

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

March 18, 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  
SOUTH CHAPITA 9-35  
SW/SW, SEC. 35, T9S, R23E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0344  
FEDERAL LANDS

Enclosed please find a copy of the Application for Permit to Drill and associated attachments for the referenced well.

Please address further communication regarding this matter (including approval) to:

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

Sincerely,



Ed Trotter  
Agent  
EOG Resources, Inc.

Attachments

**RECEIVED**

**MAR 26 2004**

DIV. OF OIL, GAS & MINING

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 **859' FSL, 857' FWL 4427550 Y SWISW 39.98755**

At proposed prod. Zone **645161 X -109.29982**

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

15. Distance from proposed\* location to nearest property or lease line, ft. **857'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**640**

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  
**8350'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5370.9 FEET GRADED GROUND**

22. Approximate date work will start\*  
**UPON APPROVAL**

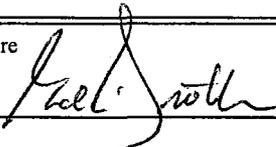
23. Estimated duration  
**45 DAYS**

24. Attachments

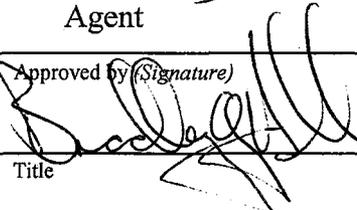
Attachments

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 March 18, 2004
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Title  
Agent

Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III</b>	Date 03-29-04
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Title  
Office

**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)

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MAR 26 2004

DIV. OF OIL, GAS & MINING

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

# EOG RESOURCES, INC.

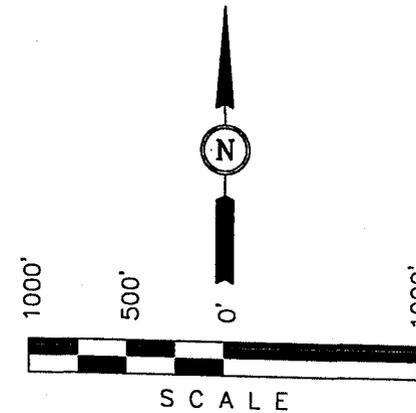
Well location, S. CHAPITA #9-35, located as shown in the SW 1/4 SW 1/4 of Section 35, T9S, R23E, S.L.B.&M. Uintah County, Utah.

## BASIS OF ELEVATION

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

## BASIS OF BEARINGS

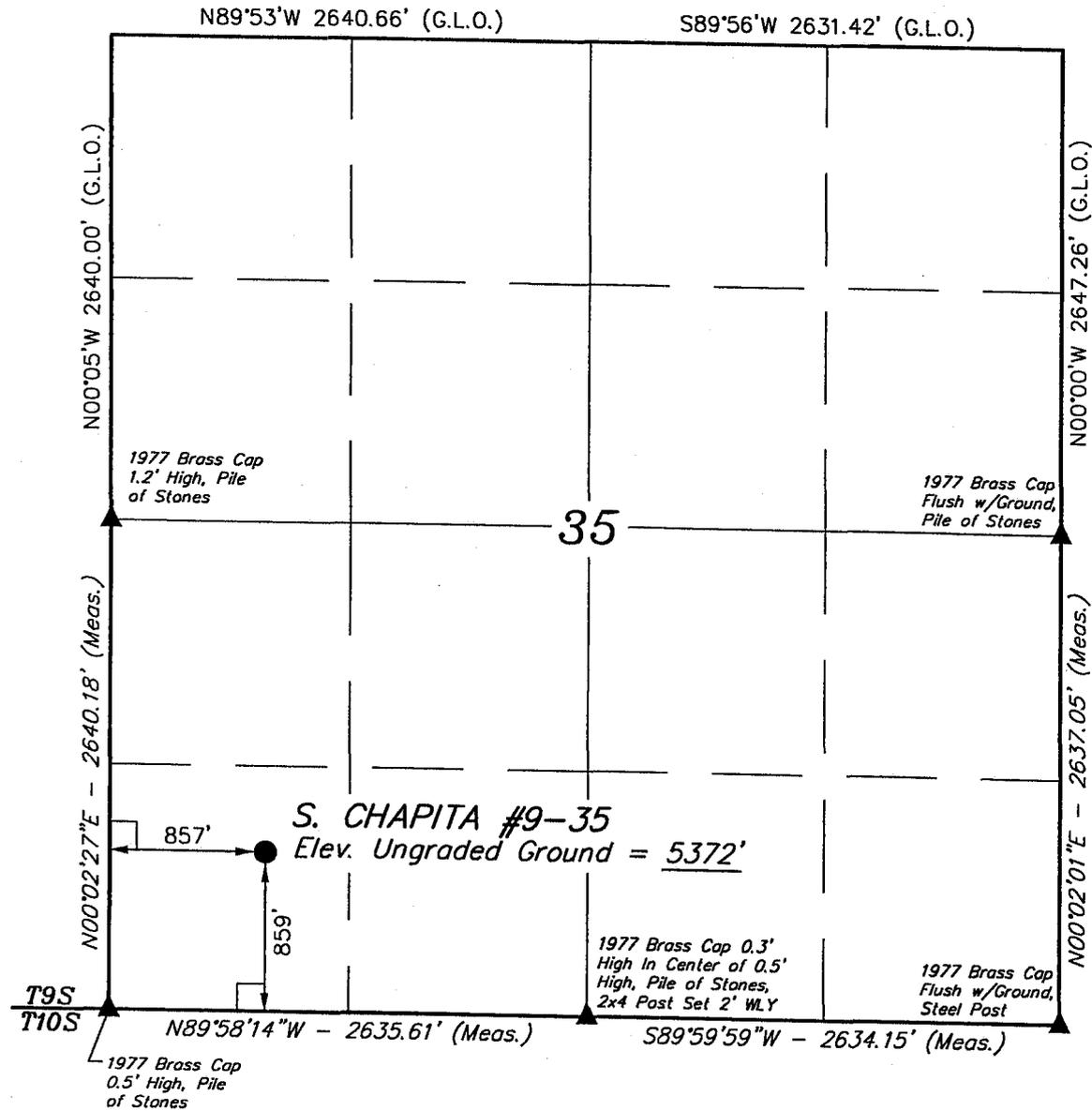
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



## CERTIFICATE

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

*Robert A. [Signature]*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH



### LEGEND:

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

(AUTONOMOUS NAD 27)  
 LATITUDE = 39°59'15.32" (39.987589)  
 LONGITUDE = 109°17'59.61" (109.299892)

<b>UINTAH ENGINEERING &amp; LAND SURVEYING</b>		
85 SOUTH 200 EAST - VERNAL, UTAH 84078		
(435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 02-10-04	DATE DRAWN: 02-16-04
PARTY K.K. N.H. D.K. D.COX	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**

**SOUTH CHAPITA 9-35**  
**SW/SW, SEC. 35, T9S, R23E, 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	1,391'
Wasatch	4,196'
Island	6,379'
KMV Price River	7,186'
KMV Price River Lower	7,733'
Sego	8,198'

EST. TD: **8,350**

Anticipated BHP **4500 PSI**

**3. PRESSURE CONTROL EQUIPMENT:** 3000 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>
17 1/2"	0' - 250'	250'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
12 1/4"	250' - 2300'+/- KB	2300' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2300' - TD +/-KB	8350' +/-	4 1/2"	11.6 #	N-80	LT&C	6350 PSI	7780 PSI	223,000#

**Note: 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 2300' 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).

