Inc.  
Well : Chapita Well Unit 906-26  
Report # : VUT060152  
Date : 05-08-2006



**Section 1: District Lab Water Analysis**

<b>Water Analysis Results (1)</b>															
<b>Tank #</b>	<b>Tank ID</b>	<b>Sample #</b>	<b>Temp (degF)</b>	<b>pH ( )</b>	<b>Sp Gravity ( )</b>	<b>Iron (mg/l)</b>	<b>Chloride (%)</b>	<b>Chloride (mg/l)</b>	<b>Carbo-nate (mg/l)</b>	<b>BiCarbo-nate (mg/l)</b>	<b>Hydro-xide (mg/l)</b>	<b>Magne-sium (mg/l)</b>	<b>Cal-cium (mg/l)</b>	<b>Sul-phate (mg/l)</b>	<b>TDS (mg/l)</b>
1		1	72	8.00	1.00	0	0.52	2482	120	976	0	389	160	2000	6127

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
Address: 600 17th St., Suite 1000N  
city Denver  
state CO zip 80202 Phone Number: (303) 824-5526

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-35539	Chapita Wells Unit 903-25		NESW	25	9S	22W	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	13918	13650	10/2/2004		9/1/2005		
Comments: <u>mVRD</u> — <u>9/27/06</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-35541	Chapita Wells Unit 906-26		NESE	26	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	13918	13650	4/6/2006		9/1/2005		
Comments: <u>mVRD</u> — <u>9/27/06</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-35544	Chapita Wells Unit 895-26		NWSE	26	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	13918	13650	1/3/2005		9/1/2005		
Comments: <u>mVRD</u> — <u>9/27/06</u>							

**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)

Mary A. Maestas

Signature

Regulatory Assistant

Title

9/27/2006

Date

**RECEIVED**

**SEP 27 2006**

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.*

**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  
**600 17th St., Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1600 FSL 731 FEL (NESE) S.L.B.&M  
 Sec. 26, T9S-R22E, 40.004206 LAT -109.399658 LON**

5. Lease Serial No.  
**U-0285A**

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 906-26**

9. API Well No.  
**43-047-35541**

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 <b>DRILLING</b>
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	<b>OPERATIONS</b>
	<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 recomplate 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.)

**No drilling activity has occurred since spud 4/6/2006.**

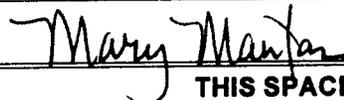
**EOG Resources, Inc. operates under Nationwide Bond #2308**

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

**Mary Maestas**

Title **Operations Clerk**

Signature



Date

**04/10/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by

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

Date

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)

**RECEIVED**

**APR 11 2006**

**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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**303-824-5526**

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**1600 FSL 731 FEL (NE/SE) S.L.B.&M  
SECTION 26, T9S, R22E 40.004222 LAT 109.399586 LON**

5. Lease Serial No.  
**U-0285A**

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

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**The referenced well was turned to sales on 7/11/2006. Please see the attached operations summary for drilling and completion operations performed on the subject well.**

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

**Mary A. Maestas**

Title **Operations Clerk**

Signature

*Mary A. Maestas*

Date

**07/18/2006**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

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

Date

Office

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(Instructions on page 2)

**JUL 20 2006**

**DIV. OF OIL, GAS & MINING**

## WELL CHRONOLOGY REPORT

Report Generated On: 07-18-2006

<b>Well Name</b>	CWU 906-26	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS DEEP	<b>API #</b>	43-047-35541	<b>Well Class</b>	ISA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	05-19-2006	<b>Class Date</b>	07-11-2006
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,050/9,050	<b>Property #</b>	054033
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/0
<b>KB / GL Elev</b>	5.028/ 5.013				
<b>Location</b>	Section 26, T9S, R22E, NESE, 1600 FSL & 731 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	54.681	<b>NRI %</b>	46.696

<b>AFE No</b>	302674	<b>AFE Total</b>	1,558,100	<b>DHC / CWC</b>	818,600/ 739,500
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #15	<b>Start Date</b>	03-11-2004
		<b>Release Date</b>			05-29-2006
<b>03-11-2004</b>	<b>Reported By</b>				
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
		<b>Days</b>	0	<b>MW</b>	0.0
		<b>Visc</b>			0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA (MOVED LOCATION BY SUNDRY 8/4/04)
			1600' FSL & 731' FEL (NE/SE)
			SECTION 26, T9S, R22E
			UINTAH COUNTY, UTAH
			 LAT 40.00419, LONG -109.399586
			X=636591, Y=4429239
			 TRUE RIG #15
			TD: 9050' MESAVERDE
			DW/GAS
			CHAPITA WELLS DEEP PROSPECT
			DD&A FIELD: CHAPITA DEEP
			NATURAL BUTTES FIELD
			 LEASE: U-0285A
			ELEVATION: 5013' NAT GL, 5012.9' PREP GL (DUE TO ROUNDING 5013' IS THE PREP GL), 5028' KB (15')
			 EOG WI 54.681408%, NRI 46.695756%

05-02-2006

Reported By

SEARLE



06:00 06:00 24.0 MIRU BILL JR. AIR RIG. DRILLED 12-1/4" HOLE TO 2020' GL. ENCOUNTERED LARGE AMOUNT OF WATER @ 1570'. RAN 46 JTS (1990.10') OF 9-5/8", 36.0 #/FT. J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2005' KB. RDMO BILL JR. AIR RIG.

MIRU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 140 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (40.9 BBLs) OF PREMIUM CEMENT W/ 2 % CaCl2 & 1/4#/SX FLOCELE. BUMPED PLUG W/500# @ 4:56 AM, 5/9/2006. CHECKED FLOAT. FLOAT HELD. SHUT-IN CASING VALVE. NO CIRCULATION. NO CEMENT TO SURFACE.

TOP JOB # 1. MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/3% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 3 HOUR.

