

002

RECEIVED

JUN 18 2004

DIV. OF OIL, GAS & MINING

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

June 17, 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
STATE 1-16
NW/SW, SEC. 16, T11S, R19E
UINTAH COUNTY, UTAH
LEASE NO.: UT ST ML-49054
UTAH STATE LANDS

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

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

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

Sincerely,



Ed Trotter
Agent
EOG Resources, Inc.

Attachments

001

RECEIVED
JUN 18 2004

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

DIV. OF OIL, GAS & MINING FORM 3

AMENDED REPORT
(highlight changes)

APPLICATION FOR PERMIT TO DRILL		5. MINERAL LEASE NO: UT ST ML-49054	6. SURFACE: State
1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/>		7. IF INDIAN, ALLOTTEE OR TRIBE NAME:	
B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>		8. UNIT or CA AGREEMENT NAME:	
2. NAME OF OPERATOR: EOG RESOURCES, INC.		9. WELL NAME and NUMBER: STATE 1-16	
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078		PHONE NUMBER: (435) 789-0790	10. FIELD AND POOL, OR WILDCAT: Wildcat
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1960 FSL, 758 FWL 602452 X 39.85844 AT PROPOSED PRODUCING ZONE: SAME 4412524 Y 109.80228		11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 11S 19E	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 27.1 MILES SOUTHEAST OF OURAY, UTAH		12. COUNTY: UINTAH	13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 758	16. NUMBER OF ACRES IN LEASE: 640	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:	
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) SEE TOPO MAP C	19. PROPOSED DEPTH: 10,600	20. BOND DESCRIPTION: JP-0921	
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5738.7 FINISHED GRADE ELEVATION	22. APPROXIMATE DATE WORK WILL START: 7/17/2004	23. ESTIMATED DURATION: 45 DAYS	

24. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
17 1/2"	13 3/8" H-40 48.0#	250	SEE 8 POINT PLAN
12 1/4"	9 5/8" J-55 36.0#	2,700	SEE 8 POINT PLAN
7 7/8"	4 1/2" P-110 11.6#	10,600	SEE 8 POINT PLAN

25. ATTACHMENTS

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

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

NAME (PLEASE PRINT) Ed Trotter TITLE Agent
SIGNATURE [Signature] DATE 6/17/2004

(This space for State use only)

API NUMBER ASSIGNED: 43-047-35804

APPROVAL:

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 04-11-05
By: [Signature]

RECEIVED

JUN 18 2004

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

DIV. OF OIL, GAS & MINING FORM 3

AMENDED REPORT
(highlight changes)

001

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

NAME (PLEASE PRINT) Ed Trotter TITLE Agent
SIGNATURE [Signature] DATE 6/17/2004

(This space for State use only)

API NUMBER ASSIGNED: 43-047-35800

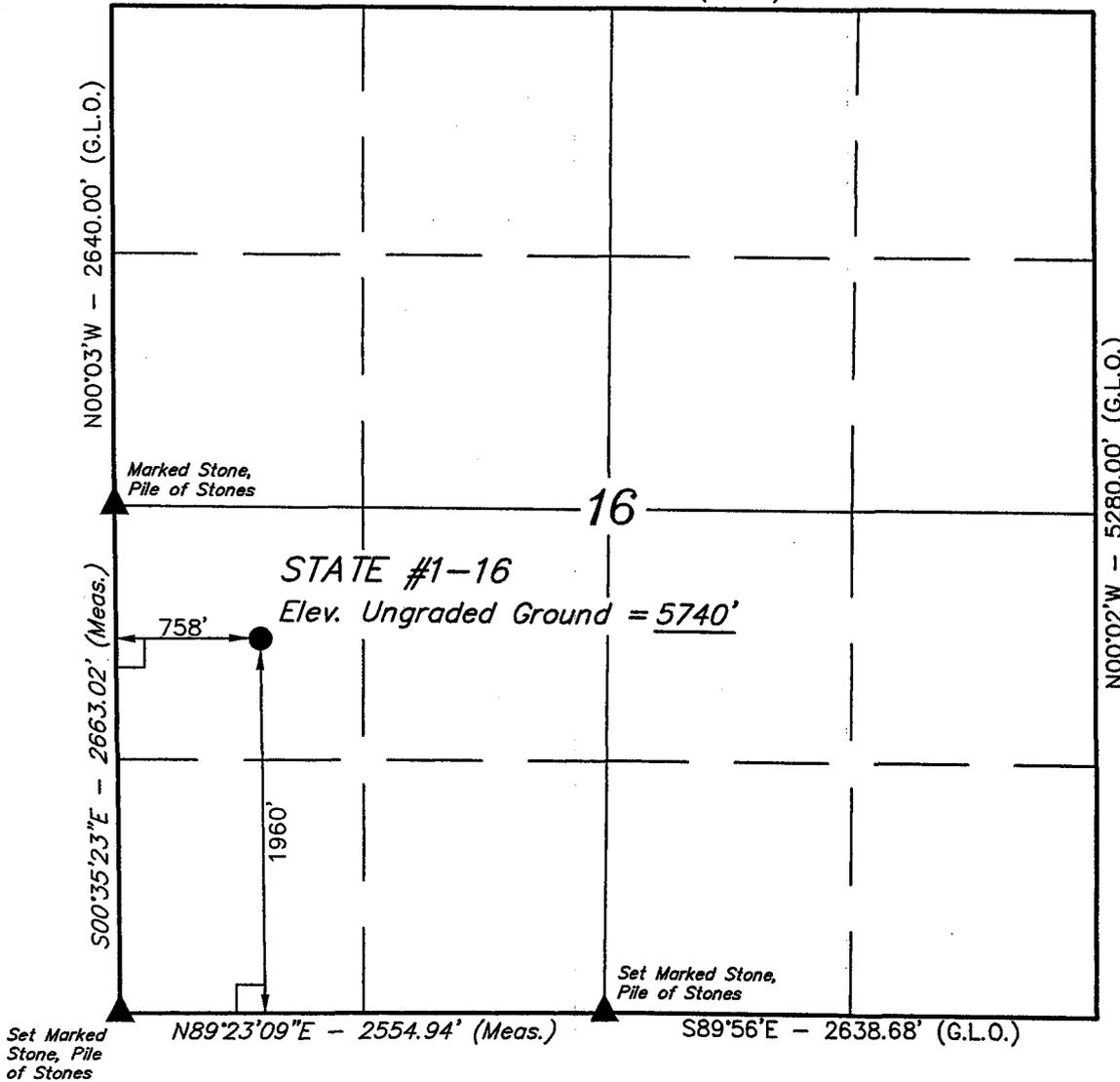
APPROVAL:

T11S, R19E, S.L.B.&M.

EOG RESOURCES, INC.

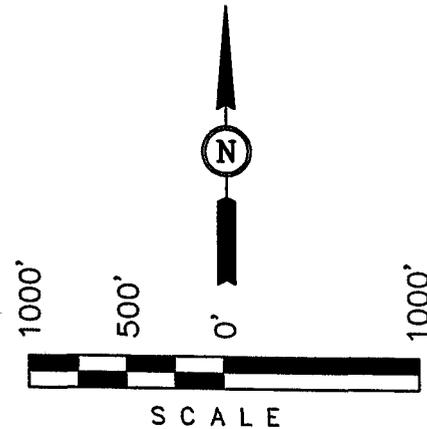
Well Location, STATE #1-16, located as shown in the NW 1/4 SW 1/4 of Section 16, T11S, R19E, S.L.B.&M. Uintah County, Utah.

N89°59'E - 5282.64' (G.L.O.)



BASIS OF ELEVATION

BENCH MARK (40WF) LOCATED IN THE NW 1/4 OF SECTION 28, T11S, R19E, S.L.B.&M. TAKEN FROM THE NUTTERS HOLE QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5945 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE DEED 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.

161310
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161310
 STATE OF UTAH

LEGEND:

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

BASIS OF BEARINGS

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

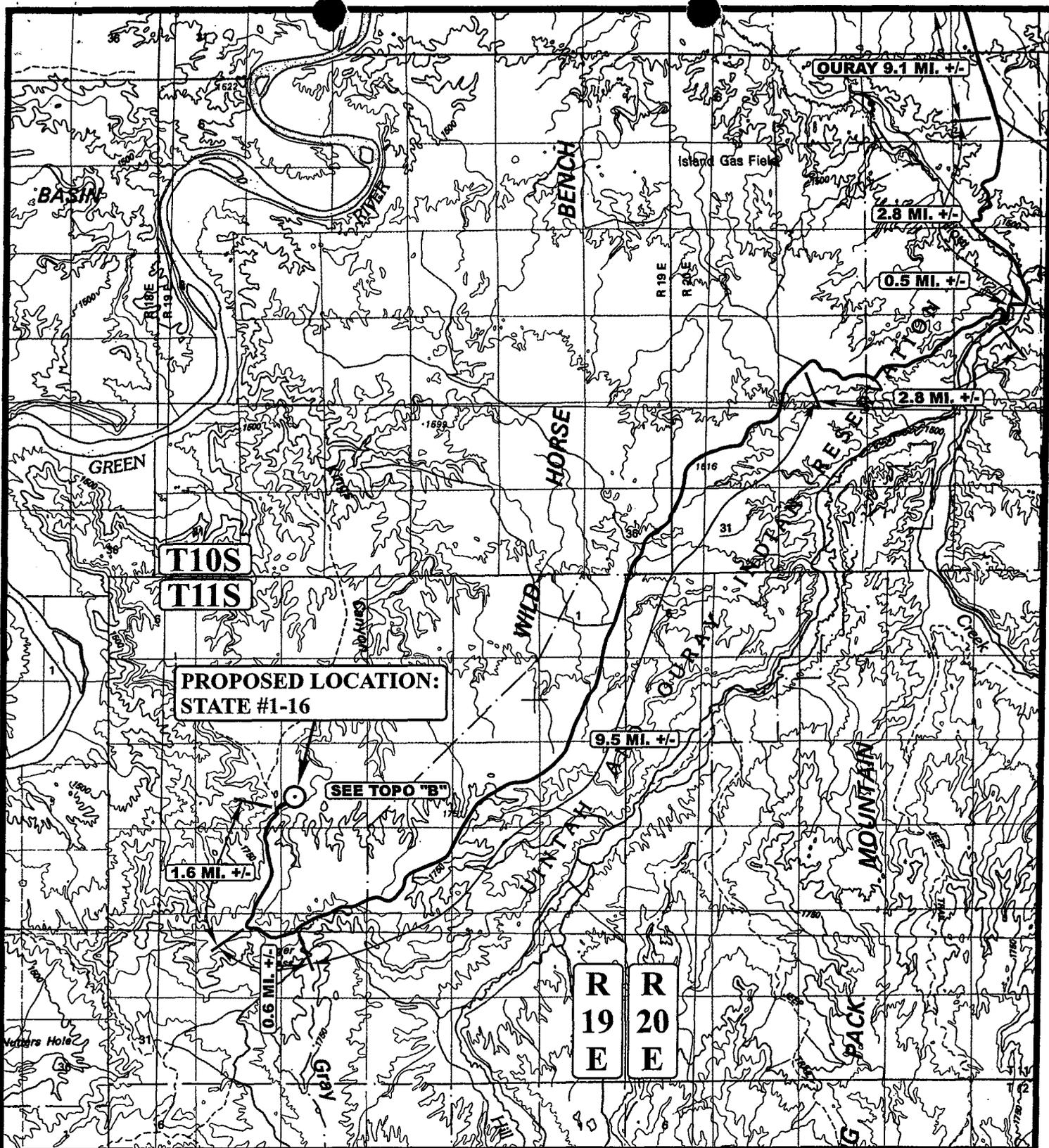
(AUTONOMOUS NAD 83)