**Intermediate Hole Procedure (250'-2300+/-')**

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)

## EIGHT POINT PLAN

### SOUTH CHAPITA 9-35 SW/SW, SEC. 35, T9S, R23E, S.L.B.&M. UINTAH COUNTY, UTAH

#### Float Equipment (Continued):

##### Production Hole Procedure ( $\pm 2300'$ -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  $\pm 6,657'$  (Top of Price River) and  $\pm 3,700'$  (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'- $\pm 2500'$ ):

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

##### Production Hole Procedure ( $\pm 2500'$ -TD):

$\pm 2300$ -7500' Use water (circulated through reserve pit) with PHPA polymer sweeps on a regular basis. Adjust frequency of sweeps based on cuttings quality and hole conditions. Gel/LCM sweeps can also be used for additional cleaning and for reducing seepage, but should not be “substituted” for the PHPA sweeps.

While on water, spot either salt water or pre-mixed weighted mud as required to prevent flow during trips after gas influxes have been encountered. Watch cuttings size, shape and quantity to determine if increase in mud weight is required. Increased mud weight is often the key to shale stability in this area. Treat for any CO<sub>2</sub> contamination with Lime and Gyp.

**7500' - TD'** Close mud system in. “Mud up” with Hi-Yield bentonite for primary viscosity and PHPA polymer for supplemental viscosity and clay encapsulation/inhibition. Utilize white Starch or PAC for filtration control. Treat with bactericide if required. Maintain pH in 9.0-10.0 range.

Expect increasing gas influxes requiring heavier mud weights as drilling progresses. Adjust mud weight as needed. Use deflocculants/thinners if required to maintain good flow properties.

Run LCM sweeps periodically to seal-off loss zones. Adjust sweep frequency based on observed losses. Maintain water loss 15 cc's or less. Treat CO<sub>2</sub> contamination with Lime and/or Gypsum.

**EIGHT POINT PLAN**

**SOUTH CHAPITA 9-35**  
**SW/SW, SEC. 35, T9S, R23E, 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: No Open Hole Logs.**  
**Cased Hole Logs will to run.**

**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'-± 2300'):**

**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**

**SOUTH CHAPITA 9-35**  
**SW/SW, SEC. 35, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Production Hole Procedure ( $\pm$  2300' to TD)**

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

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

**10. ABNORMAL CONDITIONS:**

**Intermediate Hole (250'  $\pm$  2500'):**

Lost circulation

**Production Hole ( $\pm$  2500'-TD):**

Sloughing shales and key seat development are possible in the Wasatch Formation.

**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)

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

Company/Operator: EOG Resources, Inc.  
Well Name & Number: South Chapita 9-35  
Lease Number: U-0344  
Location: 859' FSL & 857' FWL, SW/SW, Sec. 35,  
T9S, R23E, S.L.B.&M., Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

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

Location Completion - prior to moving on the drilling rig.

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

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

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

First Production  
Notice - within five (5) business days after new Well begins or production resumes after Well has been off production for more than ninety (90) days.

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

## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 24.5 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### 2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.6 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

New or reconstructed roads will be centerlined - flagged at time of location staking.

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

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

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

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

A. Abandoned wells - 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. A 4" OD steel above ground natural gas pipeline will be laid approximately 2700' from proposed location to a point in the NE/SE of Section 34, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of-Way grant will not be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery.

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

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities

required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

**5. LOCATION & TYPE OF WATER SUPPLY**

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/or Target Trucking Inc.'s water source in the SW/SW, Sec. 35, T9S, R22E, Uintah County, Utah (State Water Right #49-1501). Produced water from the Chapita Wells and Stagecoach Units will also be used.
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

**6. SOURCE OF CONSTRUCTION MATERIAL**

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. All construction material will come from Federal Land.
- C. No mineral materials will be required.

**7. METHODS OF HANDLING WASTE DISPOSAL**

**A. METHODS AND LOCATION**

- 1. Cuttings will be confined in the reserve pit.
- 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
- 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
- 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

**On BLM administered land:**

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

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

8. **ANCILLARY FACILITIES**

- A. No airstrips or camps are planned for this well.

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
  - Wyoming Big Sage – 3 pounds per acre
  - Needle & Thread Grass – 3 pounds per acre
  - Hi-Crest Crested Wheat Grass – 1 pound per acre
  - Winter Fat – 1 pound per acre.

The reserve pit will be located on the South side of the location. The flare pit will be located downwind of the prevailing wind direction on the Southwest 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 East of Corners A and 4. The stockpiled location topsoil will be stored from Corner #2 to Corner #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a cat.

Access to the well pad will be from the North.

Corners #2, #6, & #8 will be rounded off to minimize excavation.

### **FENCING REQUIREMENTS:**

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

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

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

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently mounted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

### **10. PLANS FOR RESTORATION OF SURFACE**

#### **A. PRODUCING LOCATION**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

**B. DRY HOLE/ABANDONED LOCATION**

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

**11. SURFACE OWNERSHIP**

Access road: Federal

Location: Federal

**12. OTHER INFORMATION**

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

- whether the materials appear eligible for the National Register of Historic Places;
- the mitigation measures the operator will likely have to undertake before the site can be used.
- a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM, or the appropriate County Extension Office. On BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

**Additional Surface Stipulations**

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 **South Chapita 9-35 Well, located in the SW/SW of Section 35, T9S, R23E, Uintah County, Utah; Lease #U-0344;** 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.

3-18-04  
Date

  
Agent

EOG RESOURCES, INC.  
S. CHAPITA #9-35  
SECTION 35, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 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 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE #878-34 TO THE EAST; FOLLOW ROAD FLAGS IN AN EASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD FOR THE #915-34 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.9 MILES.

# EOG RESOURCES, INC.

S. CHAPITA #9-35

LOCATED IN UTAH COUNTY, UTAH  
SECTION 35, T9S, R23E, S.L.B.&M.