TOP JOB # 2. MIXED & PUMPED 150 SX (30.7 BBLs) OF PREMIUM CEMENT W/3% CaCl2, 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 1.5 HOURS

TOP JOB #3. MIXED & PUMPED 225 SX (46 BBLs) OF PREMIUM CEMENT W/3% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CEMENT TO SURFACE. WOC 5.5 HOURS.

TOP JOB # 4. MIXED & PUMPED 100 SX (20.5 BBLs) OF PREMIUM CEMENT W/3% CaCl2 & 1/4#/SX FLOCELE. HOLE FILLED & STOOD FULL. RDMO BIG 4 CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

JERRY BARNES NOTIFIED DONNA KENNEY W/BLM OF THE SURFACE CASING & CEMENT JOB ON 5/7/2006 AT 7:30 AM.

05-16-2006		Reported By		DANE CAMBERN							
Daily Costs: Drilling	\$22,606	Completion	\$0	Daily Total	\$22,606						
Cum Costs: Drilling	\$261,756	Completion	\$44,373	Well Total	\$306,129						
MD	2,005	TVD	2,005	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: RIGGING DOWN ROTARY RIG											
Start	End	Hrs	Activity Description								
06:00	19:00	13.0	RIG DOWN RIG								

05-17-2006		Reported By		DANE CAMBERN							
Daily Costs: Drilling	\$22,606	Completion	\$0	Daily Total	\$22,606						
Cum Costs: Drilling	\$284,362	Completion	\$44,373	Well Total	\$328,735						
MD	2,005	TVD	2,005	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTD : 0.0			Perf :	PKR Depth : 0.0						
Activity at Report Time: RIGGING UP AND CHANGE OUT TRAVELLING BLOCK - SHIEVE IN BLOCK DAMAGED											
Start	End	Hrs	Activity Description								
07:00	19:00	12.0	RDMO TO NEW LOCATION. TRAVEL BLOCK HAS DAMAGED SHIEVE, WILL CHANGE OUT.								

05-18-2006		Reported By		DANE CAMBERN							
Daily Costs: Drilling	\$22,606	Completion	\$0	Daily Total	\$22,606						
Cum Costs: Drilling	\$306,968	Completion	\$44,373	Well Total	\$351,341						

MD 2.005 TVD 2.005 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIGGING UP

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU

05-19-2006 Reported By DANE CAMBERN

Daily Costs: Drilling	\$68,493	Completion	\$0	Daily Total	\$68,493
Cum Costs: Drilling	\$375,461	Completion	\$44,373	Well Total	\$419,834

MD 2.454 TVD 2.454 Progress 429 Days 1 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	FINISH RIGGING UP.
12:00	16:00	4.0	RIG ON DAYRATE AT 12:00 PM, 5/18/06. NU BOPE. TESTED BOP, CHOKE LINE AND MANIFOLD, KELLY, KELLY COCK, TIW VALVES AND PUMP AND LINES TO 250 PSI LOW, 5000 PSI HIGH. TESTED HYDRIL TO 2500 PSI.
16:00	17:00	1.0	INSTALL WEAR BUSHING.
17:00	21:00	4.0	PU BHA AND DRILL PIPE, 1985'.
21:00	22:00	1.0	PU KELLY AND INSTALL DRIVE BUSHING.
22:00	23:00	1.0	DRILL CEMENT/FLOAT EQUIPMENT.
23:00	00:00	1.0	PUMP SWEEP AND RUN FIT TEST. TESTED WITH 400 PSI, 11.0 PPG EQV.
00:00	06:00	6.0	DRILLED FROM 2025' TO 2454', MW 8.4 FRESH WATER.

NOTIFIED MICHAEL LEE WITH BLM OF INTENT TO TEST BOPE @ 1400 HRS, 5/17/06

FUEL USE 600 GALS PROPANE, 460 GALS DIESEL  
 TRANSFERRED 2100 GALS PROPANE AND 5300 GALS DIESEL FROM CWU 940-26 TO CWU 906-26  
 TRANSFERRED 5 JOINTS 4.5", 11.6#, N-80 CASING TO CWU 906-26

06:00 18.0 SPUD 7 7/8" HOLE AT 01:00 HRS, 5/19/06.

05-20-2006 Reported By DANE CAMBERN

Daily Costs: Drilling	\$68,493	Completion	\$0	Daily Total	\$68,493
Cum Costs: Drilling	\$443,954	Completion	\$44,373	Well Total	\$488,327

MD 4.185 TVD 4.185 Progress 1,731 Days 2 MW 8.5 Visc 30.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILLED FROM 2454' TO 2693'.
09:00	10:30	1.5	RIG REPAIR. REPAIR MUD LINE LEAK.
10:30	12:00	1.5	DRILLED FROM 2693' TO 2818'. MW 8.5, VIS 30. PUMP GEL SWEEPS.
12:00	12:30	0.5	SERVICE RIG.
12:30	16:00	3.5	DRILLED FROM 2818' TO 3067'.
16:00	16:30	0.5	SURVEY @ 2986', 2 DEG.
16:30	04:00	11.5	DRILLED FROM 3067' TO 4072'.

04:00 04:30 0.5 SURVEY @ 3990', 2.75 DEG.  
 04:30 06:00 1.5 DRILLED FROM 4072' TO 4185'. MW 8.7, VIS 32.

## BG GAS 600U

05-21-2006 Reported By DANE CAMBERN

Daily Costs: Drilling \$50,430 Completion \$0 Daily Total \$50,430  
 Cum Costs: Drilling \$494,384 Completion \$44,373 Well Total \$538,757

MD 4.185 TVD 4.185 Progress 1,490 Days 3 MW 9.1 Visc 34.0  
 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	DRILL FROM 4185' TO 4430'.
08:30	09:00	0.5	SERVICE RIG.
09:00	10:30	1.5	DRILLED TO 4432', STUCK BIT, WORKED FREE. REAMED TIL NO DRAG, PUMPED SWEEPS.
10:30	00:00	13.5	DRILLED FROM 4432' TO 5235. MW 9.9, VIS 36. LOST 50% RETURNS @ 5228'.
00:00	00:30	0.5	CIRCULATE AT REDUCED PUMP RATE AND MIX LCM. REGAINED RETURNS.
00:30	06:00	5.5	DRILLING FROM 5228' TO 5675'. MW 9.9 VIS 36.