LATITUDE = 39°51'30.53" (39.858481)

LONGITUDE = 109°48'10.63 (109.802953)

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

SCALE 1" = 1000'	DATE SURVEYED: 5-25-04	DATE DRAWN: 5-28-04
PARTY D.K. L.M. K.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	



LEGEND:

○ PROPOSED LOCATION



EOG RESOURCES, INC.

STATE #1-16
SECTION 16, T11S, R19E, S.L.B.&M.
1960' FSL 758' FWL



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

TOPOGRAPHIC
MAP

06	01	04
MONTH	DAY	YEAR

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

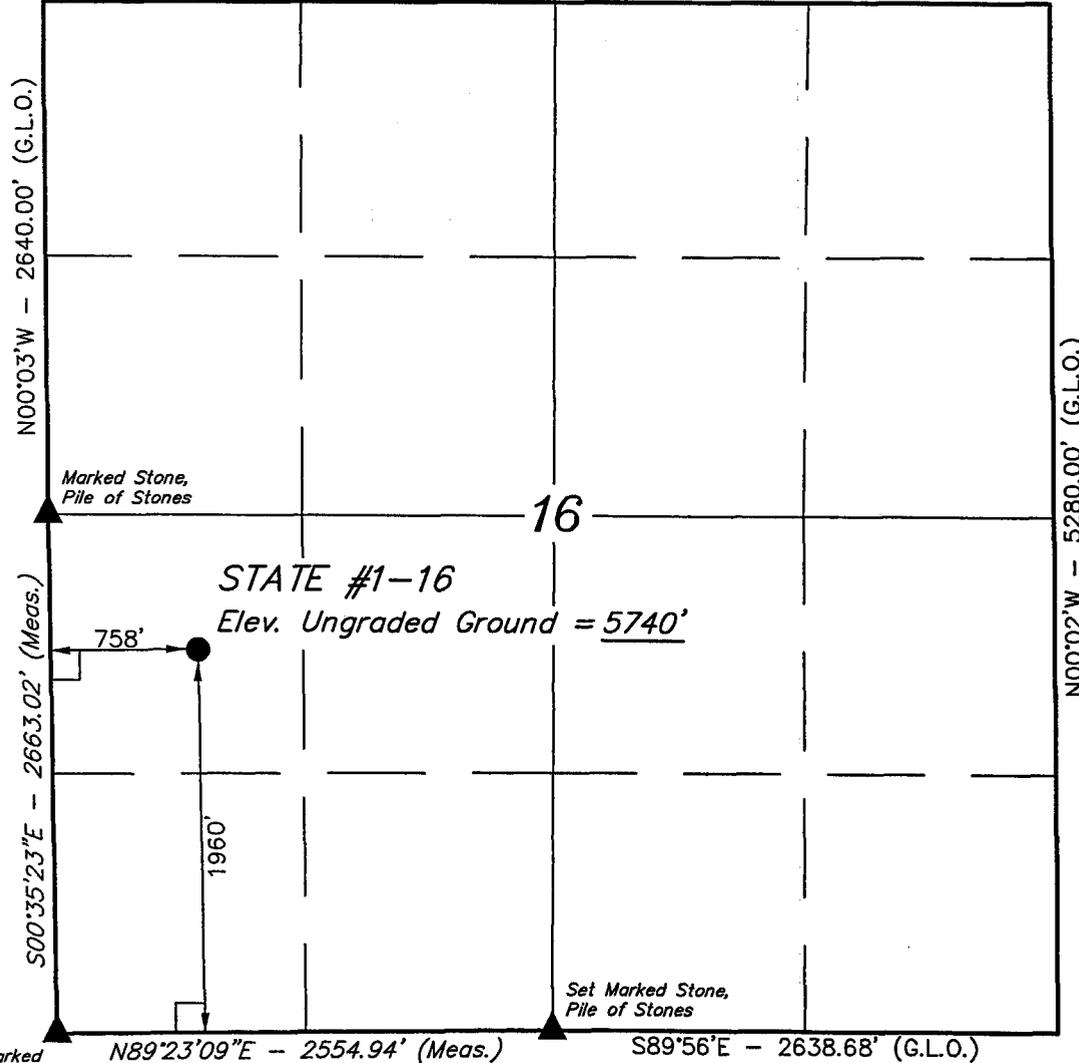


T11S, R19E, S.L.B.&M.

EOG RESOURCES, INC.

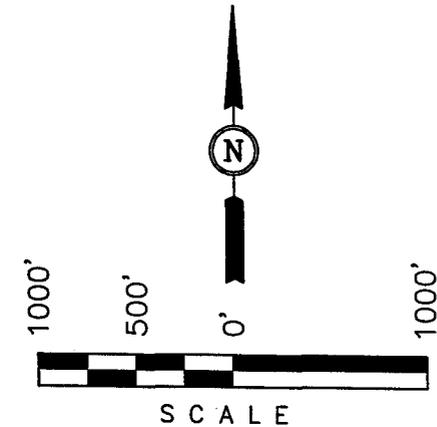
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100.161310
[Signature]
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161310
 STATE OF UTAH

Set Marked Stone, Pile of Stones

N89°23'09"E - 2554.94' (Meas.)

S89°56'E - 2638.68' (G.L.O.)

BASIS OF BEARINGS

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

(AUTONOMOUS NAD 83)

LATITUDE = 39°51'30.53" (39.858481)

LONGITUDE = 109°48'10.63 (109.802953)

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└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

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

SCALE 1" = 1000'	DATE SURVEYED: 5-25-04	DATE DRAWN: 5-28-04
PARTY D.K. L.M. K.G.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

STATE 1-16
NW/SW, SEC. 16, T11S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Wasatch	4,079'
Dark Canyon	7,139'
KMV Price River	7,397'
KMV Price River Middle	8,565'
Bluecastle	8,880'
Pressure Top	8,881'
KMV Price River Lower	9,240'
KMV Castlegate	9,760'
Base Castlegate SS	10,035'
KMV Blackhawk	10,065'
Sunnyside	10,492'

EST. TD: 10,600

Anticipated BHP 4600 PSI

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

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
<i>Option 1</i>									
17 1/2"	0' - 250'	250'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
12 1/4"	250' - 2700' +/- KB	2700' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2700' - TD +/-KB	10,620' +/-	4 1/2"	11.6 #	P-110	LT&C	7560 PSI	10,690 PSI	279,000#
<i>Option 2</i>									
12 1/4"	0' - 2700' +/- KB	2300' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2700' - TD +/-KB	10,620' +/-	4 1/2"	11.6 #	P-110	LT&C	7560 PSI	10,690 PSI	279,000#

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

All casing will be new or inspected.

5. Float Equipment:

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

Guide Shoe

Insert Baffle

Wooden wiper plug

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

EIGHT POINT PLAN

STATE 1-16 NW/SW, SEC. 16, T11S, R19E, S.L.B.&M. UINTAH COUNTY, UTAH

Float Equipment (Continued):

Intermediate Hole Procedure (250'- 2700'):

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2700'-TD'):

FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at $\pm 7,687'$ (**Top of Price River**) and $\pm 4,500'$ (**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 2nd joint.

6. MUD PROGRAM

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

Air – Air Water Mist

Intermediate Hole Procedure (250'- 2700'):

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

Production Hole Procedure (2700'-TD):

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

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

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

EIGHT POINT PLAN

STATE 1-16

NW/SW, SEC. 16, T11S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

8. EVALUATION PROGRAM:

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

9. CEMENT PROGRAM:

Surface Hole Procedure (0-250' Below GL)

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

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

Intermediate Hole Procedure (250'- 2700'):

Option 1:

Lead: 140 sks: (50% excess volume) Class 'G' lead cement (coverage from 1700-1000') with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 475 sks: (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl₂) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft³/sk., 7.9 gps water.

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 ft³/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 ft³/sk., 5.2 gps water.