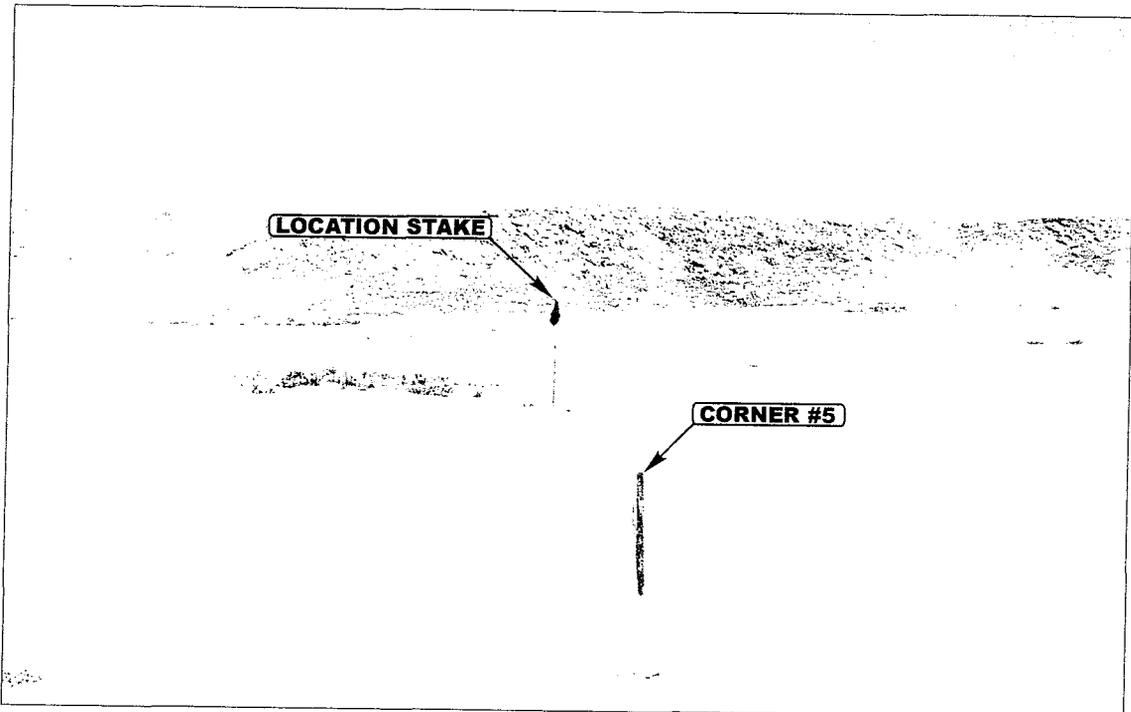


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS  
FOR THE CWU #915-34

CAMERA ANGLE: NORTHEASTERLY



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

LOCATION PHOTOS

02 10 04  
MONTH DAY YEAR

PHOTO

TAKEN BY: D.K.

DRAWN BY: P.M.

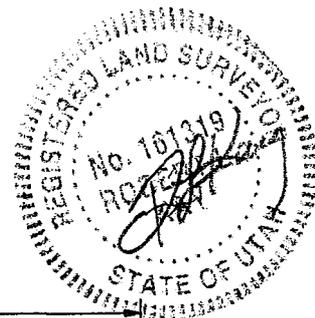
REVISED: 00-00-00



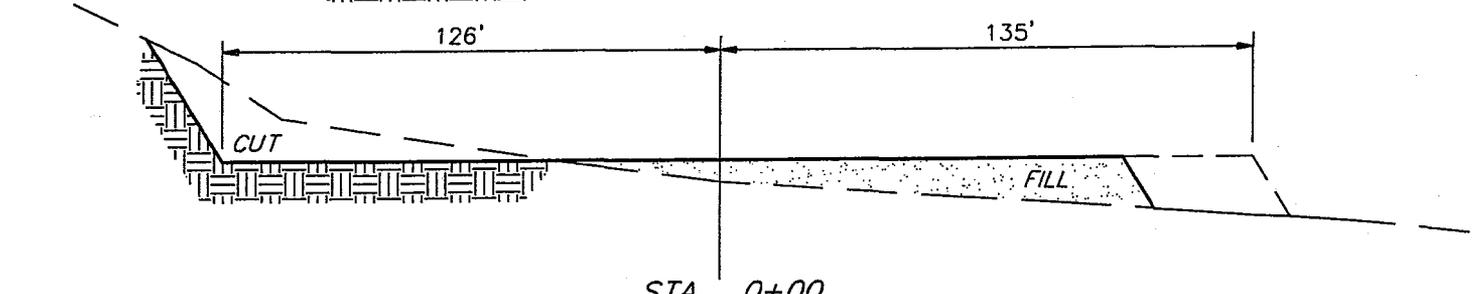
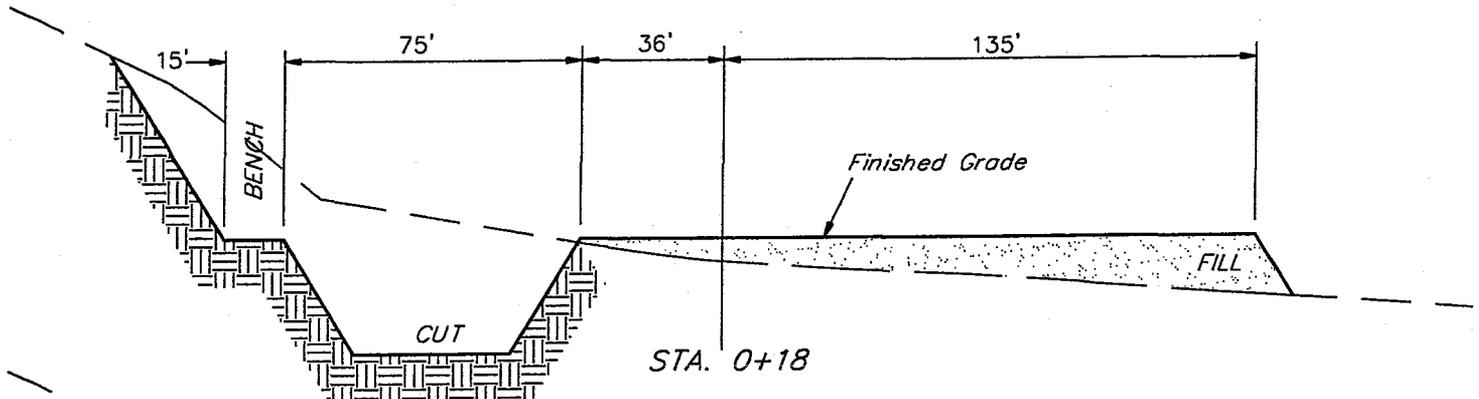
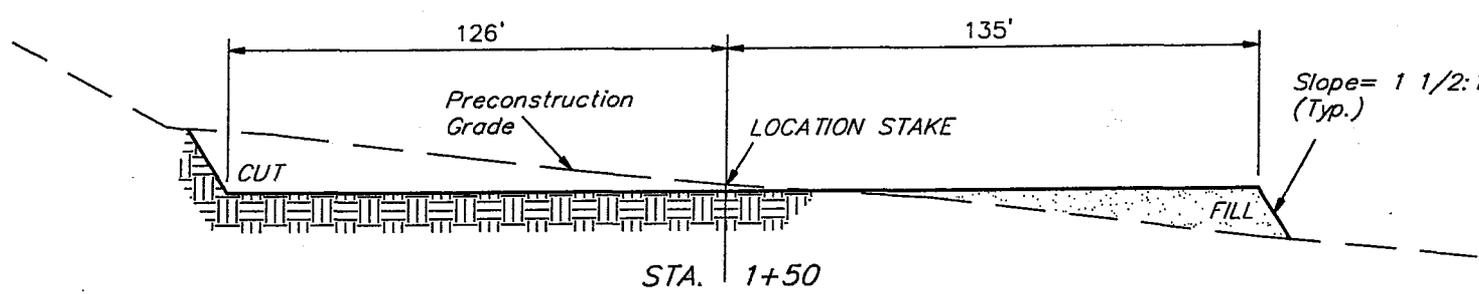
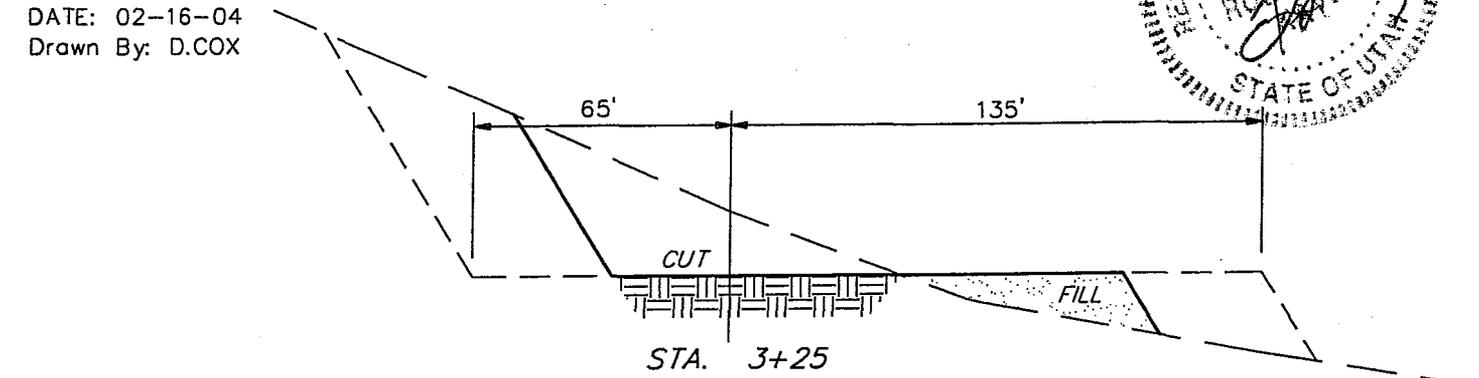
EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

