

EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113

July 20, 2004

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

RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 626-27
NE/4NW/4, SEC. 27, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: U-0285-A
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
AUG 09 2004
DIV. OF OIL, GAS & MINING

001

Form 3160-3
(September 2001)

FORM APPROVED
OMB No. 1004-0136
Expires January 31, 2004

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 **155' FNL, 1700' FWL** *634100 X*
At proposed prod. Zone *4430262 Y NE/NW 40. 01382*
-109.42876

5. Lease Serial No.

U-0285-A

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.

CHAPITA WELLS UNIT 626-27

9. API Well No.

43-047-35878

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area

**SEC. 27, T9S, R22E,
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office*

19.7 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. **155'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease

1800

17. Spacing Unit dedicated to this well

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth

9400'

20. BLM/BIA Bond No. on file

NM-2308

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4938.1 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

7-20-04

Title

Agent

Approved by (Signature)

Name (Printed/Typed)

**BRADLEY G. HILL
ENVIRONMENTAL SCIENTIST III**

Date

08-17-04

RECEIVED

AUG 09 2004

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.

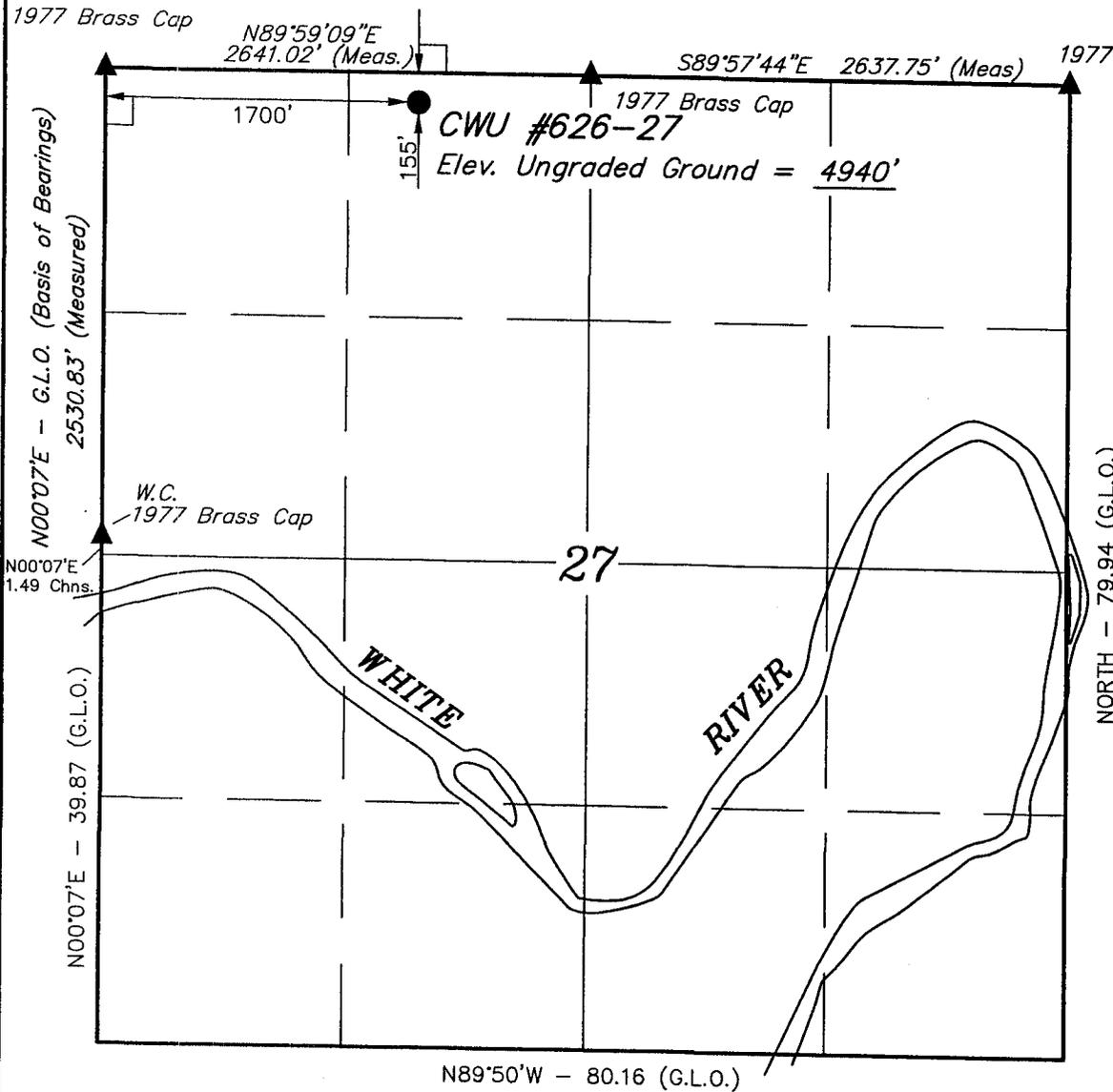
*(Instructions on reverse)

**Federal Approval of this
Action is Necessary**

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

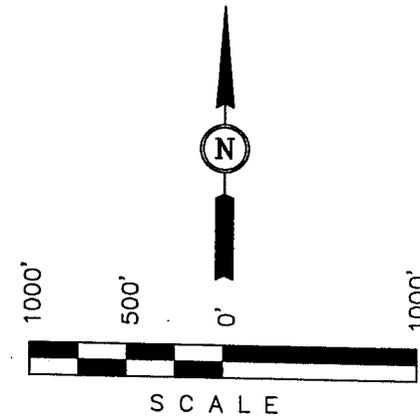
EOG RESOURCES, INC.