EIGHT POINT PLAN

STATE 1-16
NW/SW, SEC. 16, T11S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (2700' to TD)

Lead: 440 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: 760 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'- 2700'):

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

Production Hole (2700'-TD):

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

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

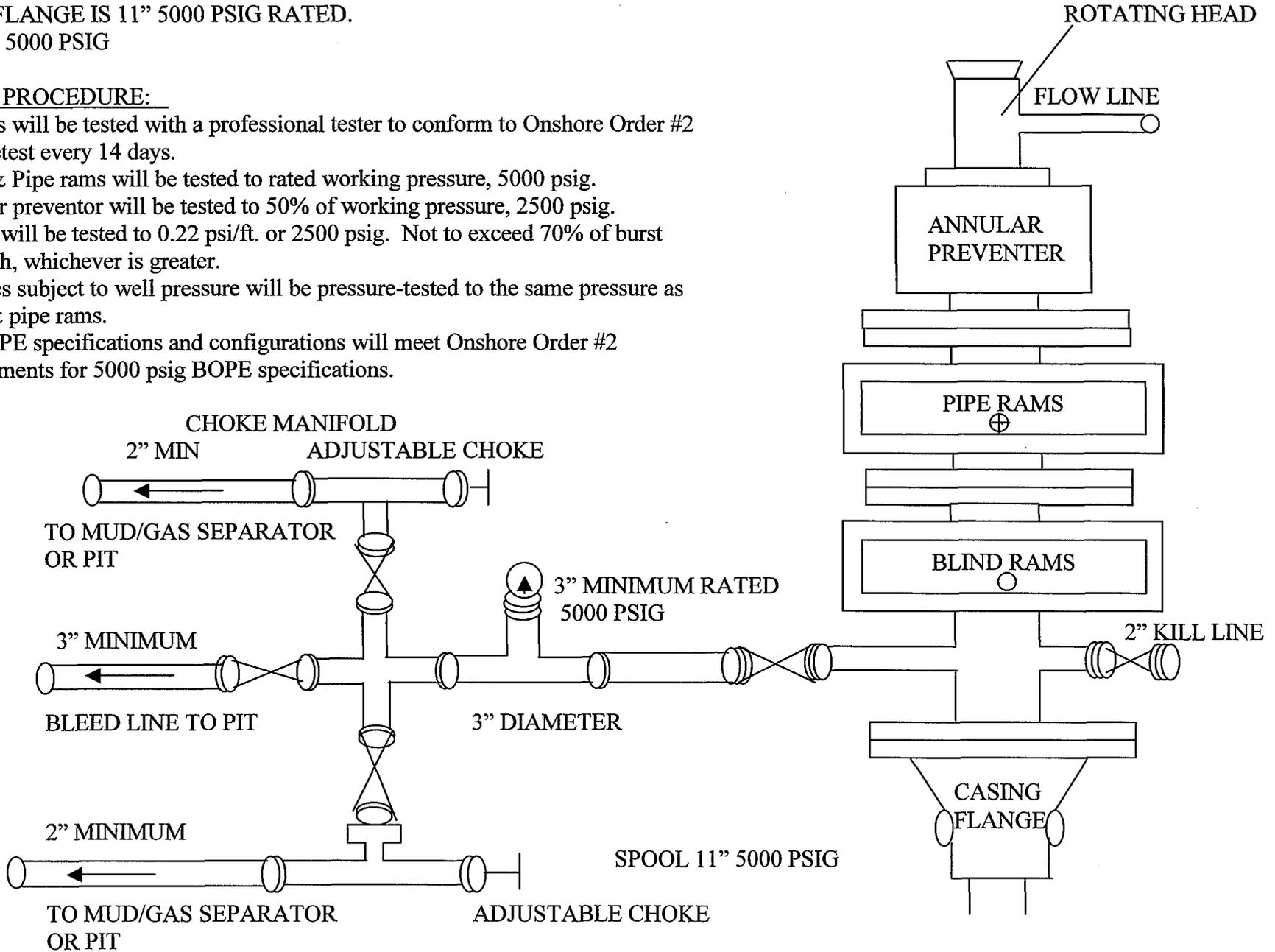
(Attachment: BOP Schematic Diagram)

5000 PSIG DIAGRAM

ANNULAR PREVENTOR AND BOTH RAMS ARE 5000 PSIG RATED.
CASING FLANGE IS 11" 5000 PSIG RATED.
BOPE 11" 5000 PSIG

TESTING PROCEDURE:

1. BOPE's will be tested with a professional tester to conform to Onshore Order #2 with retest every 14 days.
2. Blind & Pipe rams will be tested to rated working pressure, 5000 psig.
3. Annular preventor will be tested to 50% of working pressure, 2500 psig.
4. Casing will be tested to 0.22 psi/ft. or 2500 psig. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be pressure-tested to the same pressure as blind & pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements for 5000 psig BOPE specifications.



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

Company/Operator: EOG Resources, Inc.
Well Name & Number: State 1-16
Lease Number: UT ST ML-49054
Location: 1960' FSL & 758' FWL, NW/SW, Sec. 16,
T11S, R19E, S.L.B.&M.,
Uintah County, Utah

Surface Ownership: STATE OF UTAH

NOTIFICATION REQUIREMENTS

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 27.1 miles southeast of Ouray, Utah - See attached TOPO Map "A" .
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.2 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

All travel will be confined to existing access road Right-of-Way. Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service Publication: Surface Operating Standards For Oil & Gas Exploration and Development, (1989).

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

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Diverting water off at frequent intervals by means of cutouts shall prevent erosion of drainage ditches by

run off water. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

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

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

None (See attached TOPO map "C")

4. **LOCATION OF EXISTING AND/OR PROPOSED FACILITIES**

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of well head valves, separator, dehy, 210 Bbl condensate tank, meter house and attaching piping.
2. Gas gathering lines - A 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 24,000' from proposed location to a point in the SW/SE of Section 29, T10S, R19E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses State of Utah administered lands, thus a Right-of-Way grant will 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, unless more stringent protective requirements are deemed necessary by the authorized officer.

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

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

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

6. **SOURCE OF CONSTRUCTION MATERIAL**

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

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

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

- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

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

8. **ANCILLARY FACILITIES**

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

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

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

The stockpiled topsoil will be stored between Corners #2 and #8, as well as Northeast of Corner #6.

Access to the well pad will be from the South.

FENCING REQUIREMENTS:

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

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

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

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

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

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

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

11. SURFACE OWNERSHIP

Access road: State of Utah

Location: State of Utah

12. OTHER INFORMATION

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

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

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

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.

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.

6-17-2004
Date

Ed Trotter
Agent

EOG RESOURCES, INC.
STATE #1-16
SECTION 16, T11S, R19E, 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, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 9.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY, THEN NORTHERLY DIRECTION APPROXIMATELY 1.6 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 58.1 MILES.

EOG RESOURCES, INC.
STATE #1-16
 LOCATED IN UINTAH COUNTY, UTAH
 SECTION 16, T11S, R19E, S.L.B.&M.

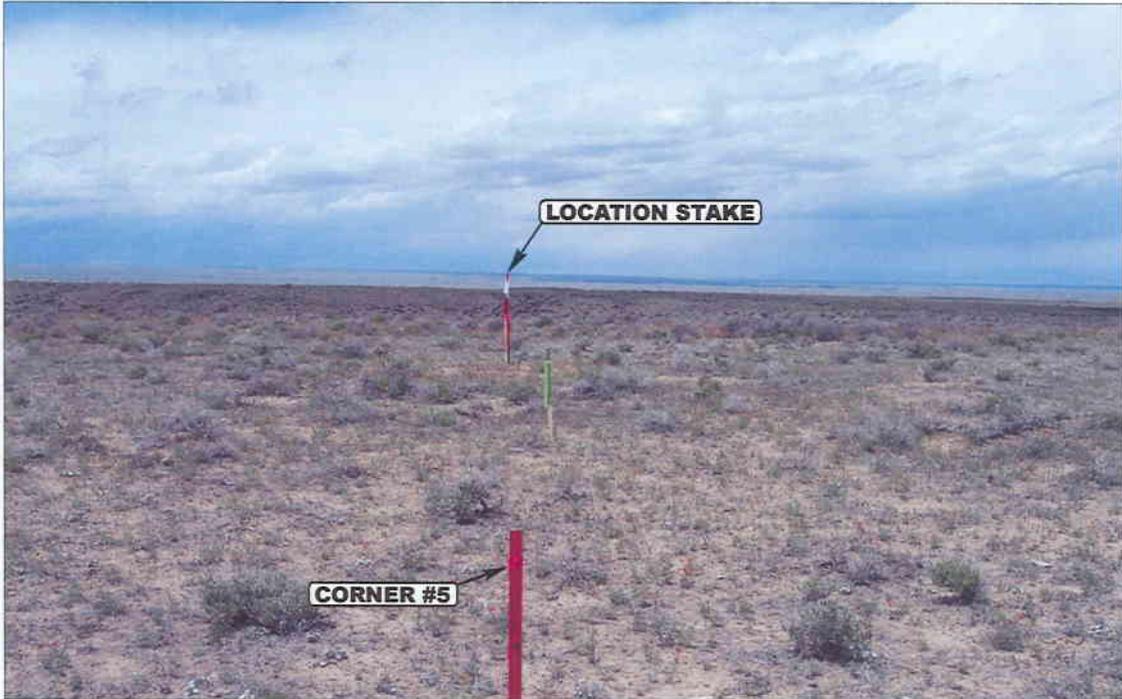


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

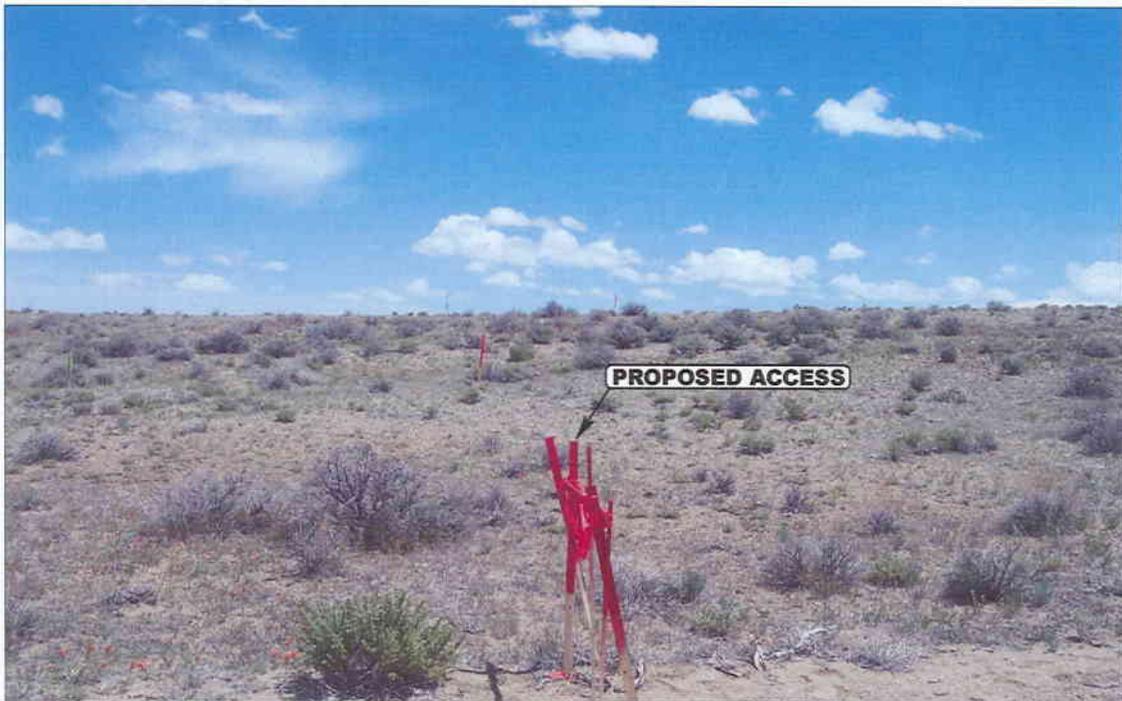


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



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

LOCATION PHOTOS			06	01	04	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: P.M.	REVISED: 00-00-00				

EOG RESOURCES, INC.