S. CHAPITA #9-35  
SECTION 35, T9S, R23E, S.L.B.&M.  
859' FSL 857' FWL



1" = 20'  
X-Section Scale  
1" = 50'  
DATE: 02-16-04  
Drawn By: D.COX

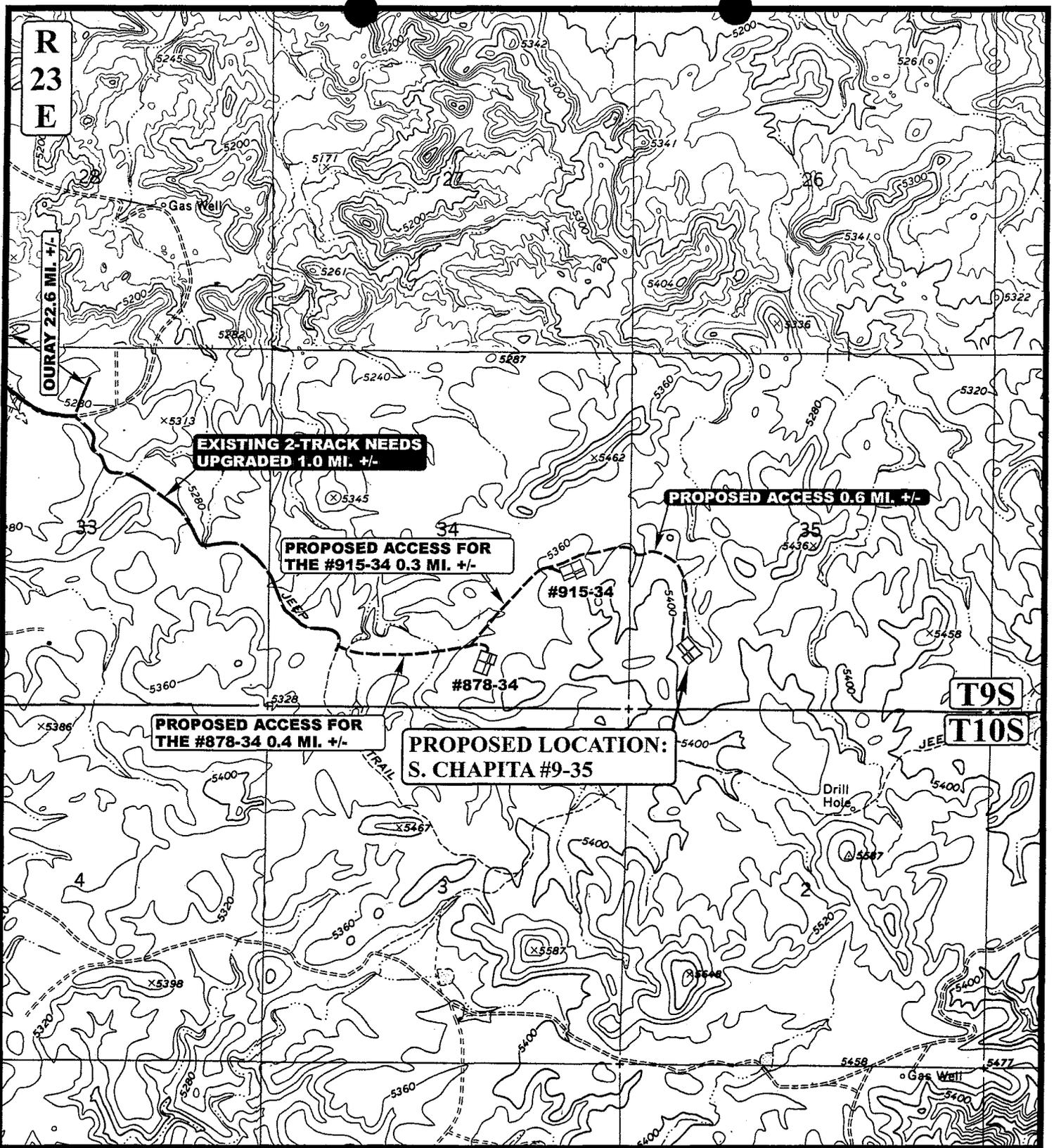


APPROXIMATE YARDAGES

(6") Topsoil Stripping = 1,430 Cu. Yds.  
Remaining Location = 8,980 Cu. Yds.  
TOTAL CUT = 10,410 CU.YDS.  
FILL = 6,950 CU.YDS.