Well location, CWU #626-27, located as shown in the NE 1/4 NW 1/4 of Section 27, T9S, R22E, S.L.B.&M. Uintah County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHEAST CORNER OF SECTION 27, T9S, R22E, S.L.B.&M. TAKEN FROM THE RED WASH SW 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 4973 FEET.



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 J. Kay
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

LEGEND:

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

Latitude = 40°00'49"
 Longitude = 109°25'44"

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

| | | |
|-------------------------|-----------------------------|-----------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 12-15-00 | DATE DRAWN: 1-2-01 |
| PARTY D.K. S.H. C.G. | REFERENCES G.L.O. PLAT | |
| WEATHER COLD | FILE EOG RESOURCES, INC. | |

EIGHT POINT PLAN

CHAPITA WELL UNIT 626-27
NE/NW, SEC. 27, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

| FORMATION | DEPTH (KB) |
|------------------------|-------------------|
| Green River | 1,355' |
| Wasatch | 4,639' |
| Island | 7,031' |
| KMV Price River | 7,322' |
| KMV Price River Middle | 8,008' |
| KMV Price River Lower | 8,814' |
| Sego | 9,252' |

EST. TD: 9,400'

Anticipated BHP 4100 PSI

3. PRESSURE CONTROL EQUIPMENT:

Intermediate Hole – 3000 PSIG
Production Hole – 3000 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> |
| 17 1/2" | 0' – 45' | 45' | 13 3/8" | 48.0# | H-40 | STC | 770 PSI | 1730 PSI | 322,000# |
| 12 1/4" | 45' - 2300'+/- KB | 2300' +/- | 9 5/8" | 36.0 # | J-55 | ST&C | 2020 PSI | 3520 PSI | 394,000# |
| 7 7/8" | 2300' – TD +/-KB | 9,400' +/- | 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 (0-45' Below GL):

None

Intermediate Hole Procedure (45' - ±2300')

Guide Shoe

Insert Float Collar (PDC drillable)

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

Production Hole Procedure (± 2300'-TD):

FS, 1 joint of casing, FC, and balance of casing to surface.

EIGHT POINT PLAN

CHAPITA WELL UNIT 626-27 NE/NW, SEC. 27, T9S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

6. MUD PROGRAM

Surface Hole Procedure (0-45' below GL):

Air – Air Water Mist

Intermediate Hole Procedure (45' ± 2300'):

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

Production Hole Procedure (± 2300'-TD):

±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 CO₂ 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 CO₂ contamination with Lime and/or Gypsum.

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.

EIGHT POINT PLAN

CHAPITA WELL UNIT 626-27
NE/NW, SEC. 27, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: No Open Hole Logs.

Cased Hole Logs will to run.

9. CEMENT PROGRAM:

Surface Hole Procedure (0-45' Below GL)

Cement to surface with Read-Mix Cement.

Intermediate Hole Procedure (45' ± 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 ft³/sk., 24.5 gps water.

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

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.

Production Hole Procedure (± 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 ft³/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 ft³/sk., 5.9 gps water.

10. ABNORMAL CONDITIONS:

Intermediate Hole (45' ± 2300'):

Lost circulation

Production Hole (± 2300'-TD):

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

EIGHT POINT PLAN

CHAPITA WELL UNIT 626-27
NE/NW, SEC. 27, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