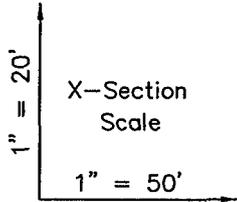
FIGURE #2

TYPICAL CROSS SECTIONS FOR

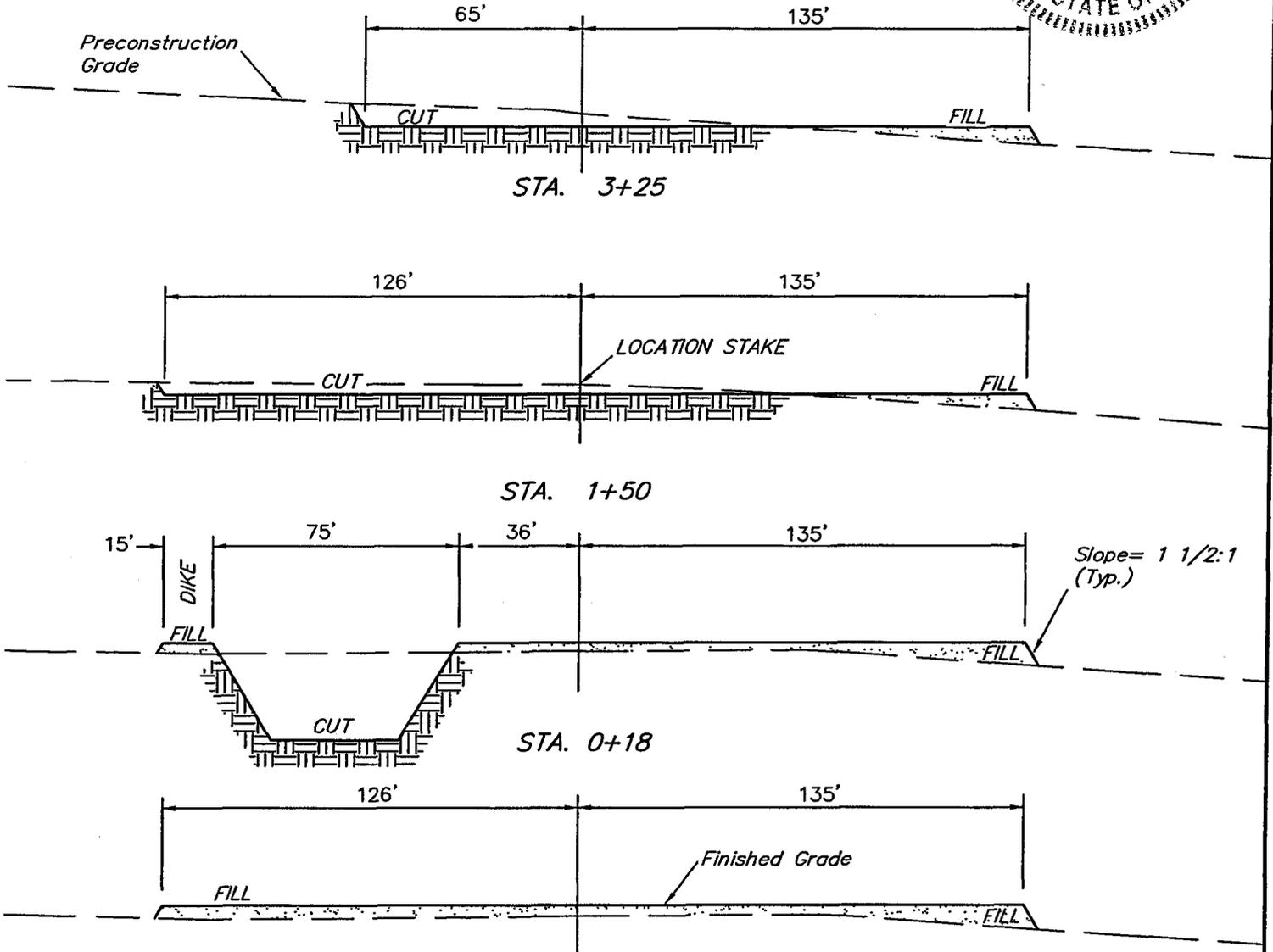
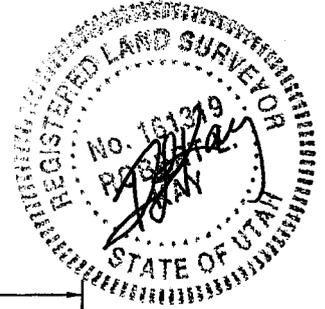
STATE #1-16

SECTION 16, T11S, R19E, S.L.B.&M.

1960' FSL 758' FWL



DATE: 5-28-04
Drawn By: K.G.



NOTE:

Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT

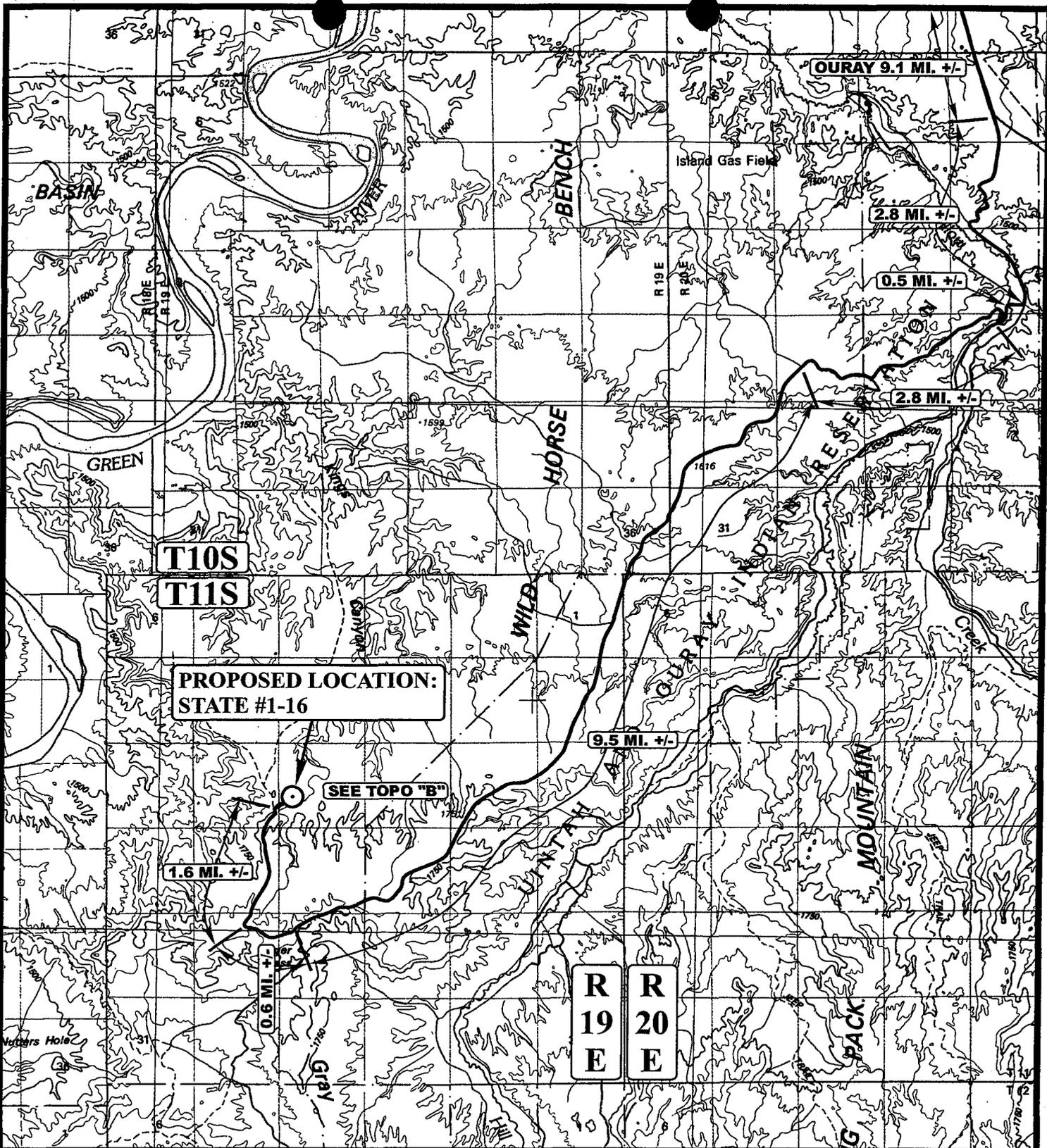
(6") Topsoil Stripping = 1,530 Cu. Yds.
Remaining Location = 3,950 Cu. Yds.

TOTAL CUT = 5,480 CU.YDS.

FILL = 2,230 CU.YDS.

EXCESS MATERIAL = 3,250 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,140 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = 110 Cu. Yds.

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



LEGEND:

○ PROPOSED LOCATION



EOG RESOURCES, INC.