05-22-2006 Reported By DANE CAMBERN

Daily Costs: Drilling \$36,876 Completion \$0 Daily Total \$36,876  
 Cum Costs: Drilling \$531,260 Completion \$44,373 Well Total \$575,633

MD 6.518 TVD 6.518 Progress 943 Days 4 MW 9.9 Visc 33.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

## Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILLED FROM 5675' TO 5867'.
10:00	10:30	0.5	SERVICE RIG.
10:30	06:00	19.5	DRILLED FROM 5867' TO 6518'. MW 9.9, VIS 36.

## BG GAS 10-150U

PROPANE 25%, 2500 GALS, USED 900 GALS, DIESEL 7101 GALS, USED 657 GALS

05-23-2006 Reported By DANE CAMBERN

Daily Costs: Drilling \$36,891 Completion \$0 Daily Total \$36,891  
 Cum Costs: Drilling \$568,151 Completion \$44,373 Well Total \$612,524

MD 7,265 TVD 7,265 Progress 747 Days 5 MW 10.1 Visc 35.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

## Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILLING FROM 6518' TO 6530', MW 9.9 PPG, VIS 36.
09:00	09:30	0.5	SERVICE RIG.
09:30	06:00	20.5	DRILLING FROM 6530' TO 7265', MW 10.2, VIS 38.

PROPANE 19% 1900 GALS USED 200, DIESEL 6048 GALS USED 1053 GALS  
NO ACCIDENTS

BG 10-40U, CONN GAS 40U

05-24-2006 Reported By DANE CAMBERN

Daily Costs: Drilling \$44,130 Completion \$0 Daily Total \$44,130

Cum Costs: Drilling \$612,282 Completion \$44,373 Well Total \$656,655

MD 7.750 TVD 7.750 Progress 485 Days 6 MW 10.2 Visc 40.0

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	DRILLED FROM 7625' TO 7363'.
09:30	10:00	0.5	SERVICE RIG.
10:00	23:00	13.0	DRILLED FROM 7363' TO 7750', MW 10.2 PPG, VIS 40, BG 125.
23:00	06:00	7.0	TRIP FOR BIT #2.

PROPANE 18% 1700 GALS USED 200, DIESEL 5170 GALS USED 878  
NO ACCIDENTS

05-25-2006 Reported By DANE CAMBERN

Daily Costs: Drilling \$44,317 Completion \$0 Daily Total \$44,317

Cum Costs: Drilling \$656,599 Completion \$44,373 Well Total \$700,972

MD 8.543 TVD 8.543 Progress 793 Days 7 MW 10.4 Visc 41.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time:

Start	End	Hrs	Activity Description
06:00	07:30	1.5	FINISH TRIP FOR BIT #2.
07:30	08:00	0.5	WASH/REAM 15' TO BOTTOM.
08:00	10:00	2.0	DRILLED FROM 7750' TO 7822'.
10:00	10:30	0.5	SERVICE RIG.
10:30	04:30	18.0	DRILLED FROM 7822' TO 8543'. GAINED 29 BBLS. SHUT WELL IN WITH HYDRIL. MW 10.6 PPG.
04:30	06:00	1.5	CIRC OUT. KICK ON CHOKE. DP PRESSURE 0, CSG PRESSURE 200 PSI. CIRC @ 60 SPM W/ CHOKE 3/4 OPEN. HAD 20 FT FLARE. INCREASE MW TO 11.0 PPG.

NO ACCIDENTS

05-26-2006 Reported By DANE CAMBERN

Daily Costs: Drilling \$49,689 Completion \$3,592 Daily Total \$53,281

Cum Costs: Drilling \$706,289 Completion \$48,145 Well Total \$754,434

MD 8.922 TVD 8.922 Progress 379 Days 8 MW 11.2 Visc 45.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	CIRC OUT KICK ON CHOKE. LOSING MUD AT RATE OF 50 BBLS/HR. MIXING LCM W/POLYSWELL AND INCREASE MW TO 11.2 PPG. CHECK WELL FOR FLOW AFTER 3 BOTTOMS UP. NO FLOW.

10:00 14:00 4.0 CIRCULATE WELL OFF CHOKE. MUD LOSSES DOWN TO 15 BBL/HR. CONTINUE MIXING LCM TO 20%.  
 14:00 14:30 0.5 DRILLED FROM 8543' TO 8545'. MW 11.2 PPG, VIS 45, LCM 18%.  
 14:30 15:00 0.5 RIG REPAIR. UNPLUG MUD PUMP. LCM IN VALVES.  
 15:00 21:00 6.0 DRILLED FROM 8545' TO 8771'. BGG INCREASING FROM 1250 TO 2100 SLOWLY. MW 11.4 PPG, VIS 46.  
 21:00 23:00 2.0 CIRCULATE BOTTOMS UP TO REDUCE BG GAS. RECEIVED APPARENT 30 BBL GAIN. CLOSED WELL IN.  
 23:00 23:30 0.5 START TO CIRC OUT KICK ON CHOKE, 0 PSI DP, 0 PSI CSG. FOUND PIT GAIN INCREASE DUE TO DERRICKMAN FILLED PILL TANK TO CAUSE PIT GAIN, OPENED WELL.  
 23:30 00:00 0.5 DRILLED FROM 8771' TO 8787'. GAINED 20 BBL WHILE DRILLING. CLOSED WELL ON HYDRILL.  
 00:00 01:30 1.5 CIRC OUT KICK ON CHOKE. DP PRESS 0 PSI, CSG PRESS 0 PSI, MW 11.4 PPG IN, 10.4 PPG OUT GAS 5250 U. CIRC BOTTOMS UP. OPEN WELL TO FLOW LINE.  
 01:30 02:00 0.5 CIRCULATE BOTTOMS UP WITH FULL PUMP RATE, MW 11.3 HEAVY IN, 10.4 OUT.  
 02:00 06:00 4.0 DRILLED FROM 8787' TO 8922', MW 11.3, VIS 46.