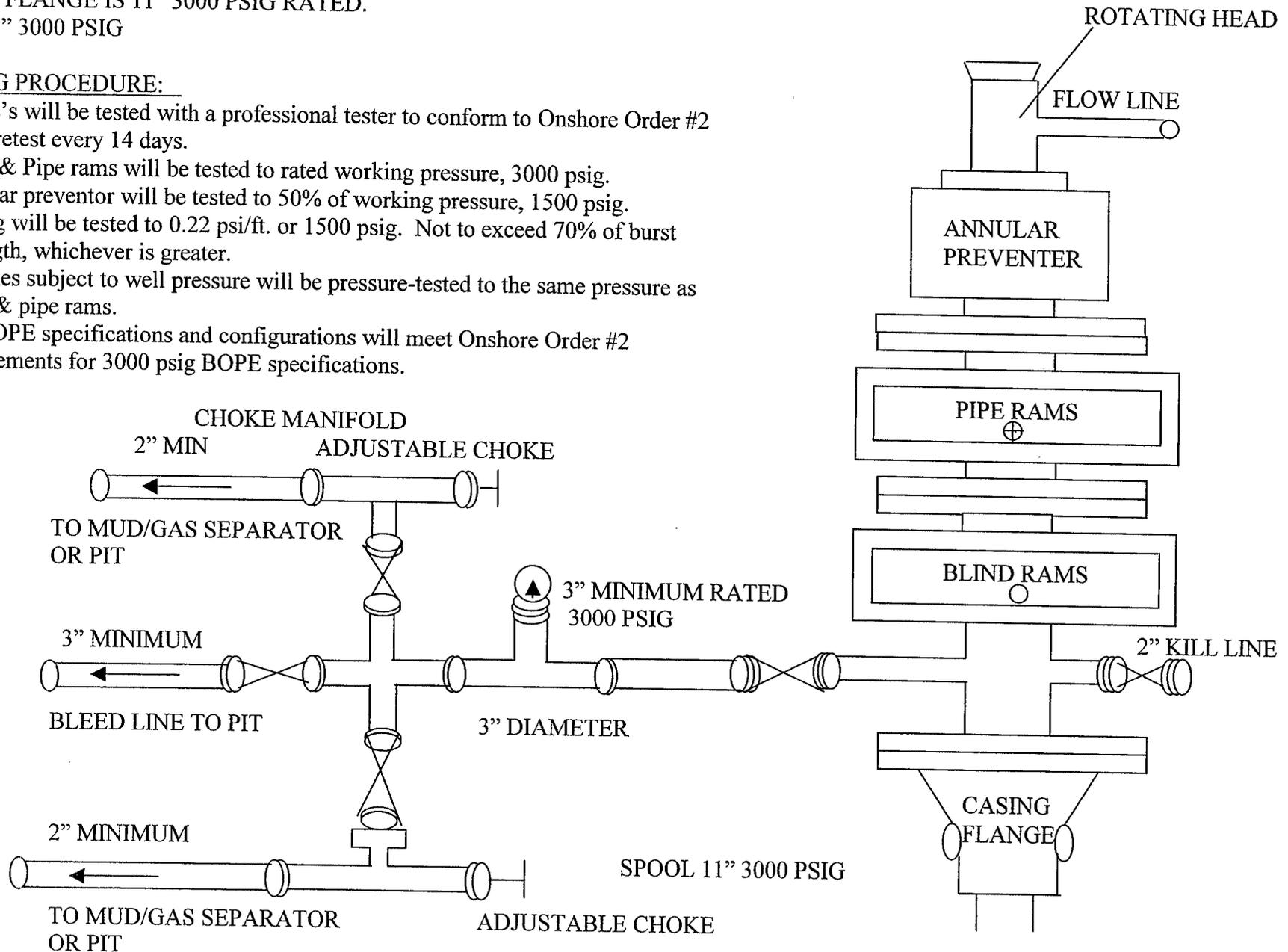
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

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

TESTING PROCEDURE:

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



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

Company/Operator: EOG Resources, Inc.
Well Name & Number: Chapita Wells Unit 626-27
Lease Number: U-0285-A
Location: 155' FNL & 1700' FWL, NE/NW, Sec. 27,
T9S, R22E, S.L.B.&M., Uintah County, Utah
Surface Ownership: Federal

NOTIFICATION REQUIREMENTS

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 19.7 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.

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. Producing wells - 23*

B. Shut in wells - 1*

(*See attached TOPO map "C" for location)

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

A. **ON WELL PAD**

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, 300 Bbl vertical or 200 Bbl low profile, condensate tank, and attaching piping.
2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. A 4" OD steel above ground natural gas pipeline will be laid approximately 311' from proposed location to a point in the NE/NW of Section 27, T9S, R22E, 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 West side of the location.

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

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

The required paint color is Carlsbad Canyon.

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

5. LOCATION & TYPE OF WATER SUPPLY

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

6. SOURCE OF CONSTRUCTION MATERIAL

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

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

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

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

On BLM administered land:

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

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

8. **ANCILLARY FACILITIES**

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

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
 - Shad Scale – 4 pounds per acre
 - Gardner Salt Bush – 4 pounds per acre
 - Indian Rice Grass – 4 pounds per acre

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

The stockpiled pit topsoil will be stored separate from the location topsoil between Corners B and 5. The stockpiled location topsoil will be stored at Corner #6 and around Corner #1. 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 East.

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 **Chapita Wells Unit 626-27 Well, located in the NE/NW of Section 27, T9S, R22E, Uintah County, Utah; Lease #U-0285-A;** 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.

7-20-2004
Date


Agent

EOG RESOURCES, INC.

CWU #626-27

SECTION 27, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN 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 1.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHWESTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY THEN WESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

EOG RESOURCES, INC.

CWU #626-27

LOCATED IN UINTAH COUNTY, UTAH
SECTION 27, T9S, R22E, S.L.B.&M.



PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

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

| | | | | |
|-----------------|----------------|-------------------|------|-------|
| LOCATION PHOTOS | 2 | 8 | 01 | PHOTO |
| | MONTH | DAY | YEAR | |
| TAKEN BY: S.H. | DRAWN BY: P.M. | REVISED: 00-00-00 | | |

EOG RESOURCES, INC.