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





**LEGEND:**

-  EXISTING ROAD
-  EXISTING 2-TRACK NEEDS UPGRADED
-  PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

**S. CHAPITA #9-35**  
**SECTION 35, T9S, R23E, S.L.B.&M.**  
**859' FSL 857' FWL**



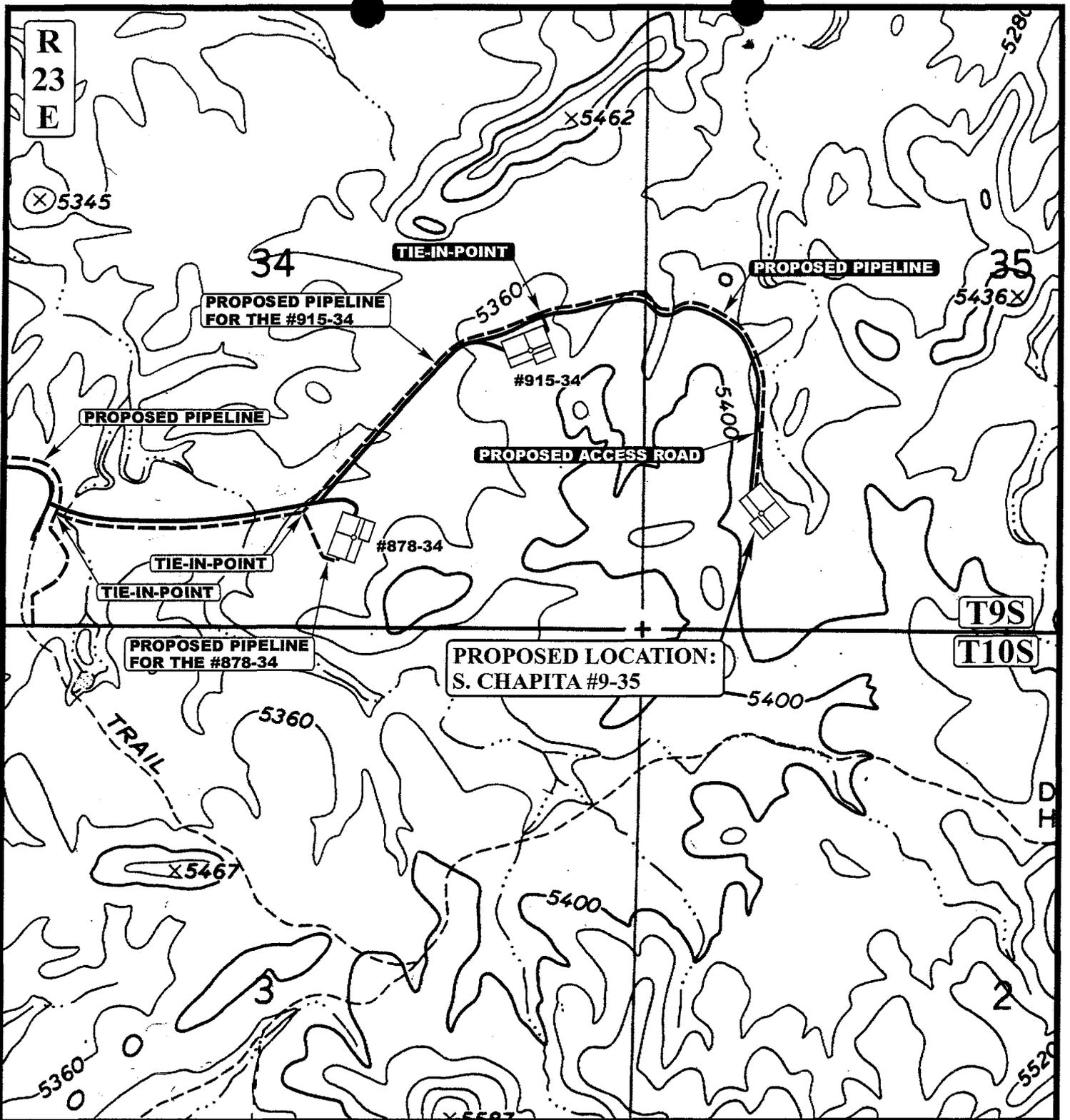
**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC** 02 10 04  
**MAP** MONTH DAY YEAR

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







APPROXIMATE TOTAL PIPELINE DISTANCE = 2,700' +/-

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE



**EOG RESOURCES, INC.**

S. CHAPITA #9-35  
 SECTION 35, T9S, R23E, S.L.B.&M.  
 859' FSL 857' FWL



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

TOPOGRAPHIC MAP  
 02 10 04  
 MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00

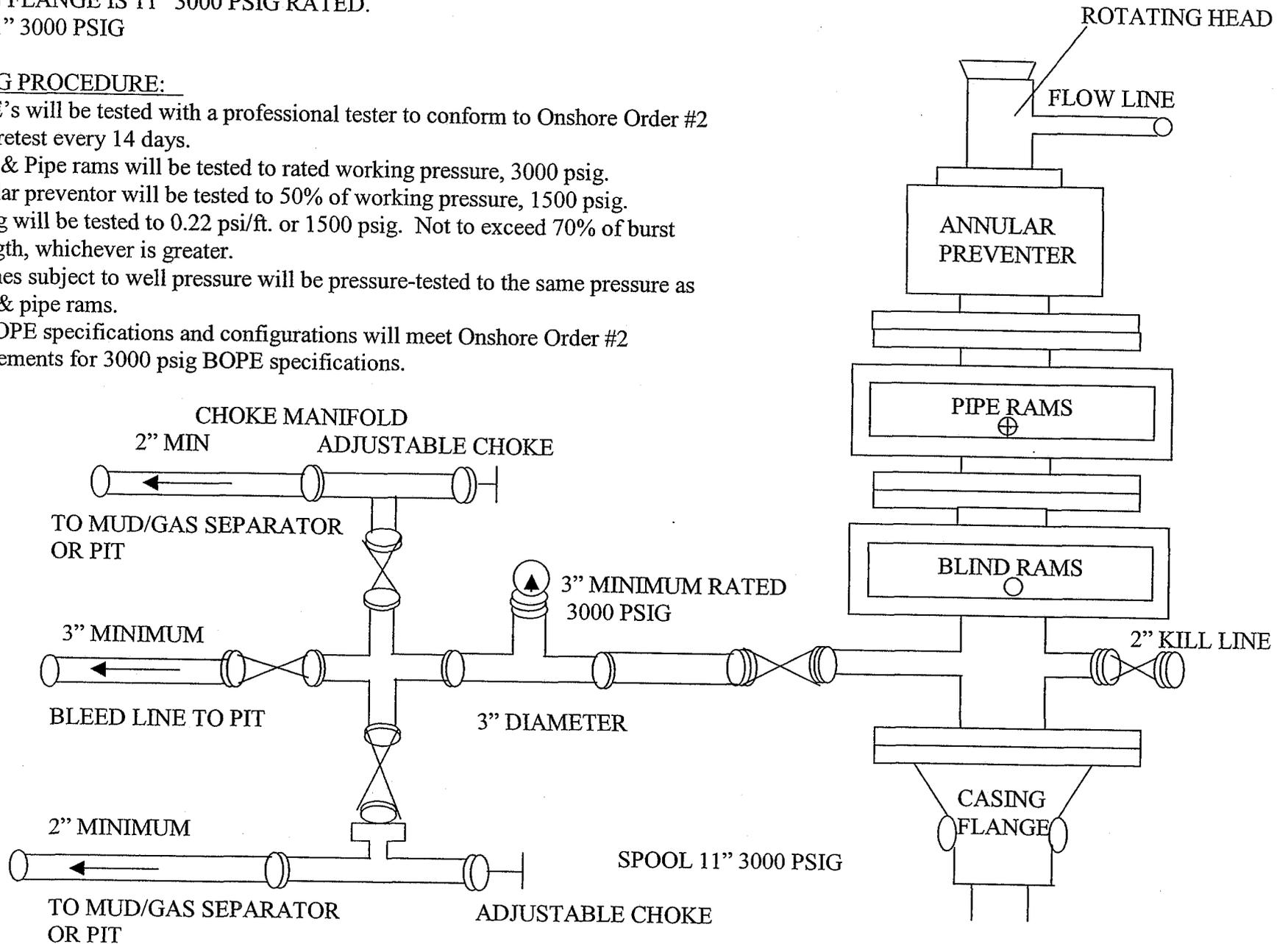


## 3000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 3000 PSIG RATED.  
 CASING FLANGE IS 11" 3000 PSIG RATED.  
 BOPE 11" 3000 PSIG

### TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 3000 psig.
3. Annular preventor will be tested to 50% of working pressure, 1500 psig.
4. Casing will be tested to 0.22 psi/ft. or 1500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 3000 psig BOPE specifications.



WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/26/2004

API NO. ASSIGNED: 43-047-35597

WELL NAME: S CHAPITA 9-35  
OPERATOR: EOG RESOURCES INC ( N9550 )  
CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWSW 35 090S 230E  
SURFACE: 0859 FSL 0857 FWL  
BOTTOM: 0859 FSL 0857 FWL  
UINTAH  
NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
LEASE NUMBER: U-0344  
SURFACE OWNER: 1 - Federal  
PROPOSED FORMATION: PRRV  
COALBED METHANE WELL? NO

LATITUDE: 39.98755  
LONGITUDE: 109.29982

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 \_\_\_\_\_

R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells

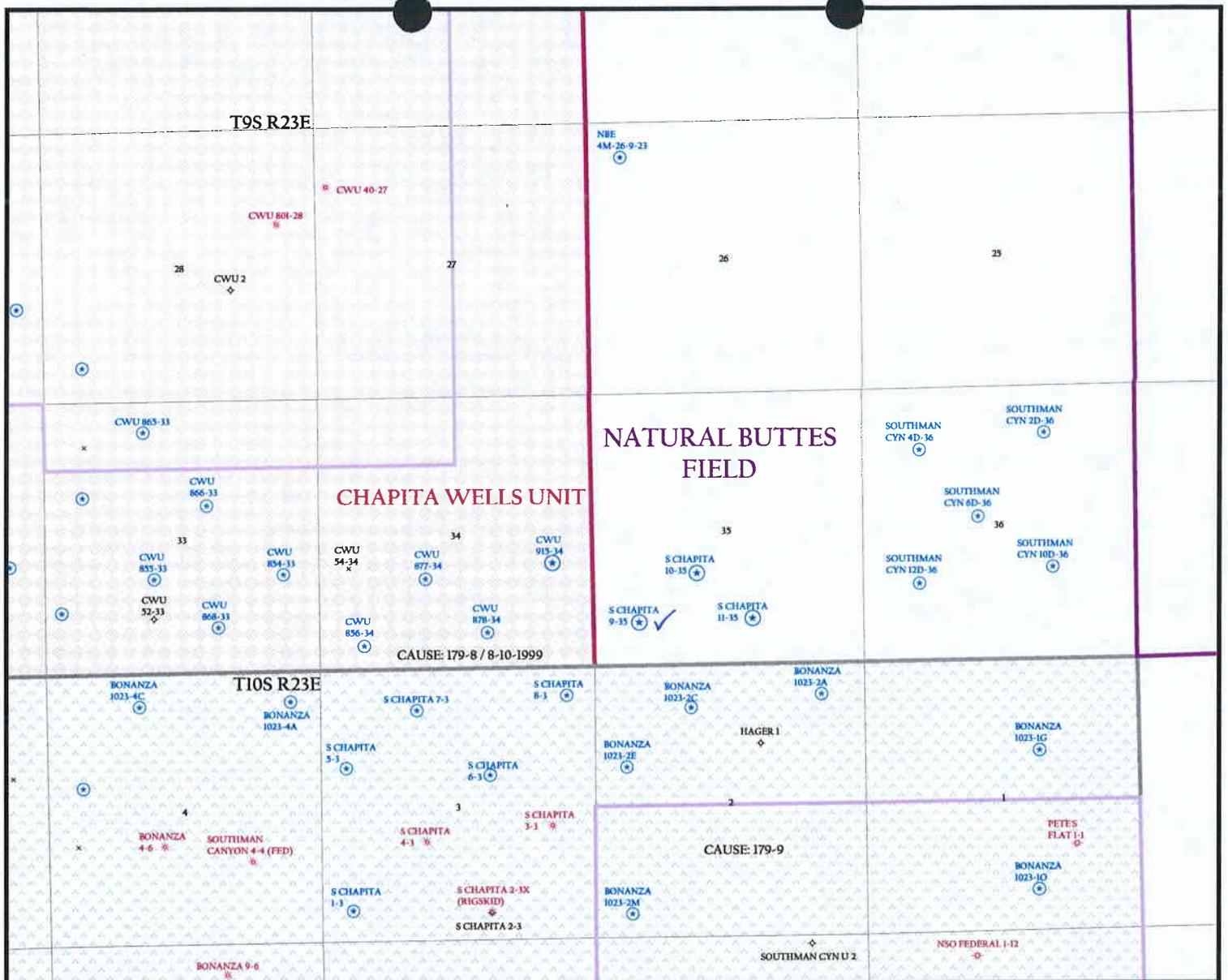
\_\_\_ R649-3-3. Exception

\_\_\_ Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_

\_\_\_ R649-3-11. Directional Drill

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

STIPULATIONS: 1- Federal Approval  
2- Spacing Strip  
\_\_\_\_\_  
\_\_\_\_\_



**NATURAL BUTTES FIELD**

**CHAPITA WELLS UNIT**

**T10S R23E**

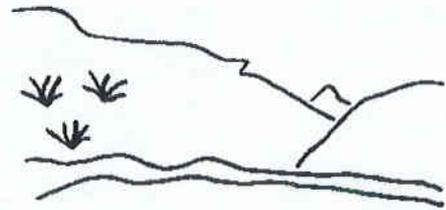
OPERATOR: EOG RESOURCES INC (N9550)

SEC. 35 T.9S, R.23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

**Well Status**

- ♣ 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-MARCH-2004



State of Utah

Department of  
Natural Resources

Division of  
Oil, Gas & Mining

ROBERT L. MORGAN  
*Executive Director*

LOWELL P. BRAXTON  
*Division Director*

March 29, 2004

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

Re: South Chapita 9-35 Well, 859' FSL, 857' FWL, SW SW, Sec. 35, T. 9 South,  
R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35597.

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** South Chapita 9-35  
**API Number:** 43-047-35597  
**Lease:** U-0344

**Location:** SW SW                      **Sec.** 35                      **T.** 9 South                      **R.** 23 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

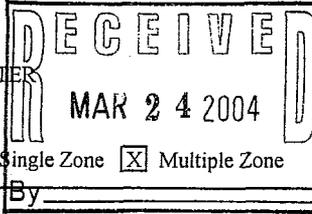
4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

005

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 **859' FSL, 857' FWL SW/SW**  
At proposed prod. Zone  
10. Field and Pool, or Exploratory  
**NATURAL BUTTES**  
11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 35, T9S, R23E,  
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office\*  
**24.5 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. (Also to nearest drig. Unit line, if any)  
**857'** 16. No. of Acres in lease  
**640** 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  
**8350'** 19. Proposed Depth  
**8350'** 20. BLM/BIA Bond No. on file  
**NM-2308**

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5370.9 FEET GRADED GROUND** 22. Approximate date work will start\*  
**UPON APPROVAL** 23. Esti mated duration  
**45 DAYS**