BG 3000 U, 10-15' FLARE

NO ACCIDENTS

SAFETY MEETING: WELL CONTROL

05-27-2006 Reported By DANE CAMBERN

DailyCosts: Drilling \$41,531 Completion \$0 Daily Total \$41,531  
 Cum Costs: Drilling \$747,821 Completion \$48,145 Well Total \$795,966

MD 9,050 TVD 9,050 Progress 128 Days 9 MW 11.6 Visc 45.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: LAY DOWN DRILL PIPE

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILLED FROM 8922' TO 8976'.
09:00	09:30	0.5	SERVICE RIG.
09:30	13:30	4.0	DRILLED FROM 8976' TO 9050' TD. REACHED TD AT 1:30 PM, 5/26/06.
13:30	15:00	1.5	CIRC AND COND HOLE BRING BOTTOMS UP 2 TIMES. MW 11.4, VIS 46. BG 3800 MW OUT 11.3 PPG.
15:00	17:00	2.0	MAKE 15 STAND SHORT TRIP TO 7714'.
17:00	21:30	4.5	CIRC BOTTOMS UP AFTER SHORT TRIP. HAD TO PUT WELL ON CHOKE TO CIRC OUT TRIP GAS.
21:30	22:00	0.5	CHECK FOR FLOW. WELL FLOWED.
22:00	00:00	2.0	CIRC BOTTOMS UP. INCREASED MW TO 11.5 PPG. BG 2500 U. MW OUT 11.0 PPG.
00:00	00:30	0.5	CHECK FOR FLOW. NO FLOW.
00:30	01:00	0.5	CIRC BOTTOMS UP. MW IN 11.6 PPG. MW OUT 11.4 PPG. GAS = 2800 U.
01:00	03:00	2.0	MAKE 15 STDS SHORT TRIP.
03:00	05:00	2.0	CIRC BOTTOMS UP. TRIP GAS OK. GAS 4800. MW IN 11.6 PPG MW OUT 11.4 PPG.
05:00	05:30	0.5	DROP TOTCO, SLUG DRILL PIPE. HOLD SAFETY MEETING WITH LAYDOWN CREW.
05:30	06:00	0.5	START LD DRILL PIPE.

NO ACCIDENTS.

05-28-2006 Reported By DANE CAMBERN

DailyCosts: Drilling \$31,921 Completion \$0 Daily Total \$31,921  
 Cum Costs: Drilling \$779,742 Completion \$48,145 Well Total \$827,888

MD 9,050 TVD 9,050 Progress 0 Days 11 MW 11.9 Visc 445.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: CIRCULATE

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DROP SURVEY AND PUMP SLUG.
07:00	09:00	2.0	LAYING DOWN DRILL PIPE. WELL STARTED FLOWING. BIT @ 4270'.
09:00	12:30	3.5	CIRC OUT BTMS UP. HAD 20' FLARE. MW IN 117 MW OUT 10.6.
12:30	15:30	3.0	PU DRILL PIPE AND STRIP IN HOLE THRU ROTATING HEAD. PU 75 JTS - 2050'.
15:30	18:00	2.5	CIRC BTMS UP. PUT WELL ON CHOKE WHEN TRIP GAS CAME TO SURFACE. FLARE = 25' MW IN 11.9 MW OUT = 11.2.
18:00	19:30	1.5	PU 30 JOINTS DP AND STRIP IN HOLE THRU ROTATING HEAD. BIT @ 7321'.
19:30	21:30	2.0	CIRC BTMS UP THRU CHOKE. MW IN 12.1 PPG MW OUT 11.4. HAD 35' FLARE @ BTMS UP.
21:30	23:00	1.5	PU 30 JTS DP AND STRIP IN HOLE. BIT @ 8251'.
23:00	00:00	1.0	CIRC BTMS UP ON CHOKE. 25' FLARE MW IN = 12.1, MW OUT = 11.8.
00:00	01:00	1.0	FINISH PU DRILL PIPE TO TD.
01:00	03:00	2.0	CIRC BTMS UP. FLARE = 30' MW IN = 12.1 MW OUT = 11.8. FLOW CHECK. NO FLOW.
03:00	05:00	2.0	MADE 15 STAND SHORT TRIP. NO FLOW.
05:00	06:00	1.0	CIRC BTMS UP.

05-29-2006 Reported By DANE CAMBERN

Daily Costs: Drilling	\$31,921	Completion	\$0	Daily Total	\$31,921
Cum Costs: Drilling	\$811,664	Completion	\$48,145	Well Total	\$859,809

MD 9,050 TVD 9,050 Progress 0 Days 12 MW 11.9 Visc 45.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RUNNING CASING

Start	End	Hrs	Activity Description
06:00	11:30	5.5	CIRC AND COND MUD. SERVICE RIG. CHECK FOR FLOW. NO FLOW.
11:30	21:30	10.0	LD DRILL PIPE, BREAK KELLY, LD BHA.
21:30	22:00	0.5	PULL WEAR BUSHING.
22:00	02:00	4.0	RU FRANKS AND START RUNNING 4.5" CASING TO 4000'.
02:00	03:00	1.0	CIRC BOTTOMS UP. NO GAS.
03:00	05:30	2.5	RUN 4.5" CASING TO 7200'.
05:30	06:00	0.5	CIRC BOTTOMS - NO FLARE - GAS 6200 U.