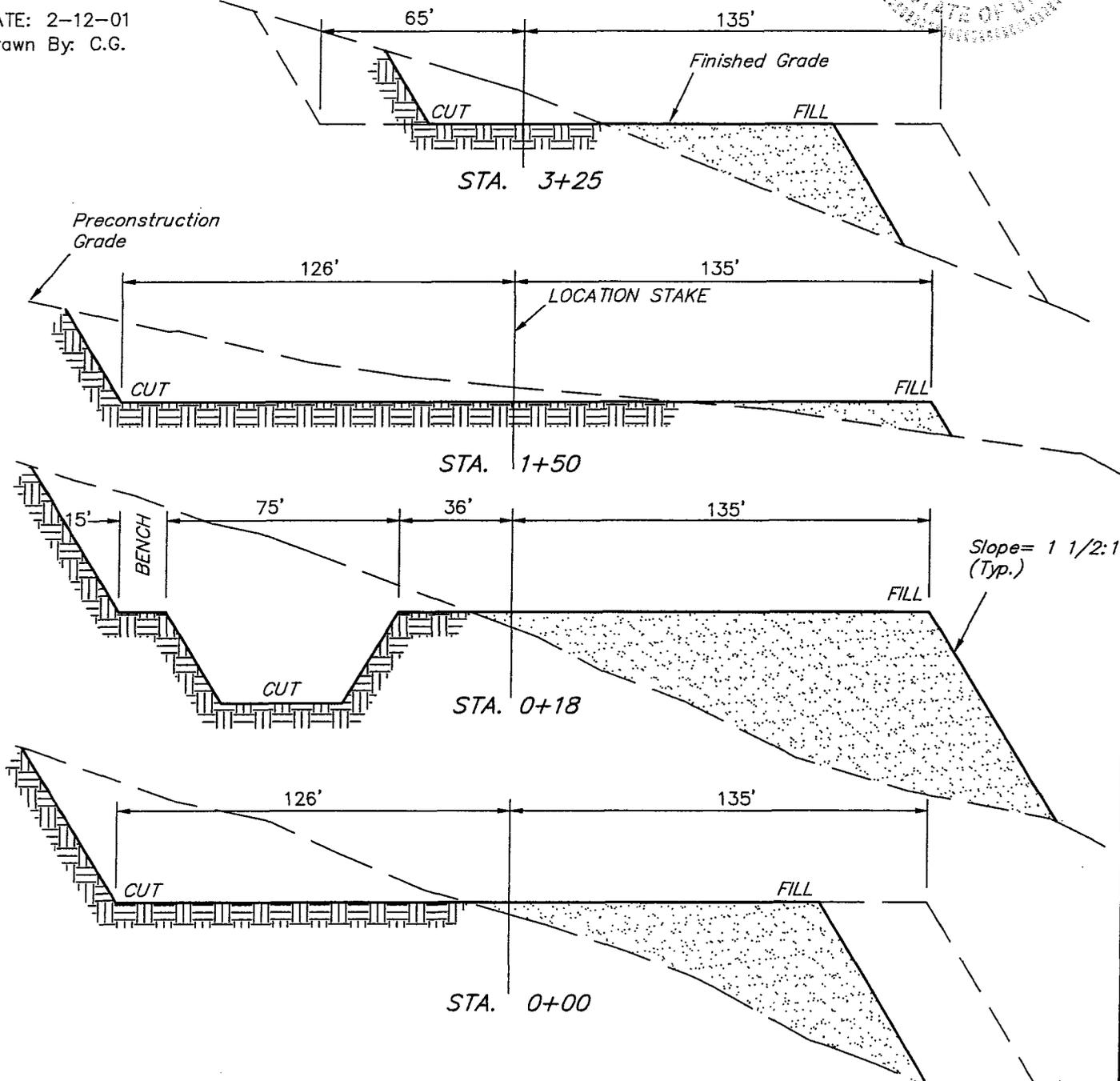
TYPICAL CROSS SECTIONS FOR

CWU #626-27
SECTION 27, T9S, R22E, S.L.B.&M.
155' FNL 1700' FWL

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



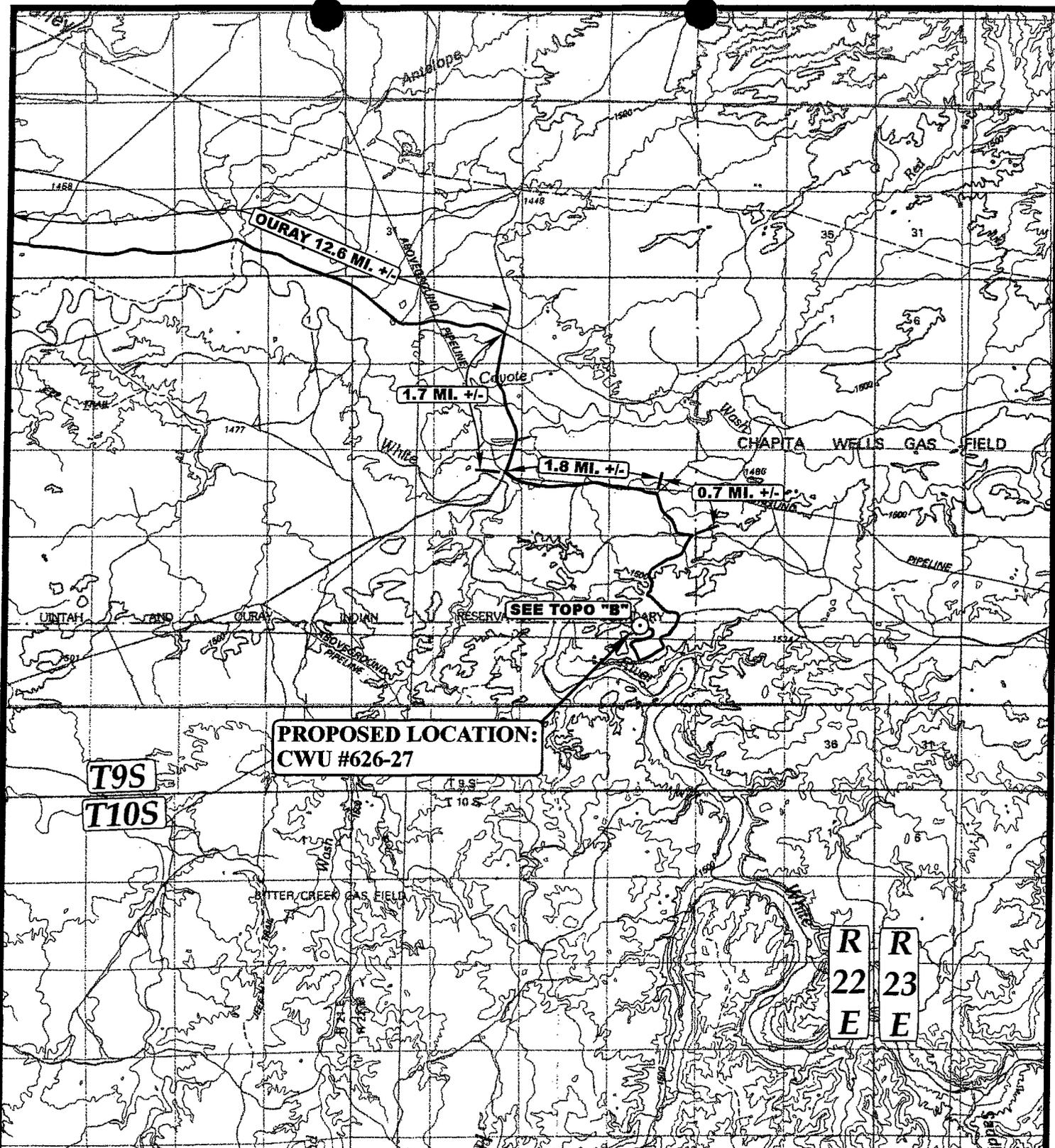
DATE: 2-12-01
Drawn By: C.G.



APPROXIMATE YARDAGES

| | | |
|------------------------|----------|-----------------------|
| (6") Topsoil Stripping | = | 1,430 Cu. Yds. |
| Remaining Location | = | 12,430 Cu. Yds. |
| TOTAL CUT | = | 13,860 CU.YDS. |
| FILL | = | 10,230 CU.YDS. |

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



LEGEND:

⊙ PROPOSED LOCATION



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



EOG RESOURCES, INC.