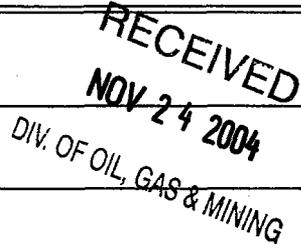
24. Attachments

Attachments

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

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification.
- Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature Name (Printed/Typed)  
**Ed Trotter** Date  
**March 18, 2004**  
Title  
**Agent**



Approved by (Signature) Name (Printed/Typed)  
**Thomas Blount** Date  
**11/19/2004**  
Title  
**Assistant Field Manager  
Mineral Resources** Office

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. **CONDITIONS OF APPROVAL 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  
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources, Inc.  
Well Name & Number: South Chapita 9-35  
Lease Number: U-0344  
API Number: 43-047-35597  
Location: SWSW Sec. 35 T. 9S R. 23E  
Agreement: N/A

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

**CONDITIONS OF APPROVAL FOR NOTICE TO DRILL**

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

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

DRILLING PROGRAM

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

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

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

2. Pressure Control Equipment

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

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

3. Casing Program and Auxiliary Equipment

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

All casing strings below the conductor shall be pressure tested to 0.22 psi/ft of casing string length or 1500 psi, whichever is greater but not to exceed 70% of the minimum internal yield.

**The base of the usable water has been identified as  $\pm 3320'$ . The usable water must be isolated by either setting the intermediate casing at  $\pm 3520'$  or bringing the cement behind the production casing up to at least  $\pm 3120'$ .**

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.

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.

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

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. Written notification of such must be submitted to this office 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 emergencies, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

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

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

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal Field 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

**THERE ARE NO ADDITIONAL CONDITIONS FOR THE SURFACE USE PROGRAM.**

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

FORM 9

006

**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-0344
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:
PHONE NUMBER: (435) 789-4120		8. WELL NAME and NUMBER: SOUTH CHAPITA 9-35
4. LOCATION OF WELL		9. API NUMBER: 4304735597
FOOTAGES AT SURFACE: 859' FSL, 857' FWL		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 35 9S 23E S		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"/> 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 Division of  
Oil, Gas and Mining**

Date: 03-24-05  
By: [Signature]

COPY SENT TO OPERATOR  
Date: 3-25-05  
Initials: CHD

NAME (PLEASE PRINT) <u>Ed Trotter</u>	TITLE <u>Agent</u>
SIGNATURE <u>[Signature]</u>	DATE <u>3/19/2005</u>

(This space for State use only)

**RECEIVED**  
**MAR 23 2005**  
DIV. OF OIL, GAS & MINING

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

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

**API:** 4304735597  
**Well Name:** SOUTH CHAPITA 9-35  
**Location:** 859' FSL, 857' FWL, SWSW, Sec. 35, T9S, R23E  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 3/29/2004

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

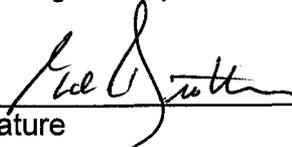
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

3/19/2005  
\_\_\_\_\_  
Date

Title: Agent  
\_\_\_\_\_

Representing: EOG Resources, Inc.  
\_\_\_\_\_

RECEIVED  
MAR 23 2005  
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-0344** **OCT 19 2005**

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
**SOUTH CHAPITA 9-35**

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

9. API Well No.  
**43-047-35597**

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)  
**859' FSL, 857' FWL SW/SW  
SECTION 35, T9S, R23E, 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"/> 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 checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	Extension
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	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 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 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.  
This APD was originally approved November 19, 2004.**

**CONDITIONS OF APPROVAL ATTACHED**

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

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

Title **Agent**

Signature *Ed Trotter*

Date **October 19, 2005**

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

Approved by *Mark Baker*

**Petroleum Engineer**

DATE

**OCT 21 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)

**RECEIVED**

**OCT 28 2005**

DIV. OF OIL, GAS & MINING

**UDOGM**

# CONDITIONS OF APPROVAL

## EOG Resources Inc.

### Notice of Intent APD Extension

**Lease:** UTU-0344  
**Well:** South Chapita 9-35  
**Location:** SWSW Sec 35-T9S-R23E

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

---

1. The extension and APD shall expire on 11/19/06
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

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG RESOUCES INC

Well Name: S CHAPITA 9-35

Api No: 43-047-35597 Lease Type: FEDERAL

Section 35 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRILLING RIG # 1

### **SPUDDED:**

Date 02/17/06

Time 11:00 AM

How DRY

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

Reported by DALL COOK

Telephone # 1-435-828-3630

Date 02/17/2006 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES  
Address: P.O. BOX 1815  
city VERNAL  
state UT zip 84078

Operator Account Number: N 9550

Phone Number: (307) 276-4842

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36951	CHAPITA WELLS UNIT 1067-03		SWNE	3	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>B</i>	99999	14473	2/19/2006		2/22/06		
Comments: <i>PRRV=MVRD = unit pa - K</i>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36597	SOUTH CHAPITA 9-35		SWSW	35	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>A</i>	99999	15203	2/17/2006		2/22/06		
Comments: <i>PRRV=MVRD - J</i>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36814	EAST CHAPITA 7-16		NESE	16	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>A</i>	99999	15204	2/20/2006		2/22/06		
Comments: <i>PRRV=MVRD - J</i>							

**ACTION CODES:**

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

Kaylene R. Gardner

Name (Please Print)

Signature

Regulatory Assistant

Title

2/21/2006

Date

(6/2000)

RECEIVED

FEB 21 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)  
**307-276-3331**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SWSW 859 FSL 857 FWL S.L.B.&M  
 SECTION 35, T9S, R23E 39.987589 LAT 109.299892 LON**

5. Lease Serial No.  
**U-0344**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**SOUTH CHAPITA 9-35**

9. API Well No.  
**43-047-35597**

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 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 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.)

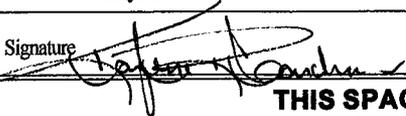
**EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.**

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 **02/21/2006**

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

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

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

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

(Instructions on page 2)

**RECEIVED**

**FEB 23 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)  
**307-276-3331**

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**SWSW 859 FSL 857 FWL S.L.B.&M  
 SECTION 35, T9S, R23E 39.987589 LAT 109.299892 LON**

5. Lease Serial No.  
**U-0344**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**SOUTH CHAPITA 9-35**

9. API Well No.  
**43-047-35597**

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>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 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.)