05-30-2006 Reported By DANE CAMBERN

Daily Costs: Drilling	\$37,161	Completion	\$161,358	Daily Total	\$198,520
Cum Costs: Drilling	\$848,826	Completion	\$209,503	Well Total	\$1,058,329

MD 9,050 TVD 9,050 Progress 0 Days 13 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:30	2.5	FINISH RUNNING 229 JOINTS OF 4.5", 11.6 #, N-80, LT&C CASING TO 9050'.
08:30	10:00	1.5	CIRC AND CONDITON HOLE. TRIP GAS = 6800 U HAD 8' FLARE.
10:00	10:30	0.5	RU SCHLUMBERGER AND HOLD SAFETY MEETING.

10:30 13:30 3.0 SCHLUMBERGER CEMENTED CSG WITH 500 SKS OF 35/65 POZ CMT MIXED @ 13.0 PPG FOLLOWED BY 1490 SKS OF 50/50 POZ CMT MIXED @ 14.1 PPG. DISPLACED CMT W/WATER - PLUG BIMPED W/3100 PSI, FLOATS HELD OK. JOB COMPLETE @ 1315 HRS ON 5/29/2006. RD SCHLUMBERGER.

13:30 14:00 0.5 FMC INSTALLED AND TESTED CSG HANGER.

14:00 15:00 1.0 RDRT. MOVING RIG TO CWU 939-26. WILL DROP FROM REPORT UNTIL COMPLETION COMMENCES.

15:00 9.0 RELEASED RIG @ 1500 HRS ON 5/29/2006

CASING POINT COST \$848,826

**06-10-2006**      **Reported By**      MCCURDY

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$19,384	<b>Daily Total</b>	\$19,384
<b>Cum Costs: Drilling</b>	\$848,826	<b>Completion</b>	\$228,888	<b>Well Total</b>	\$1,077,714

**MD**      9.050      **TVD**      9.050      **Progress**      0      **Days**      14      **MW**      0.0      **Visc**      0.0

**Formation :**      **PBTD :** 9007.0      **Perf :**      **PKR Depth :** 0.0

**Activity at Report Time:** PREP FOR FRAC

Start	End	Hrs	Activity Description
10:00	12:00	2.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/V/DL/GR FROM PBTD TO 1000'. CEMENT TOP ABOVE 1000'. RD SCHLUMBERGER.

TEST CASING AND FRAC TREE TO 6500 PSIG. HELD OK. PREP FOR FRAC ON 6-12-06.

**06-13-2006**      **Reported By**      MCCURDY

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$16,472	<b>Daily Total</b>	\$16,472
<b>Cum Costs: Drilling</b>	\$848,826	<b>Completion</b>	\$245,360	<b>Well Total</b>	\$1,094,186

**MD**      9.050      **TVD**      9.050      **Progress**      0      **Days**      15      **MW**      0.0      **Visc**      0.0

**Formation :** MESAVERDE      **PBTD :** 9007.0      **Perf :** 7285-8911      **PKR Depth :** 0.0

**Activity at Report Time:** PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WIRELINE. PERFORATED LPR FROM 8752'-54', 8772'-74', 8798'-99', 8825'-27', 8843'-44', 8850'-52', 8860'-61' & 8910'-11' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4949 GAL YF125ST+ PAD, 42511 GAL YF125ST+ & YF118ST+ WITH 128800# 20/40 SAND @ 1-6 PPG. MTP 6206 PSIG. MTR 50.7 BPM. ATP 5589 PSIG. ATR 47.8 BPM. ISIP 2960 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8737'. PERFORATED LPR/MPR FROM 8483'-84', 8504'-06', 8516'-17', 8559'-60', 8603'-05', 8648'-50', 8660'-62', 8676'-77', 8686'-87' & 8706'-07' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4935 GAL YF125ST+ PAD, 42483 GAL YF125ST+ & YF118ST+ WITH 130800# 20/40 SAND @ 1-6 PPG. MTP 6097 PSIG. MTR 51 BPM. ATP 5117 PSIG. ATR 44.9 BPM. ISIP 2890 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8442'. PERFORATED MPR FROM 8196'-97', 8214'-16', 8226'-27', 8240'-42', 8262'-63', 8281'-82', 8298'-99', 8324'-25', 8332'-33', 8356'-57', 8392'-93' & 8402'-03' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 7432 GAL YF125ST+ PAD, 50612 GAL YF125ST+ & YF118ST+ WITH 169200# 20/40 SAND @ 1-6 PPG. MTP 6230 PSIG. MTR 50.7 BPM. ATP 5704 PSIG. ATR 46.6 BPM. ISIP 3680 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8163'. PERFORATED MPR FROM 7862'-63', 7882'-83', 7910'-11', 7946'-47', 7960'-61', 7981'-82', 7993'-94', 8026'-27', 8071'-72', 8078'-79', 8095'-96', 8105'-07' & 8132'-33' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4950 GAL YF123ST+ PAD, 55068 GAL YF123ST+ & YF118ST+ WITH 191700# 20/40 SAND @ 1-6 PPG. MTP 6066 PSIG. MTR 50.7 BPM. ATP 5231 PSIG. ATR 50.2 BPM. ISIP 2860 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7846'. PERFORATED UPR FROM 7562'-64', 7590'-92', 7647'-48', 7683'-84', 7716'-17', 7768'-70', 7783'-84' & 7814'-16' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4941 GAL YF123ST+ PAD, 54909 GAL YF123ST+ & YF118ST+ WITH 191800# 20/40 SAND @ 1-6 PPG. MTP 6053 PSIG. MTR 50.7 BPM. ATP 4888 PSIG. ATR 49.7 BPM. ISIP 2750 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7534'. PERFORATED UPR FROM 7285'-86', 7301'-02', 7342'-43', 7362'-64', 7374'-76', 7398'-400', 7421'-22', 7449'-50' & 7503'-04' @ 3 SPF & 120° PHASING. SDFN.