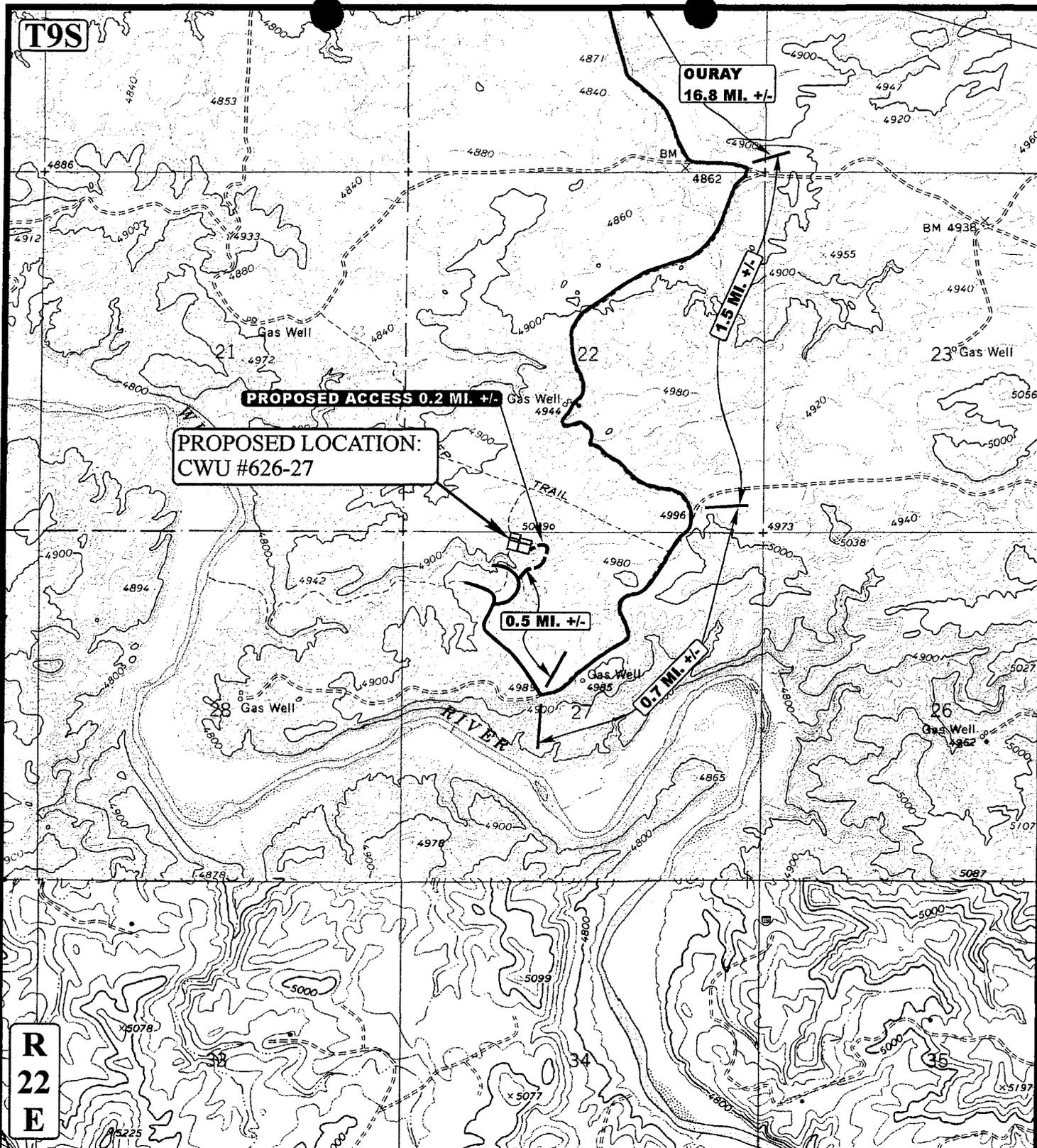
CWU #626-27
 SECTION 27, T9S, R22E, S.L.B.&M.
 155' FNL 1700' FWL

**TOPOGRAPHIC
 MAP**

| | | |
|----------|----------|-----------|
| 2 | 8 | 01 |
| MONTH | DAY | YEAR |

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





T9S

**OURAY
16.8 MI. +/-**