STATE #1-16
SECTION 16, T11S, R19E, S.L.B.&M.
1960' FSL 758' FWL



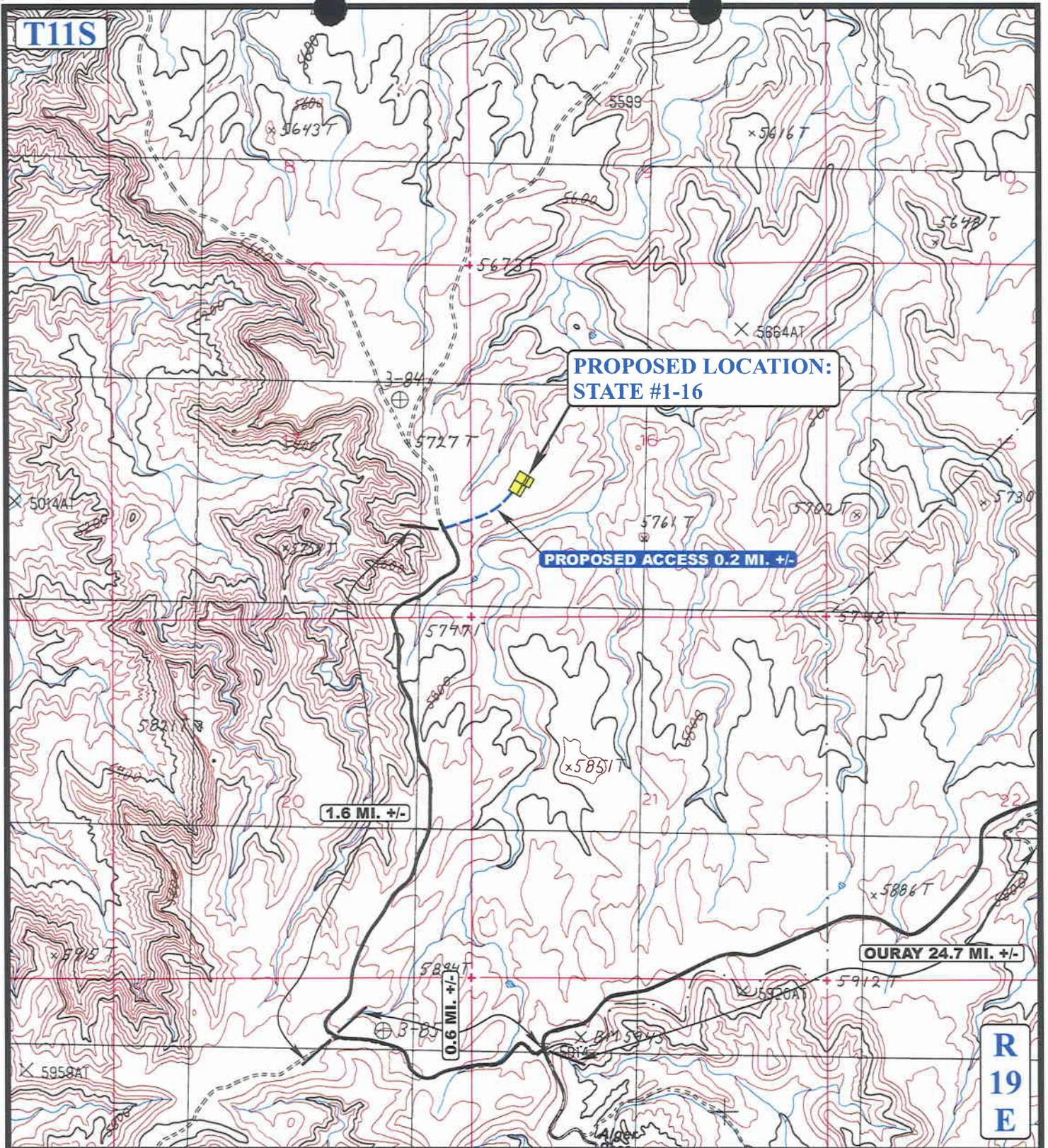
Utah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

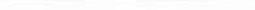
06	01	04
MONTH	DAY	YEAR

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





LEGEND:

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

STATE #1-16
 SECTION 16, T11S, R19E, S.L.B.&M.
 1960' FSL 758' FWL

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

TOPOGRAPHIC MAP 06 01 04
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



T11S

R
19
E

PROPOSED LOCATION:
STATE #1-16

LEGEND:

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

EOG RESOURCES, INC.

STATE #1-16
SECTION 16, T11S, R19E, S.L.B.&M.
1960' FSL 758' FWL



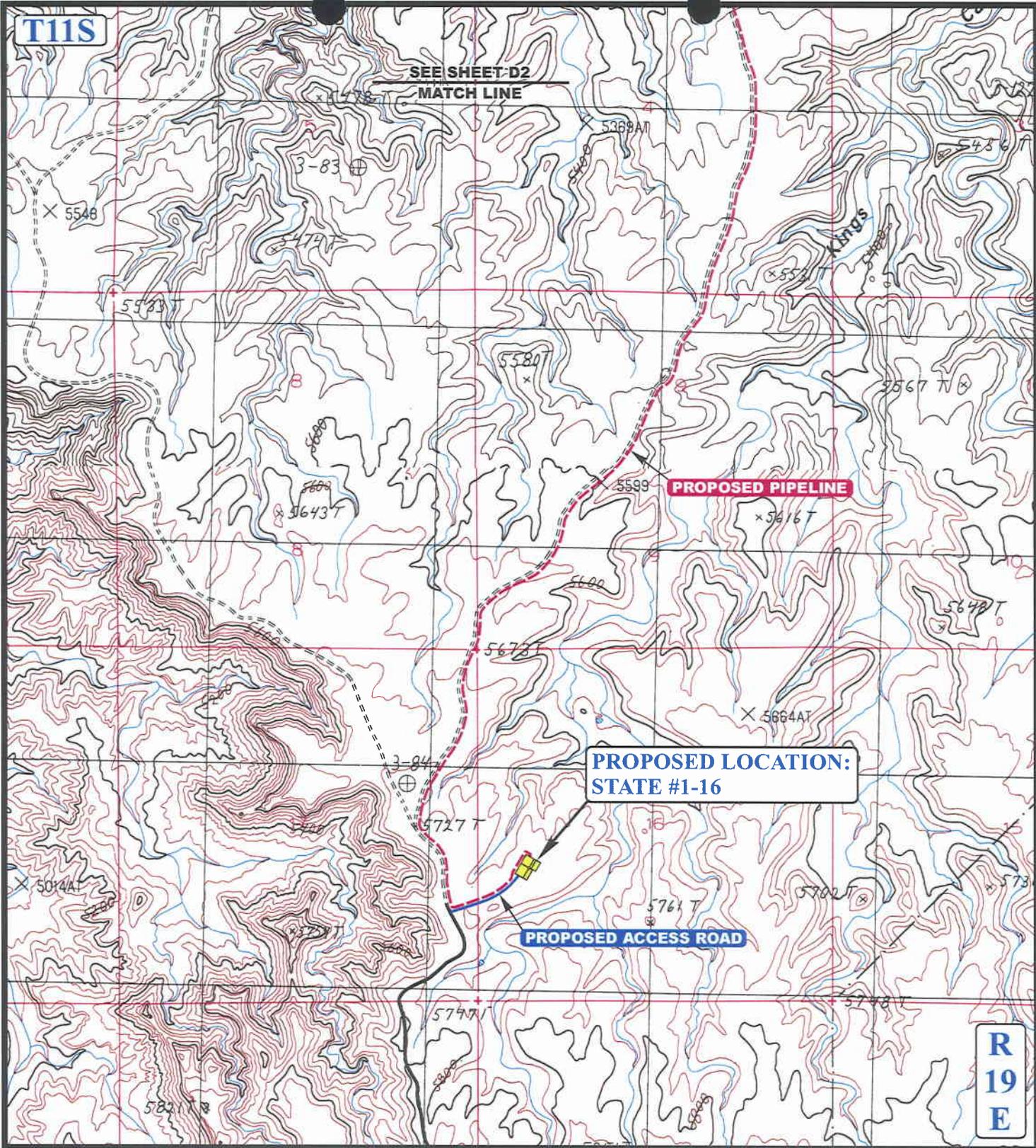
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC 06 01 04
MAP MONTH DAY YEAR

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





LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - - PROPOSED PIPELINE

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

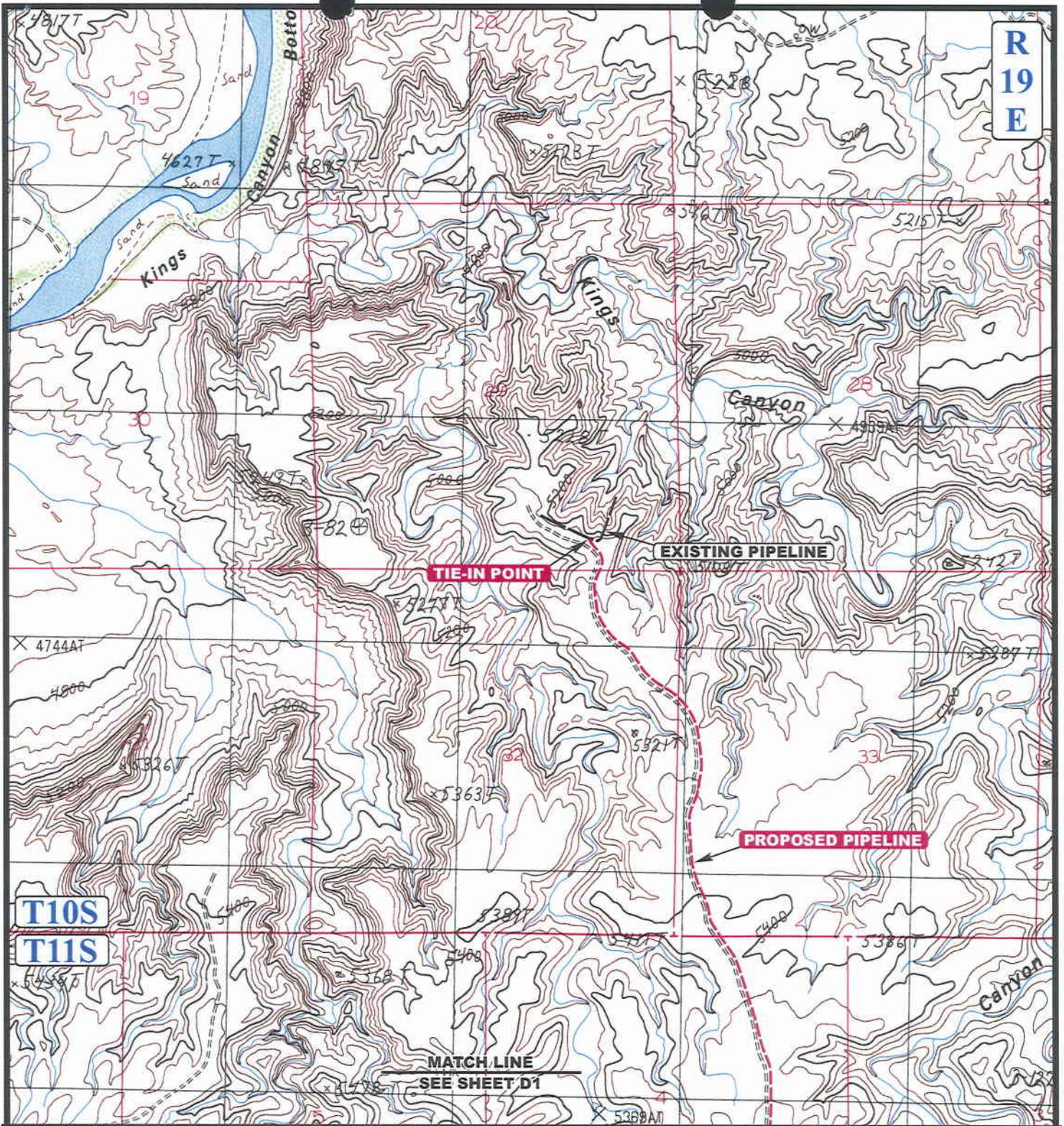


EOG RESOURCES, INC.