<b>06-14-2006</b>		<b>Reported By</b>		<b>MCCURDY,HISLOP</b>							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$54,220	<b>Daily Total</b>	\$54,220						
<b>Cum Costs: Drilling</b>	\$848,826	<b>Completion</b>	\$299,580	<b>Well Total</b>	\$1,148,406						
<b>MD</b>	9,050	<b>TVD</b>	9,050	<b>Progress</b>	0	<b>Days</b>	16	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9007.0</b>		<b>Perf : 6774-8911</b>			<b>PKR Depth : 0.0</b>				
<b>Activity at Report Time: DRILL OUT CFPS</b>											

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	18:30	12.5	SICP 1685 PSIG. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4946 GAL YF123ST+ PAD, 50,116 GAL YF123ST+ & YF118ST+ WITH 168,600 # 20/40 SAND @ 1-6 PPG. MTP 4831 PSIG. MTR 50.8 BPM. ATP 4348 PSIG. ATR 50.1 BPM. ISIP 2420 PSIG. RD SCHLUMBERGER.								

RUWL SET 10K CFP AT 7,259'. PERFORATE UPR FROM 6954'-55', 6987'-88', 7002'-04', 7022'-24', 7032'-33', 7056'-57', 7095'-96', 7112'-13', 7133'-34', 7184'-85', 7206'-07', 7228'-29' @ 2 SPF @ 180° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4945 GAL YF123ST+ PAD, 55,619 GAL YF123ST+ & YF118ST+ WITH 192,500 # 20/40 SAND @ 1-6 PPG. MTP 4475 PSIG. MTR 50.7 BPM. ATP 4150 PSIG. ATR 50.1 BPM. ISIP 2240 PSIG. RD SCHLUMBERGER.

RUWL SET 10K CFP AT 6,933'. PERFORATE UPR FROM 6774'-76', 6786'-88', 6823'-25', 6859'-62', 6878'-80', 6902'-03' @ 3 SPF @ 120° PHASING. RU SCHLUMBERGER, FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4941 GAL YF123ST+ PAD, 52,557 GAL YF123ST+ & YF118ST+ WITH 167,120 # 20/40 SAND @ 1-6 PPG. MTP 4988 PSIG. MTR 50.8 BPM. ATP 4161 PSIG. ATR 50.1 BPM. ISIP 2530 PSIG. RDMO SCHLUMBERGER.

RUWL. SET 10K CBP AT 6750'. BLEED WELL OFF TO 0 PSIG. SWIFN. RDMO CUTTERS WIRELINE.

MIRU ROYAL WELLSERVICE. ND FRAC VALVE. NU BOP. RIH WITH 3-7/8" MILL TOOTH BIT. POBS, 1 JT 2-3/8", N-80, 8RD, 4.7#, XN, 206 JTS 2-3/8", N-80 TBG TO CBP. SWI. SDFD.

<b>06-15-2006</b>		<b>Reported By</b>		<b>MCCURDY,HISLOP</b>							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$64,195	<b>Daily Total</b>	\$64,195						
<b>Cum Costs: Drilling</b>	\$848,826	<b>Completion</b>	\$363,775	<b>Well Total</b>	\$1,212,601						
<b>MD</b>	9,050	<b>TVD</b>	9,050	<b>Progress</b>	0	<b>Days</b>	17	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MEASEVERDE</b>		<b>PBTD : 9007.0</b>		<b>Perf : 6774-8911</b>			<b>PKR Depth : 0.0</b>				
<b>Activity at Report Time: RIG REPAIRS</b>											

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	15:00	9.0	SITP 0 PSIG. SICP 0 PSIG. CLEAN OUT & DRILL OUT CBP @ 6750'. CFP'S @ 6933', 7259', 7534', 7846'.								

DOE-RING VALVE WENT BAD ON RIG'S MAIN BRAKE SYSTEM. 2ND TIME WHILE DRILLING OUT CFP'S. CIRCULATE CLEAN. POH WITH TUBING TO EOT @ 6750'. SWI. SDFD. RIG DOWN FOR REPAIRS.

06-16-2006 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$15,815	Daily Total	\$15,815						
Cum Costs: Drilling	\$848,826	Completion	\$379,590	Well Total	\$1,228,416						
MD	9.050	TVD	9.050	Progress	0	Days	18	MW	0.0	Visc	0.0
Formation : MEASEVERDE	PBTB : 9007.0		Perf : 6774-8911	PKR Depth : 0.0							

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SITP 0 PSIG. SICP 2700 PSIG. RIH. CLEANED OUT & DRILLED OUT PLUGS @ 8163', 8442' & 8737'. CLEANED OUT TO PBTB @ 9007'. LANDED TUBING @ 6768' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMSU.

FLOWED 11 HRS. 16/64" CHOKE. FTP 1900 PSIG. CP 2350 PSIG. 45 BFPH. RECOVERED 555 BLW. 9100 BLWLTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'  
 1 JT 2-3/8" 4.7# N80 TBG 31.85'  
 XN NIPPLE 1.10'  
 208 JTS 2-3/8" 4.7# N80 TBG 6719-27'  
 BELOW KB 15.00'  
 LANDED @ 6768.13' KB

06-17-2006 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$16,899	Daily Total	\$16,899						
Cum Costs: Drilling	\$848,826	Completion	\$396,489	Well Total	\$1,245,315						
MD	9.050	TVD	9.050	Progress	0	Days	19	MW	0.0	Visc	0.0
Formation : MEASEVERDE	PBTB : 9007.0		Perf : 6774-8911	PKR Depth : 0.0							

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS ON 16/64" CHOKE. FTP 2250 PSIG, CP 3200 PSIG. 36 BFPH, RECOVERED 956 BLW, 8144 BLWTR.