PROPOSED ACCESS 0.2 MI. +/-

**PROPOSED LOCATION:
CWU #626-27**

0.5 MI. +/-

0.7 MI. +/-

**R
22
E**

LEGEND:

- PROPOSED ACCESS ROAD
- EXISTING ROAD



EOG RESOURCES, INC.

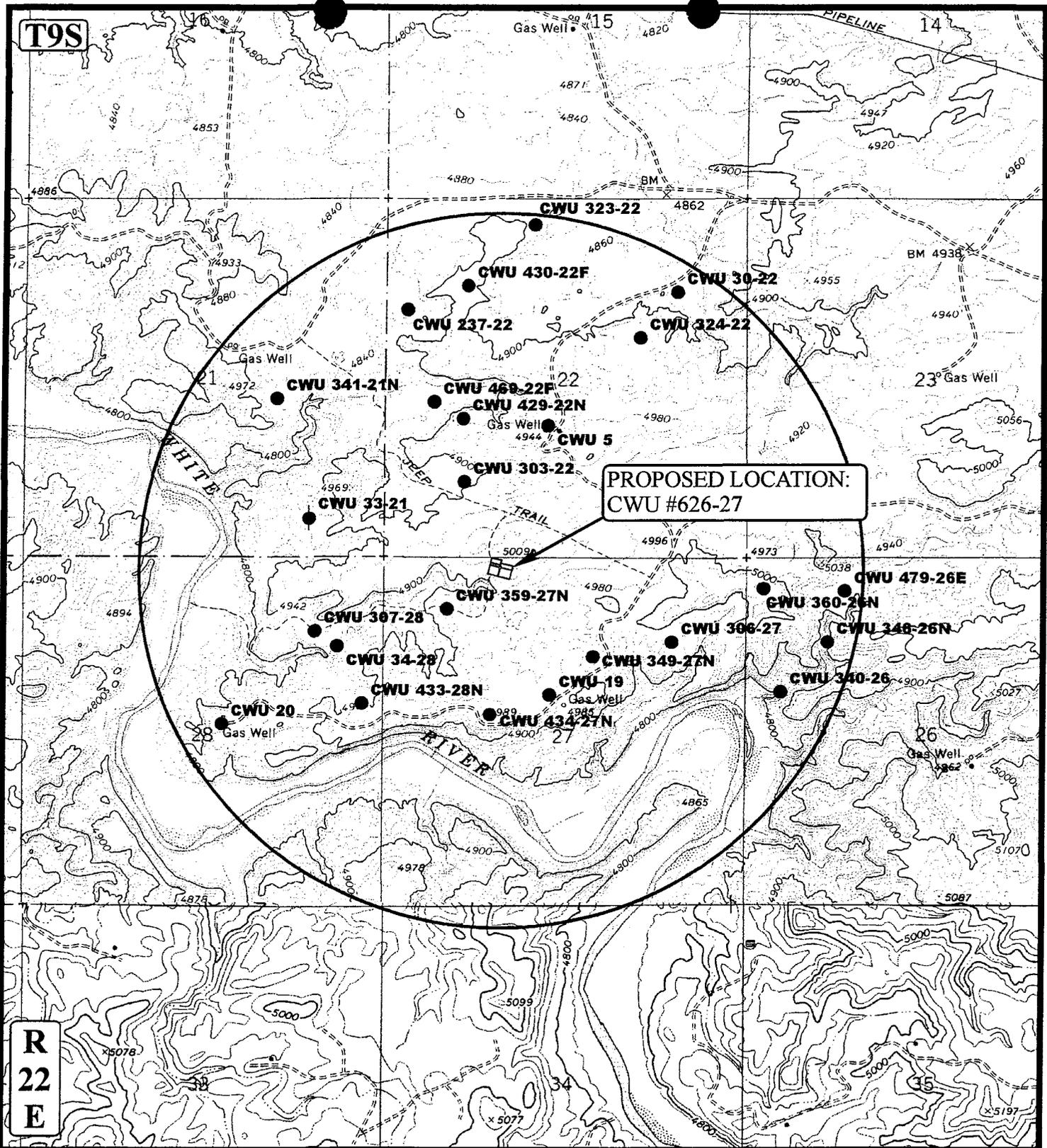
**CWU #626-27
SECTION 27, T9S, R22E, S.L.B.&M.
155' FNL 1700' FWL**