STATE #1-16
SECTION 16, T11S, R19E, S.L.B.&M.
1960' FSL 758' FWL

TOPOGRAPHIC MAP **06 01 04**
MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

D1
TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 24,000' +/-

LEGEND:

- EXISTING PIPELINE
- PROPOSED PIPELINE



EOG RESOURCES, INC.

**STATE #1-16
SECTION 16, T11S, R19E, S.L.B.&M.
1960' FSL 758' FWL**



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

TOPOGRAPHIC MAP **06 01 04**
MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/18/2004

API NO. ASSIGNED: 43-047-35806

WELL NAME: STATE 1-16
OPERATOR: EOG RESOURCES INC (N9550)
CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NWSW 16 110S 190E
SURFACE: 1960 FSL 0758 FWL
BOTTOM: 1960 FSL 0758 FWL
UINTAH
WILDCAT (1)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering	DRD	7/16/04
Geology		
Surface		

LEASE TYPE: 3 - State
LEASE NUMBER: ML-49054 *OK*
SURFACE OWNER: 3 - State
PROPOSED FORMATION: CSLGT
COALBED METHANE WELL? NO

LATITUDE: 39.85846
LONGITUDE: 109.80228

RECEIVED AND/OR REVIEWED:

- Plat
- Bond: Fed[] Ind[] Sta[3] Fee[]
(No. JP-0921 *OK*)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1501)
- RDCC Review (Y/N)
(Date: 07/23/2004)
- 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: Needs Permit (06-30-04)

STIPULATIONS: *1- Spacing Strip*

2- Surface Casing Cont Strip

3- 4 1/2" production casing Cont should be brought up to a min. depth of 3900' to isolate Water Formation

4- STATEMENT OF BASIS

T11S R19E

8

9

10

17

16

15

20

21

22

STATE 1-16



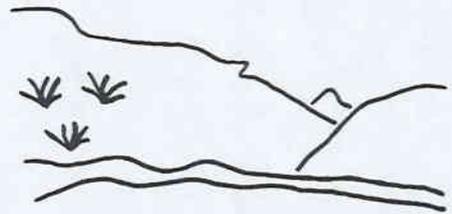
OPERATOR: EOG RESOURCES INC (N9550)

SEC. 16 T.11S, R.19E

FIELD: WILDCAT (001)

COUNTY: Uintah

SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells

- ⚡ GAS INJECTION
- GAS STORAGE
- × LOCATION ABANDONED
- ⊕ NEW LOCATION
- ◇ PLUGGED & ABANDONED
- ✱ PRODUCING GAS
- PRODUCING OIL
- ⊖ SHUT-IN GAS
- ⊙ SHUT-IN OIL
- × TEMP. ABANDONED
- TEST WELL
- ▲ WATER INJECTION
- ◆ WATER SUPPLY
- ♠ WATER DISPOSAL

Units.shp

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

Fields.shp

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED



PREPARED BY: DIANA WHITNEY
DATE: 18-JUNE-2004

STATE ACTIONS
Governor's Office of Planning and Budget
Resource Development Coordinating Committee
P.O. Box 145610
1594 W. North Temple, Suite 3710
SLC, UT 84114-5610
538-5535

1. Administering State Agency Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, UT 84114-5801	2. Approximate date project will start: Upon Approval or July 17, 2004
3. Areawide clearinghouse(s) receiving state action: (to be sent out by agency in block 1) Uintah Basin Association of Governments	
4. Type of action: // Lease <input checked="" type="checkbox"/> // Permit // License // Land Acquisition // Land Sale // Land Exchange // Other _____	
5. Title of proposed action: Application for Permit to Drill	
6. Description: EOG Resources proposes to drill the State 1-16 well (wildcat) on State lease ML-49054, Uintah County, Utah. This action is being presented to the RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.	
7. Land affected (site location map required) (indicate county) – include UTM coordinates where possible 1960' FSL 758' FWL NW/4, SW/4, Section 16, Township 11 South, Range 19 East, Uintah County, Utah	
8. Jordan River Natural Areas Forum review – If the proposed action affects lands within the Jordan River Natural Areas Corridor. N/A	
9. Has the local government(s) been contacted? No If yes, a. How was contact made? b. Who was contacted? c. What was the response? d. If no response, how is the local government(s) likely to be impacted?	
10. Possible significant impacts likely to occur: Degree of impact is based on the discovery of oil or gas in commercial quantities.	
11. Name and phone of district representative from your agency near project site, if applicable: N/A	
12. For further information, contact: Diana Whitney Phone: (801) 538-5312	13. Signature and title of authorized officer   John R. Baza, Associate Director Date: June 22, 2004

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

OPERATOR: EOG RESOURCES INC.
WELL NAME & NUMBER: STATE 1-16
API NUMBER: 43-047-35806
LEASE: ML-49054 FIELD/UNIT: WILDCAT
LOCATION: 1/4,1/4 NW/SW Sec: 16 TWP:11S RNG: 19E 758' FWL 1960' FSL
LEGAL WELL SITING: 460 F SEC. LINE; 460 F 1/4,1/4 LINE; 920 F ANOTHER WELL.
GPS COORD (UTM): 602455E 4412534N SURFACE OWNER: STATE OF UTAH.

PARTICIPANTS

DAVID W. HACKFORD (DOGM), ED TROTTER (EOG).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS ON THE SOUTHWESTERN EDGE OF WILDHORSE BENCH, A LARGE BROKEN PLAIN THAT STRETCHES FOR 10 MILES TO THE NORTHEAST. THERE ARE SHALLOW DRAWS 500' TO THE NORTHWEST AND SOUTHEAST. THESE DRAWS GET DEEPER AS THEY RUN TO THE NORTHEAST AND COME TOGETHER 0.3 MILES TO THE NORTHEAST. THE GREEN RIVER IS THREE MILES TO THE NORTHWEST. DRAINAGE IS GRADUAL TO THE NORTH, EAST, AND SOUTH.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

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

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

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

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

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WASTE MANAGEMENT PLAN:

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

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: SAGEBRUSH, SHADSCALE, PRICKLEY PEAR, SALTBRUSH, INDIAN RICEGRASS: PRONGHORN, COYOTES, SONGBIRDS, RAPTORS, RODENTS, RABBITS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

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

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

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

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

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

SURFACE AGREEMENT: AS PER STATE OF UTAH

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

OTHER OBSERVATIONS/COMMENTS

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

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

DAVID W. HACKFORD
DOGM REPRESENTATIVE

6/30/04 10:30 AM
DATE/TIME

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

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

Final Score 20 (Level I Sensitivity)

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

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

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





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

OPERATOR: EOG RESOURCES, INC.
WELL NAME & NUMBER: STATE 1-16
API NUMBER: 43-047-35806
LOCATION: 1/4,1/4 NW/SW Sec: 16 TWP: 11S RNG:19E 758' FWL 1960' FSL

Geology/Ground Water:

EOG proposes to set 250 feet of surface casing cemented to the surface and 2,700 feet of intermediate casing cemented with 615 sacks. The base of the moderately saline water is estimated at 2,700 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The surface material at this location is Quaternary alluvium derived from the Uinta Formation. This material may contain near surface groundwater. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers.

Reviewer: Brad Hill **Date:** 07-01-2004

Surface:

The predrill investigation of the surface was performed on 6/30/04. Surface and minerals for this well are owned by the State of Utah. SITLA and DWR. were notified of this investigation on 6/23/04. Neither had a representative present, however Mr. Bartlett, with DWR, told me over the telephone told me he had no concerns with the construction of this location or the drilling of this well. This site appears to be the best site in the immediate area for a location and well. Mr. Trotter stated that he planned on re-surveying the access road, and bring it off the Wildhorse Bench road about 150' further south than where it is now surveyed. This will put all of the access road in section 16 except for a few feet. .

Reviewer: David W. Hackford **Date:** 6/30/04

Conditions of Approval/Application for Permit to Drill:

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

Well name:	07-04 EOG State 1-16		
Operator:	EOG	Project ID:	43-047-35806
String type:	Surface		
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 8.400 ppg
 Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Environment:

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

Cement top: Surface

Burst

Max anticipated surface pressure: 42 psi
 Internal gradient: 0.442 psi/ft
 Calculated BHP 152 psi

No backup mud specified.

Tension:

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

Tension is based on air weight.
 Neutral point: 219 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 2,700 ft
 Next mud weight: 8.800 ppg
 Next setting BHP: 1,234 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 300 ft
 Injection pressure 300 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	250	13.375	48.00	H-40	ST&C	250	250	12.59	23.5
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	109	740	6.783	152	1730	11.35	12	322	26.83 J

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

Date: July 9,2004
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 250 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	07-04 EOG State 1-16		
Operator:	EOG	Project ID:	43-047-35806
String type:	Intermediate		
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 8.800 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 2,376 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 2,700 psi

 No backup mud specified.

Minimum design factors:

Collapse:

Design factor 1.125

Burst:

Design factor 1.00

Tension:

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

Tension is based on air weight.
 Neutral point: 2,348 ft

Environment:

H2S considered? No
 Surface temperature: 65 °F
 Bottom hole temperature: 103 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 300 ft

 Cement top: 426 ft

Non-directional string.