06-18-2006 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,600	Daily Total	\$2,600						
Cum Costs: Drilling	\$848,826	Completion	\$399,089	Well Total	\$1,247,915						
MD	9.050	TVD	9.050	Progress	0	Days	20	MW	0.0	Visc	0.0
Formation : MEASEVERDE	PBTB : 9007.0		Perf : 6774-8911	PKR Depth : 0.0							

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS ON 16/64" CHOKE. FTP 2150 PSIG, CP 3050 PSIG. 32 BFPH, RECOVERED 814 BLW, 7330 BLWTR.

06-19-2006 Reported By HISLOP

Daily Costs: Drilling	\$1,179	Completion	\$2,600	Daily Total	\$3,779
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**Cum Costs: Drilling** \$850,005      **Completion** \$401,689      **Well Total** \$1,251,694  
**MD** 9,050    **TVD** 9,050    **Progress** 0    **Days** 21    **MW** 0.0    **Visc** 0.0  
**Formation : MEASEVERDE**      **PBTD : 9007.0**      **Perf : 6774-8911**      **PKR Depth : 0.0**

**Activity at Report Time: WO FACILITIES**

**Start**    **End**    **Hrs**    **Activity Description**  
06:00    06:00    24.0 FLOWED 24 HRS ON 16/64" CHOKE. FTP 2100 PSIG, CP 2900 PSIG. 23 BFPH, RECOVERED 613 BLW, 6717 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 6/19/06

**07-12-2006**      **Reported By**

**Daily Costs: Drilling** \$0      **Completion** \$2,600      **Daily Total** \$2,600  
**Cum Costs: Drilling** \$850,005      **Completion** \$401,689      **Well Total** \$1,251,694  
**MD** 9,050    **TVD** 9,050    **Progress** 0    **Days** 22    **MW** 0.0    **Visc** 0.0  
**Formation : MEASEVERDE**      **PBTD : 9007.0**      **Perf : 6774-8911**      **PKR Depth : 0.0**

**Activity at Report Time: INITIAL PRODUCTION**

**Start**    **End**    **Hrs**    **Activity Description**  
06:00    06:00    24.0 INITIAL PRODUCTION. OPENING PRESSURE: TP 2900 & CP 2500 PSI. TURNED WELL OVER TO QUESTAR SALES AT 9:30 AM, 7/11/06. FLOWED 1150 MCFD RATE ON 10/64" CHOKE.

**07-13-2006**      **Reported By**      ROGER DART

**Daily Costs: Drilling** \$0      **Completion** \$0      **Daily Total** \$0  
**Cum Costs: Drilling** \$850,005      **Completion** \$401,689      **Well Total** \$1,251,694  
**MD** 9,050    **TVD** 9,050    **Progress** 0    **Days** 23    **MW** 0.0    **Visc** 0.0  
**Formation : MEASEVERDE**      **PBTD : 9007.0**      **Perf : 6774-8911**      **PKR Depth : 0.0**

**Activity at Report Time: ON SALES**

**Start**    **End**    **Hrs**    **Activity Description**  
06:00    06:00    24.0 FLOWED 916 MCFD, 30 BC & 60 BW IN 24 HRS ON 10/64" CK. FTP 2500 PSIG, CP 3200 PSIG.

**07-14-2006**      **Reported By**      ROGER DART

**Daily Costs: Drilling** \$0      **Completion** \$0      **Daily Total** \$0  
**Cum Costs: Drilling** \$850,005      **Completion** \$401,689      **Well Total** \$1,251,694  
**MD** 9,050    **TVD** 9,050    **Progress** 0    **Days** 24    **MW** 0.0    **Visc** 0.0  
**Formation : MEASEVERDE**      **PBTD : 9007.0**      **Perf : 6774-8911**      **PKR Depth : 0.0**

**Activity at Report Time: ON SALES**

**Start**    **End**    **Hrs**    **Activity Description**  
06:00    06:00    24.0 FLOWED 809 MCFD, 20 BC & 60 BW IN 24 HRS ON 10/64" CK. FTP 2500 PSIG, CP 3200 PSIG.

**07-17-2006**      **Reported By**      ROGER DART

**Daily Costs: Drilling** \$0      **Completion** \$0      **Daily Total** \$0  
**Cum Costs: Drilling** \$850,005      **Completion** \$401,689      **Well Total** \$1,251,694  
**MD** 9,050    **TVD** 9,050    **Progress** 0    **Days** 25    **MW** 0.0    **Visc** 0.0  
**Formation : MEASEVERDE**      **PBTD : 9007.0**      **Perf : 6774-8911**      **PKR Depth : 0.0**

**Activity at Report Time: ON SALES**

**Start**    **End**    **Hrs**    **Activity Description**

06:00 06:00 24.0 7/15/06 FLOWED 812 MCFD, 20 BC & 120 BW IN 24 HRS ON 10/64" CK. FTP 2450 PSIG, CP 3000 PSIG.

7/16/06 FLOWED 904 MCFD, 30 BC & 130 BW IN 24 HRS ON 10/64" CK. FTP 2400 PSIG, CP 3000 PSIG.

7/17/06 FLOWED 853 MCFD, 40 BC & 140 BW IN 24 HRS ON 10/64" CK. FTP 2400 PSIG, CP 3000 PSIG.