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

TOPOGRAPHIC **2 8 01**
MAP MONTH DAY YEAR
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

**B
TOPO**



**PROPOSED LOCATION:
CWU #626-27**

LEGEND:

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

EOG RESOURCES, INC.

**CWU #626-27
SECTION 27, T9S, R22E, S.L.B.&M.
155' FNL 1700' FWL**



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



**TOPOGRAPHIC
MAP**

2 8 01
MONTH DAY YEAR

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



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/09/2004

API NO. ASSIGNED: 43-047-35878

WELL NAME: CWU 626-27
OPERATOR: EOG RESOURCES INC (N9550)
CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NENW 27 090S 220E
SURFACE: 0155 FNL 1700 FWL
BOTTOM: 0155 FNL 1700 FWL
UINTAH
NATURAL BUTTES (630)

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

LEASE TYPE: 1 - Federal
LEASE NUMBER: U-0285-A
SURFACE OWNER: 1 - Federal
PROPOSED FORMATION: PRRV
COALBED METHANE WELL? NO

LATITUDE: 40.01382
LONGITUDE: -109.4288

RECEIVED AND/OR REVIEWED:

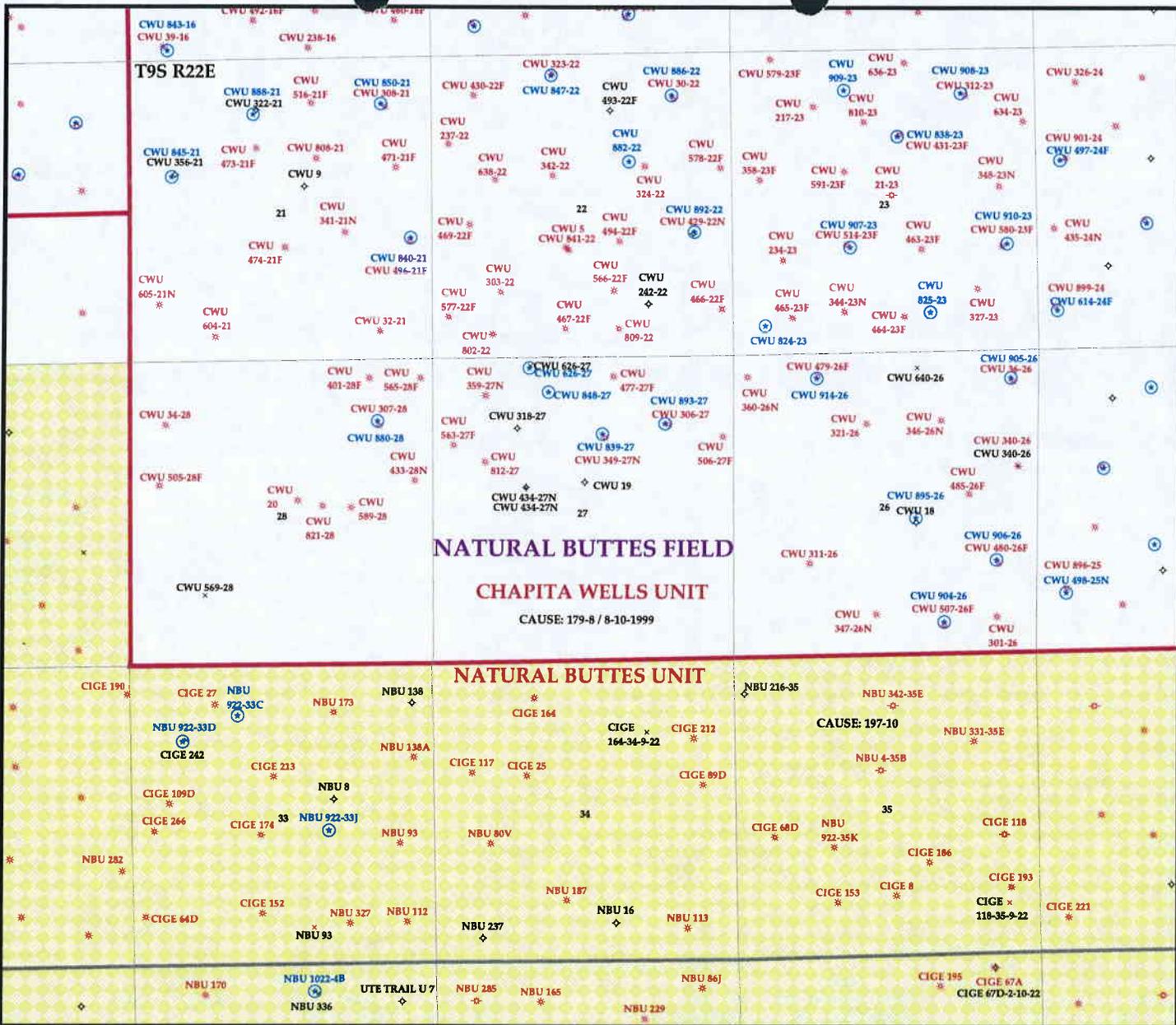
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM-2308)
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit
(No. 49-1501)
- RDCC Review (Y/N)
(Date: _____)
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