Re subsequent strings:

Next setting depth: 10,600 ft
 Next mud weight: 10.000 ppg
 Next setting BHP: 5,506 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,700 ft
 Injection pressure: 2,700 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2700	9.625	36.00	J-55	ST&C	2700	2700	8.796	192.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1234	2020	1.637	2700	3520	1.30	97	394	4.05 J

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

Date: July 9, 2004
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2700 ft, a mud weight of 8.8 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	07-04 EOG State 1-16		
Operator:	EOG	Project ID:	43-047-35806
String type:	Production		
Location:	Uintah County		

Design parameters:

Collapse

Mud weight: 10.000 ppg
Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 881 psi
Internal gradient: 0.436 psi/ft
Calculated BHP: 5,506 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on air weight.
Neutral point: 9,015 ft

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 213 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 220 ft

Cement top: 5,453 ft

Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	10600	4.5	11.60	P-110	LT&C	10600	10600	3.875	245.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5506	7580	1.377	5506	10690	1.94	123	279	2.27 J

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

Date: July 9, 2004
Salt Lake City, Utah

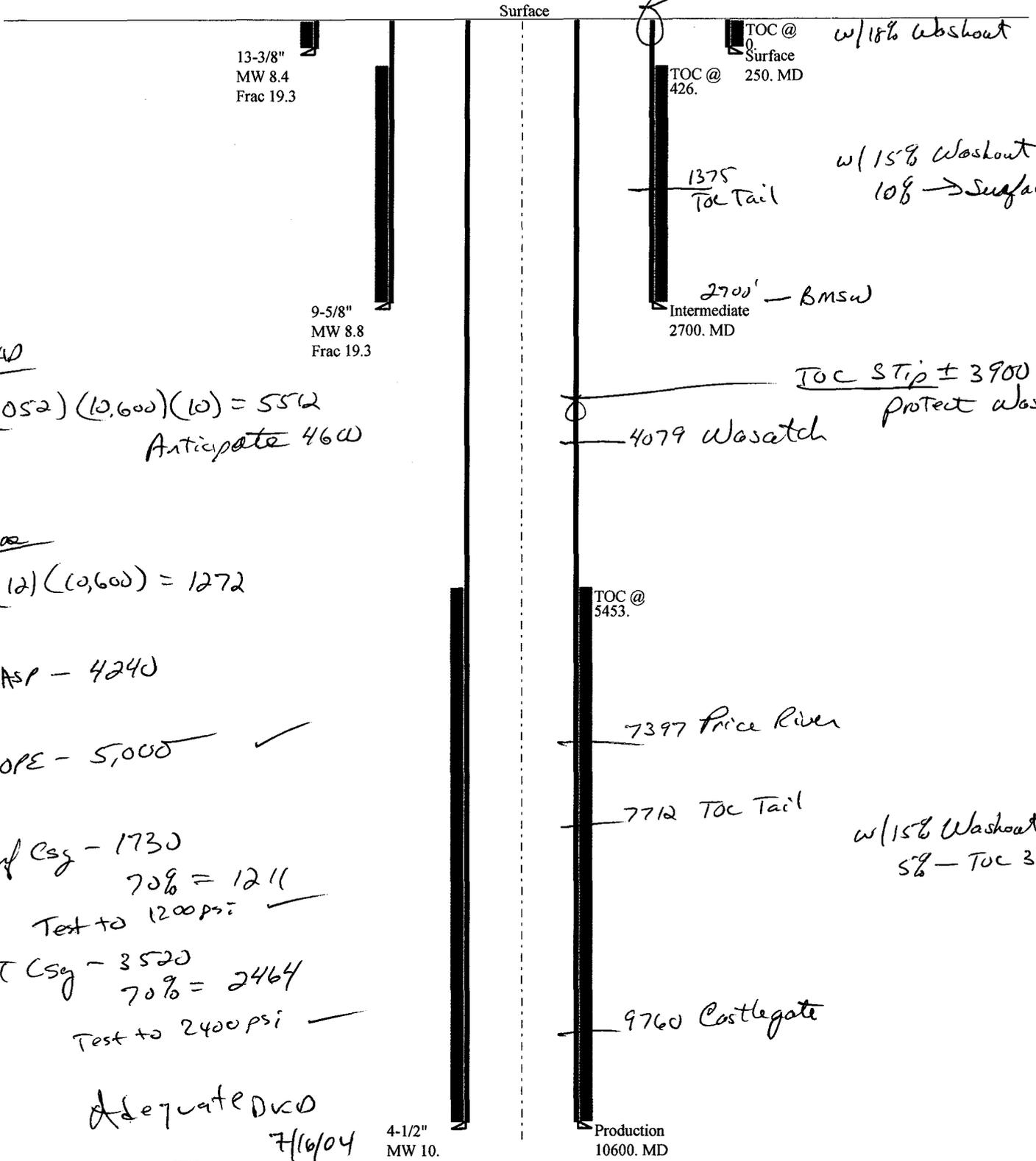
Remarks:

Collapse is based on a vertical depth of 10600 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Casing Schematic

Surface Strip



BAD

$(.052)(10,600)(10) = 5512$
Anticipate 4600

Gas

$(.12)(10,600) = 1272$

MASP - 4240

BOPE - 5,000 ✓

Surf Csg - 1730
70% = 1211
Test to 1200 psi

Int Csg - 3520
70% = 2464
Test to 2400 psi

Adequate DUCO
7/16/04

TOC Strip ± 3900'
protect washout

4079 Washout

TOC @ 5453.

7397 Price River

7712 TOC Tail

w/15% Washout
5% - TOC 3993

9760 Castlegate

Production 10600. MD

Well name:	07-04 EOG State 1-16 Option 2		
Operator:	EOG	Project ID:	43-047-35806
String type:	Surface		
Location:	Uintah County		

Design parameters:	Minimum design factors:	Environment:
<u>Collapse</u>	<u>Collapse:</u>	H2S considered? No
Mud weight: 8.800 ppg	Design factor 1.125	Surface temperature: 65 °F
Design is based on evacuated pipe.		Bottom hole temperature: 103 °F
		Temperature gradient: 1.40 °F/100ft
		Minimum section length: 220 ft
	<u>Burst:</u>	Cement top: 799 ft
	Design factor 1.00	
<u>Burst</u>		Non-directional string.
Max anticipated surface pressure: 826 psi	<u>Tension:</u>	
Internal gradient: 0.442 psi/ft	8 Round STC: 1.80 (J)	
Calculated BHP 2,018 psi	8 Round LTC: 1.80 (J)	
No backup mud specified.	Buttress: 1.60 (J)	
	Premium: 1.50 (J)	
	Body yield: 1.50 (B)	
	Tension is based on air weight.	Re subsequent strings:
	Neutral point: 2,348 ft	Next setting depth: 10,600 ft
		Next mud weight: 10,000 ppg
		Next setting BHP: 5,506 psi
		Fracture mud wt: 19,250 ppg
		Fracture depth: 2,700 ft
		Injection pressure 2,700 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2700	9.625	36.00	J-55	ST&C	2700	2700	8.796	192.3

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	1234	2020	1.637	2018	3520	1.74	97	394	4.05 J

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

Date: July 9, 2004
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2700 ft, a mud weight of 8.8 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	07-04 EOG State 1-16 Option 2		
Operator:	EOG	Project ID:	43-047-35806
String type:	Production		
Location:	Uintah County		

Design parameters:

Collapse
Mud weight: 10.000 ppg
Design is based on evacuated pipe.

Minimum design factors:

Collapse:
Design factor 1.125

Environment:

H2S considered? No
Surface temperature: 65 °F
Bottom hole temperature: 213 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 220 ft

Burst

Max anticipated surface pressure: 881 psi
Internal gradient: 0.436 psi/ft
Calculated BHP 5,506 psi

Burst:
Design factor 1.00

Cement top: 5,453 ft

No backup mud specified.

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

Non-directional string.

Tension is based on air weight.
Neutral point: 9,015 ft

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	10600	4.5	11.60	P-110	LT&C	10600	10600	3.875	245.7
Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	5506	7580	1.377	5506	10690	1.94	123	279	2.27 J

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

Date: July 9, 2004
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 10600 ft, a mud weight of 10 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kernler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

07-04 EOG State 1-16 Option 2

Casing Schematic

Surface

Surface Strip

9-5/8"
MW 8.8
Frac 19.3

TOC @
799.

w/ 15% Washout
5% → Surface

1228
TOC Tail

— 2700 Bmsw

Surface
2700. MD

TOC Strip ± 3900
Protect Washout

4079 Washout

BHP
 $(1052)(10,600)(10) = 5512$
 Anticipate 4600

Q_{oa}
 $(10)(10,600) = 1272$

MASP = 4240

BoPC = 5,000

Seq Csg = 3520
 708 = 2464

TOC @
5453.

7397 Price River w/ 15% Washout
 5% → TOC 3993'

7712 TOC Tail

4-1/2"
MW 10.

Production
10600. MD

From: Martha Hayden
To: Pam Grubaugh-Littig
Date: 6/28/2004 11:14:06 AM
Subject: RDCC short turn around comment

Hi Pam, Kimm asked me to send this RDCC comment directly to you, since it was listed as a short turn around project. Thanks, Martha

4178. Division of Oil, Gas and Mining, Short Turn Around Drilling Permit
Sec. 16, T11S, R19E, Uintah County; Application for Permit to Drill - proposal to drill a wildcat well on State lease ML-49054

There are no paleontological localities recorded in our files for this project area. However, surficial deposits exposed here are comprised of the Eocene Uinta Formation, which has the potential for yielding significant vertebrate fossil localities. The office of the State Paleontologist therefore recommends that a paleontological survey be conducted for this project by a permitted paleontologist.

Martha Hayden
Utah Geological Survey
1594 W. North Temple
P.O. Box 146100
Salt Lake City UT 84114-6100
(801) 537-3311
(801) 537-3400 (FAX)
marthahayden@utah.gov

CC: Kimm Harty

From: Ed Bonner
To: Whitney, Diana
Date: 4/8/2005 10:55:32 AM
Subject: Well Clearance

The following wells have been given cultural resource clearance by the Trust Lands Cultural Resources Group:

Stone Energy Corporation
State 14-2
State 22-16

EOG Resources, Inc
State 1-16

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

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

**State of Utah****Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

MARY ANN WRIGHT
Acting Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

April 11, 2005

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

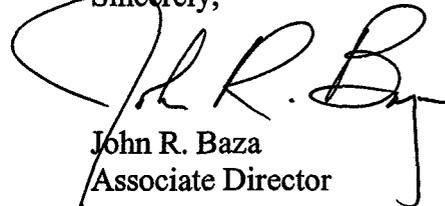
Re: State 1-16 Well, 1960' FSL, 758' FWL, NW SW, Sec. 16, T. 11 South,
R. 19 East, Uintah County, Utah

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 43-047-35806.