**07-18-2006**      **Reported By**      ROGER DART

**Daily Costs: Drilling**      \$0      **Completion**      \$0      **Daily Total**      \$0

**Cum Costs: Drilling**      \$850,005      **Completion**      \$401,689      **Well Total**      \$1,251,694

**MD**      9,050      **TVD**      9,050      **Progress**      0      **Days**      26      **MW**      0.0      **Visc**      0.0

**Formation : MEASEVERDE**      **PBTD : 9007.0**      **Perf : 6774-8911**      **PKR Depth : 0.0**

**Activity at Report Time: ON SALES**

**Start      End      Hrs      Activity Description**

06:00      06:00      24.0 FLOWED 891 MCFD, 60 BC & 120 BW IN 24 HRS ON 10/64" CK. FTP 2400 PSIG, CP 2850 PSIG.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

5. Lease Serial No. **U-0285A**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. **Chapita Wells Unit**

8. Lease Name and Well No. **Chapita Wells Unit 906-26**

9. AFI Well No. **43-047-35541**

10. Field and Pool, or Exploratory **Natural Buttes/Mesaverde**

11. Sec., T., R., M., on Block and Survey or Area **Sec. 26-T9S-R22E**

12. County or Parish **Uintah County** 13. State **UT**

14. Date Spudded **04/06/2006** 15. Date T.D. Reached **05/26/2006** 16. Date Completed **07/11/2006**  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\* **5013' NAT GL**

18. Total Depth: MD **9050'** TVD  
19. Plug Back T.D.: MD **9007'** TVD  
20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each) **RST/CBL/CCL/VDL/GR**

22. Was well cored?  No  Yes (Submit analysis)  
 Was DST run?  No  Yes (Submit report)  
 Directional Survey?  No  Yes (Submit copy)

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
12-1/4"	9-5/8"	36.0#	J-55	0-2005		775 sx			
7-7/8"	4-1/2"	11.6#	N-80	0-9050		1990 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	6768							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	6774	8911	8752-8911		2/spf	
B)			8483-8707		2/spf	
C)			8196-8403		2/spf	
D)			7862-8133		2/spf	

26. Perforation Record

Depth Interval	Amount and Type of Material
8752-8911	47,625 GALS GELLED WATER & 128,800# 20/40 SAND
8483-8707	47,583 GALS GELLED WATER & 130,800# 20/40 SAND
8196-8403	58,209 GALS GELLED WATER & 169,200# 20/40 SAND
7862-8133	60,183 GALS GELLED WATER & 191,700# 20/40 SAND

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

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
07/11/2006	07/15/2006	24	→	30	904	130			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	PRODUCING GAS WELL
10/64"	2400	3000	→						

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. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

\*/See instructions and spaces for additional data on page 2)

AUG 2 1 2006

07-11-2006 10:11:13

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
<b>Mesaverde</b>	<b>6774</b>	<b>8911</b>		<b>Wasatch</b>	<b>4512</b>
				<b>Chapita Wells</b>	<b>5088</b>
				<b>Buck Canyon</b>	<b>5777</b>
				<b>North Horn</b>	<b>6499</b>
				<b>Island</b>	<b>6666</b>
				<b>Upper Price River</b>	<b>6758</b>
				<b>Middle Price River</b>	<b>7749</b>
				<b>Lower Price River</b>	<b>8530</b>
				<b>Sego</b>	<b>9004</b>

32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

33. Indicate which items have been attached by placing a check in the appropriate boxes:

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

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

Name (please print) Mary A. Maestas

Title Operations Clerk

Signature

Mary A. Maestas

Date 08/16/2006

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.

**Chapita Wells Unit 906-26 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7562-7816	3/spf
7285-7504	3/spf
6954-7229	2/spf
6774-6903	3/spf

**27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.**

7562-7816	60,015 GALS GELLED WATER & 191,800# 20/40 SAND
7285-7504	55,227 GALS GELLED WATER & 168,600# 20/40 SAND
6954-7229	60,729 GALS GELLED WATER & 192,500# 20/40 SAND
6774-6903	57,663 GALS GELLED WATER & 167,120# 20/40 SAND

Perforated the Lower Price River from 8752'-54', 8772'-74', 8798'-99', 8825'-27', 8843'-44', 8850'-52', 8860'-61' & 8910'-11' w/ 2 spf.

Perforated the Lower/Middle Price River from 8483'-84', 8504'-06', 8516'-17', 8559'-60', 8603'-05', 8648'-50', 8660'-62', 8676'-77', 8686'-87' & 8706'-07' w/ 2 spf.

Perforated the Middle Price River from 8196'-97', 8214'-16', 8226'-27', 8240'-42', 8262'-63', 8281'-82', 8298'-99', 8324'-25', 8332'-33', 8356'-57', 8392'-93' & 8402'-03' w/ 2 spf.

Perforated the Middle Price River from 7862'-63', 7882'-83', 7910'-11', 7946'-47', 7960'-61', 7981'-82', 7993'-94', 8026'-27', 8071'-72', 8078'-79', 8095'-96', 8105'-07' & 8132'-33' w/ 2 spf.

Perforated the Upper Price River from 7562'-64', 7590'-92', 7647'-48', 7683'-84', 7716'-17', 7768'-70', 7783'-84' & 7814'-16' w/ 3 spf.

Perforated the Upper Price River from 7285'-86', 7301'-02', 7342'-43', 7362'-64', 7374'-76', 7398'-7400', 7421'-22', 7449'-50' & 7503'-04' w/ 3 spf.

Perforated the Upper Price River from 6954'-55', 6987'-88', 7002'-04', 7022'-24', 7032'-33', 7056'-57', 7095'-96', 7112'-13', 7133'-34', 7184'-85', 7206'-07' & 7228'-29' w/ 2 spf.

Perforated the Upper Price River from 6774'-76', 6786'-88', 6823'-25', 6859'-62', 6878'-80' & 6902'-03' w/ 3 spf.

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.*

**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  
**600 17th Street, Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
**303-824-5526**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1600' FSL & 731' FEL (NESE)  
 Sec. 26-T9S-R22E 40.004206 LAT 109.399658 LON**

5. Lease Serial No.  
**U-0285A**

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 906-26**

9. API Well No.  
**43-047-35541**

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 <b>Pit reclamation</b>
	<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 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 must 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 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 8/15/2006 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

*Mary A. Maestas*

Date

**01/16/2007**

**THIS SPACE FOR FEDERAL OR STATE OFFICE USE**

Approved by \_\_\_\_\_

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

Date

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)

**RECEIVED**

**JAN 18 2007**

**DIV. OF OIL, GAS & MINING**