**EOG Resources, Inc. spud a 20" surface hole at the referenced location 2/17/2006 at 11:00 a.m. Jerry Barnes, 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 2/17/2006 @ 9:00 a.m.**

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

**Kaylene R. Gardner**

Title **Regulatory Assistant**

Signature



Date

**02/21/2006**

**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)

**FEB 23 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.**

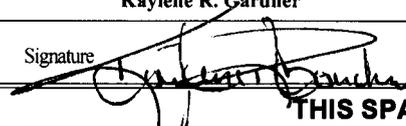
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>U-0344</b>
2. Name of Operator <b>EOG RESOURCES, INC.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>P.O. BOX 1815 VERNAL UT, 84078</b>	3b. Phone No. (include area code) <b>307-276-3331</b>	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>SWSW 859 FSL 857 FWL S.L.B.&amp;M SECTION 35, T9S, R23E 39.987589 LAT 109.299892 LON</b>		8. Well Name and No. <b>SOUTH CHAPITA 9-35</b>
		9. API Well No. <b>43-047-35597</b>
		10. Field and Pool, or Exploratory Area <b>NATURAL BUTTES</b>
		11. County or Parish, State <b>UINTAH COUNTY, UT</b>

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

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

**INITIAL PRODUCTION: The referenced well was turned to sales at 10:30 a.m., 5/17/2006 through Questar meter # 6987 on a 10/64" choke. Opening pressure, CP 3000 psig.**

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) <b>Kaylene R. Gardner</b>		Title <b>Regulatory Assistant</b>
Signature 		Date <b>05/17/2006</b>

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

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

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

(Instructions on page 2)

**MAY 18 2006**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

2. Name of Operator **EOG Resources, Inc.**

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

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

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*

At surface **859' FSL & 857' FWL (SWSW) 39.987589 LAT 109.299892 LON**

At top prod. interval reported below **Same**

At total depth **Same**

14. Date Spudded  
**02/17/2006**

15. Date T.D. Reached  
**04/15/2006**

16. Date Completed **05/17/2006**  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
**5372 NAT GL**

18. Total Depth: MD **8350**  
TVD

19. Plug Back T.D.: MD **8294**  
TVD

20. Depth Bridge Plug Set: MD **7815**  
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

**RST/CBL/CCL/VDI/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 Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	J-55	36.0#	0-1937		725 sx			
7-7/8"	4-1/2"	N-80	11.6#	0-8336		1635 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)

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) <b>Mesaverde</b>	<b>6180</b>	<b>8125</b>	<b>7840-8125</b>		<b>2/spf</b>	
B)			<b>7607-7799</b>		<b>3/spf</b>	
C)			<b>7365-7494</b>		<b>3/spf</b>	
D)			<b>7125-7313</b>		<b>2/spf</b>	

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

Depth Interval	Amount and Type of Material
<b>7840-8125</b>	<b>57,243 GALS GELLED WATER &amp; 169,948# 20/40 SAND</b>
<b>7607-7799</b>	<b>47,331 GALS GELLED WATER &amp; 130,000# 20/40 SAND</b>
<b>7365-7494</b>	<b>46,869 GALS GELLED WATER &amp; 134,111# 20/40 SAND</b>
<b>7125-7313</b>	<b>54,219 GALS GELLED WATER &amp; 167,844# 20/40 SAND</b>

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
<b>05/17/2006</b>	<b>05/22/2006</b>	<b>24</b>	<b>→</b>	<b>23</b>	<b>842</b>	<b>228</b>			<b>FLWS FROM WELL</b>
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	<b>PRODUCING GAS WELL</b>
<b>12/64"</b>	<b>SI</b>	<b>2025</b>	<b>→</b>						

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
			<b>→</b>						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			<b>→</b>						

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

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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>6180</b>	<b>8125</b>		<b>Wasatch</b>	<b>4194</b>
				<b>Chapita Wells</b>	<b>4748</b>
				<b>Buck Canyon</b>	<b>5421</b>
				<b>North Horn</b>	<b>5868</b>
				<b>Island</b>	<b>5979</b>
				<b>Top Price River</b>	<b>6036</b>
				<b>Middle Price River</b>	<b>7149</b>
<b>Lower Price River</b>	<b>7713</b>				
				<b>Sego</b>	<b>8258</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 07/05/2006

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.

**RECEIVED** (Form 3160-4, page 2)

**JUL 07 2006**

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

**SCW 9-35 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

6952-7085	2/spf
6764-6910	3/spf
6180-6403	3/spf

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

6952-7085	57,075 GALS GELLED WATER & 170,430# 20/40 SAND
6764-6910	55,269 GALS GELLED WATER & 167,556# 20/40 SAND
6180-6403	58,125 GALS GELLED WATER & 163,111# 20/40 SAND

Perforated the Lower Price River from 7840-41', 7851-52', 7894-95', 7902-03', 7911-12', 7942-43', 7966-67', 7992-93', 8017-18', 8031-32', 8091-92', 8100-01', 8115-16' & 8124-25' w/ 2 spf.

Perforated the Middle Price River from 7607-08', 7614-15', 7624-25', 7631-32', 7639-40', 7648-49', 7658-59', 7689-90', 7708-09', 7751-52', 7789-90' & 7798-99' w/ 3 spf.

Perforated the Middle Price River from 7365-66', 7379-80', 7390-91', 7397-98', 7412-13', 7433-34', 7448-49', 7462-64' & 7493-94' w/ 3 spf.

Perforated the Middle Price River from 7125-27', 7139-40', 7146-47', 7177-78', 7182-83', 7206-07', 7237-38', 7259-60', 7267-68', 7288-89', 7298-99' & 7311-13' w/ 2 spf.

Perforated the Upper Price River from 6952-54', 6968-69', 6978-79', 7007-08', 7014-15', 7028-29', 7041-42', 7057-58', 7068-69', 7077-78' & 7083-85' w/ 2 spf.

Perforated the Upper Price River from 6764-65', 6771-73', 6815-16', 6853-54', 6866-68', 6877-78', 6891-92', 6903-04' & 6908-10' w/ 3 spf.

Perforated the Upper Price River from 6180-81', 6194-95', 6212-13', 6245-46', 6293-94', 6338-40', 6348-50', 6370-71', 6395-96' & 6402-03' w/ 3 spf.

**RECEIVED**  
**JUL 07 2006**

DIV. OF OIL, GAS & MINING

43-047-35597



February 9, 2007

**EOG Resources, Inc.**  
600 Seventeenth St., Ste. 1100 N  
Denver, CO 80202  
(303) 572-9000  
Fax (303) 824-5400

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

RE: South Chapita #09-35  
T09S-R23E-Sec.35  
Uintah, Utah

Gentlemen:

Enclosed herewith are the following logs and data associated with the subject well:

Cement Bond Log Gamma Ray Casing Collars  
RST Gamma Ray Casing Collars

If you have any questions, please do not hesitate to contact me.

Very truly yours,

EOG RESOURCES, INC.

Delores Montoya  
Exploration & Operations Senior Secretary  
Denver Office

Enc.  
Cc: Well File

**RECEIVED**  
**FEB 15 2007**  
**DIV. OF OIL, GAS & MINING**

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0344

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
SOUTH CHAPITA 9-35

2. Name of Operator  
EOG RESOURCES, INC. Contact: MICKENZIE THACKER  
E-Mail: MICKENZIE\_THACKER@EOGRESOURCES.COM

9. API Well No.  
43-047-35597

3a. Address  
1060 E. HWY 40  
VERNAL, UT 84078

3b. Phone No. (include area code)  
Ph: 453-781-9145

10. Field and Pool, or Exploratory  
NATURAL BUTTES

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 35 T9S R23E SWSW 859FSL 857FWL  
39.98759 N Lat, 109.29989 W Lon

11. County or Parish, and State  
UINTAH COUNTY, UT

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input 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 checked="" 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 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.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 7/20/2008.

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

**Electronic Submission #66982 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER

Title OPERATIONS CLERK

Signature *Mickenzie Thacker*

Date 02/04/2009

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

Approved By \_\_\_\_\_

Title

Date

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

Office

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

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

**RECEIVED  
FEB 09 2009**

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