Sincerely,



John R. Baza
Associate Director

pab
Enclosures

cc: Uintah County Assessor
SITLA

Operator: EOG Resources, Inc.
Well Name & Number State 1-16
API Number: 43-047-35806
Lease: UT ST ML-49054

Location: NW SW Sec. 16 T. 11 South R. 19 East

Conditions of Approval

1. **General**

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

2. **Notification Requirements**

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

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

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

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

3. **Reporting Requirements**

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

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

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. Operator shall comply with applicable recommendations resulting from Resource Development Coordinating Committee review. Statements attached.

7. 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.
8. Surface casing shall be cemented to the surface.
9. A 4 ½" production casing cement should be brought up to a minimum depth of 3900' to isolate Wasatch Formation.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49054
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.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: STATE 1-16	
2. NAME OF OPERATOR: EOG RESOURCES, INC.	9. API NUMBER: 43-047-30806	
3. ADDRESS OF OPERATOR: P.O. BOX 1815 VERNAL UT 84078	PHONE NUMBER: (435) 789-0790	10. FIELD AND POOL, OR WILDCAT: EXPLORATORY
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1960 FSL 758 FWL 39.858481 LAT 109.802953 LON		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 11S 19E S.L.B. & M		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: APD EXTENSION REQUEST
	<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. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Li
Date: 04-13-06
By: [Signature]

NAME (PLEASE PRINT) <u>Keylene R. Gardner</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>4/10/2006</u>

(This space for State use only)

RECEIVED
APR 12 2006

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

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

API: 43-047-35806
Well Name: STATE 1-16
Location: 1960 FSL 758 FWL (NW/SW) SECTION 16, T11S, R19E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 4/11/2005

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

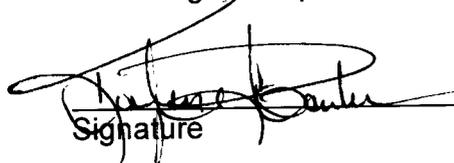
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

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

4/10/2006
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

**RECEIVED
APR 12 2006**

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49054
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.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: EOG Resources, Inc.		8. WELL NAME and NUMBER: State 1-16
3. ADDRESS OF OPERATOR: 1060 East Highway 40 VERNAL UT 84078		9. API NUMBER: 43-047-35806
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1960 FSL 758 FWL		10. FIELD AND POOL, OR WILDCAT: Natural Buttes
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 11S 19E S.L.B. & M		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 checked="" 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>APD 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. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

Date: 04-05-07
By: [Signature]

COPY SENT TO OPERATOR
Date: 4/6/07
Initials: [Signature]

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Sr. Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>4/3/2007</u>

(This space for State use only)

FREEEWEED
APR 05 2007

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

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

API: 43-047-35806
Well Name: State 1-16
Location: 1960 FSL 758 FWL (NWSW), SECTION 16, T11S, R19E S.L.B.&M
Company Permit Issued to: EOG Resources, Inc.
Date Original Permit Issued: 4/11/2005

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

4/3/2007

Date

Title: Sr. Regulatory Assistant

Representing: EOG Resources, Inc

RECEIVED
APR 05 2007
DIV. OF OIL, GAS & MINING

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:

UT ST ML-49054

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.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

State 1-16

9. API NUMBER:

43-047-35806

1. TYPE OF WELL

OIL WELL

GAS WELL

OTHER _____

2. NAME OF OPERATOR:

EOG Resources, Inc.

3. ADDRESS OF OPERATOR:

600 17th St., Suite 1000N CITY **Denver**

STATE **CO** ZIP **80202**

PHONE NUMBER:

(303) 824-5526

10. FIELD AND POOL, OR WILDCAT:

Wildcat

4. LOCATION OF WELL

FOOTAGES AT SURFACE: **1960' FSL & 758' FWL 39.858481 LAT 109.802953 LON**

COUNTY: **Uintah**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 16 11S 19E S**

STATE:

UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> 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
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	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: <u>Name change</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 the referenced well name be changed:

From: State 1-16

To: Alger Pass 9-16

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE

Mary A. Maestas

DATE 4/26/2007

(This space for State use only)

RECEIVED
APR 27 2007

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

FORM 9

5. LEASE DESIGNATION AND SERIAL NUMBER:
ML-49054

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

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

7. UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
OIL WELL GAS WELL OTHER _____

8. WELL NAME and NUMBER:
Alger Pass 9-16

2. NAME OF OPERATOR:
EOG Resources, Inc.

9. API NUMBER:
43-047-35806

3. ADDRESS OF OPERATOR:
600 17th St., Suite 1000N CITY **Denver** STATE **CO** ZIP **80202**

PHONE NUMBER:
(303) 824-5526

10. FIELD AND POOL, OR WILDCAT:

4. LOCATION OF WELL
FOOTAGES AT SURFACE: **1960' FSL & 758' FWL 39.858481 LAT 109.802953 LON**

COUNTY: **Uintah**

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NWSW 16 11S 19E S**

STATE: **UTAH**

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

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	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
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	<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 permission to change the TD of the referenced well from

10,600'

to

10,015'

A revised drilling plan is attached.

COPY SENT TO OPERATOR
Date: **12-11-2007**
Initials: **RS**

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 12/3/2007

(This space for State use only)

**APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING**
DATE: 12/10/07
BY: [Signature]
(See Instructions on Reverse Side)

RECEIVED
DEC 06 2007
DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

ALGER PASS 09-16
NW/SW, SEC. 16, T11S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	855		Shale	
Wasatch	4,207	Primary	Sandstone	Gas
Chapita Wells	4,798	Primary	Sandstone	Gas
Buck Canyon	5,481	Primary	Sandstone	Gas
North Horn	6,280	Primary	Sandstone	Gas
KMV Price River	7,648	Primary	Sandstone	Gas
KMV Price River Middle	8,483	Primary	Sandstone	Gas
KMV Price River Lower	9,328	Primary	Sandstone	Gas
Sego	9,814		Sandstone	
TD	10,015			

Estimated TD: **10,015'** or **200'±** below Segoe top

Anticipated BHP: 5,468 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 1/2"	0 – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 1/4"	0 – 2,300' KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-1/2"	11.6#	P-110	LTC	7560 PSI	10,690 Psi	279,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

EIGHT POINT PLAN

ALGER PASS 09-16 **NW/SW, SEC. 16, T11S, R19E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

EIGHT POINT PLAN

ALGER PASS 09-16
NW/SW, SEC. 16, T11S, R19E, S.L.B.&M..
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: 185 sks Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: 207 sks Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 104 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 1112 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

EIGHT POINT PLAN

ALGER PASS 09-16
NW/SW, SEC. 16, T11S, R19E, S.L.B.&M.,
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower 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)

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-49054
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.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: EOG RESOURCES, INC.		8. WELL NAME and NUMBER: Alger Pass 9-16
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY: VERNAL STATE: UT ZIP: 84078		9. API NUMBER: 43-047-36806
4. LOCATION OF WELL FOOTAGES AT SURFACE: 1960 FSL 758 FWL 39.858481 LAT 109.802953 LON		10. FIELD AND POOL, OR WILDCAT: EXPLORATORY
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 11S 19E S.L.B. & M		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
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	<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. respectfully requests the APD for the referenced well be extended for one year.

**Approved by the
Utah Division of
Oil, Gas and Mining**

Date: 03-18-08
By: [Signature]

COPY SENT TO OPERATOR
Date: 3-19-2008
Initials: KS

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Lead Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>3/13/2008</u>

(This space for State use only)

**RECEIVED
MAR 17 2008**

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: 43-047-35806
Well Name: Alger Pass 9-16
Location: 1960 FSL 758 FWL (NW/SW) SECTION 16, T11S, R19E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 4/11/2005

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

3/13/2008

Date

Title: Lead Regulatory Assistant

Representing: EOG Resources, Inc.

RECEIVED

MAR 17 2008

DIV. OF OIL, GAS & MINING

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

FORM 9

5 LEASE DESIGNATION AND SERIAL NUMBER
UT-ST-ML-49054

6 IF INDIAN, ALLOTTEE OR TRIBE NAME

7 UNIT or CA AGREEMENT NAME

SUNDRY NOTICES AND REPORTS ON WELLS

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8 WELL NAME and NUMBER
Algo 9-16

9 API NUMBER
43-047-35806

10 FIELD AND POOL, OR WILDCAT
Exploratory

1 TYPE OF WELL OIL WELL GAS WELL OTHER _____

2 NAME OF OPERATOR
EOG Resources, Inc.

3 ADDRESS OF OPERATOR 1060 East Highway 40 Vernal UT 84078

PHONE NUMBER
(435) 781-9145

4 LOCATION OF WELL
FOOTAGES AT SURFACE 1960' FSL & 758' FWL 39.858481 LAT 109.802953 LON

COUNTY Uintah

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWSW 16 11S 19E S.L.B. & M

STATE
UTAH

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

EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

Approved by the
Utah Division of
Oil, Gas and Mining

LAST Extension

Date: 03-19-09

By: [Signature]

COPY SENT TO OPERATOR

Date: 3.19.2009

Initials: KS

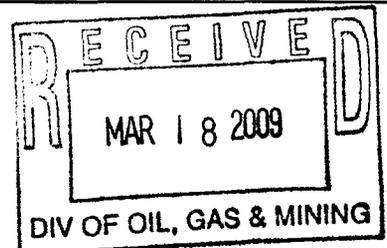
NAME (PLEASE PRINT) Mickenzie Thacker

TITLE Operations Clerk

SIGNATURE [Signature]

DATE 2/23/2009

(This space for State use only)



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

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

API: 43-047-35806
Well Name: Alger Pass 9-16
Location: 1960 FSL & 758 FWL (NWSW) SECTION 16, T11S, R19E SL.B. &M
Company Permit Issued to: EOG Resources, Inc.
Date Original Permit Issued: 4/11/2005

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.

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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

Mickenna Thacker
Signature

2/23/2009

Date

Title: Operations Clerk

Representing: EOG Resources, Inc.



GARY R. HERBERT
Governor

GREGORY S. BELL
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

April 12, 2010

EOG Resources Inc.
1060 East Highway 40
Vernal, Utah 84078

Re: APD Rescinded – Alger Pass 9-16, Sec. 16, T. 11S, R. 19E
Uintah County, Utah API No. 43-047-35806

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on April 11, 2005. On April 13, 2006, April 5, 2007, March 18, 2008 and March 19, 2009 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective April 12, 2010.

A new APD must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Diana Mason
Environmental Scientist

cc: Well File
SITLA, Ed Bonner