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

COMMENTS: _____

STIPULATIONS: 1-Federal Approval
2-DU SHALE

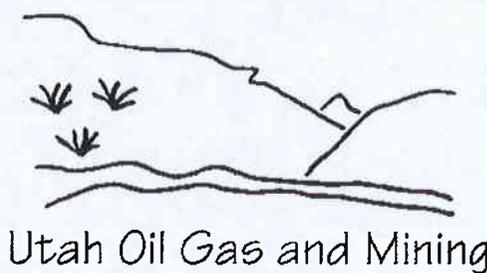


NATURAL BUTTES FIELD
CHAPITA WELLS UNIT
 CAUSE: 179-8 / 8-10-1999

NATURAL BUTTES UNIT

CAUSE: 197-10

OPERATOR: EOG RESOURCES INC (N9550)
SEC. 27 T.9S R.22E
FIELD: NATURAL BUTTES (630)
COUNTY: UINTAH
CAUSE: 179-8 / 8-10-1999



- | | | |
|-----------------------|------------------|-------------------|
| Wells | Units.shp | Fields.shp |
| ☆ GAS INJECTION | □ EXPLORATORY | □ ABANDONED |
| ☆ GAS STORAGE | □ GAS STORAGE | □ ACTIVE |
| × LOCATION ABANDONED | □ NF PP OIL | □ COMBINED |
| ⊕ NEW LOCATION | □ NF SECONDARY | □ INACTIVE |
| ⊖ PLUGGED & ABANDONED | □ PENDING | □ PROPOSED |
| ☆ PRODUCING GAS | □ PI OIL | □ STORAGE |
| ● PRODUCING OIL | □ PP GAS | □ TERMINATED |
| ☆ SHUT-IN GAS | □ PP GEOTHERML | |
| ☆ SHUT-IN OIL | □ PP OIL | |
| × TEMP. ABANDONED | □ SECONDARY | |
| ○ TEST WELL | □ TERMINATED | |
| ▲ WATER INJECTION | | |
| ◆ WATER SUPPLY | | |
| ↙ WATER DISPOSAL | | |



PREPARED BY: DIANA WHITNEY
 DATE: 13-AUG-2004

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:

3160

(UT-922)

August 16, 2004

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2004 Plan of Development Chapita Wells Unit
Uintah County, Utah.

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

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

(Proposed PZ Price River)

43-047-35878 CWU 626-27 Sec 27 T09S R22E 0155 FNL 1700 FWL

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:8-16-04



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

August 17, 2004

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

Re: Chapita Wells Unit 626-27 Well, 155' FNL, 1700' FWL, NE NW, Sec. 27,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-35878.

Sincerely,

For John R. Baza
Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 626-27
API Number: 43-047-35878
Lease: U-0285-A

Location: NE NW Sec. 27 T. 9 South R. 22 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

006

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: DRILL REENTER AUG - 9 2004

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 **155' FNL, 1700' FWL** **NE/NW**
At proposed prod. Zone

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

15. Distance from proposed*
location to nearest
property or lease line, ft. **155'**
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease
1800

17. Spacing Unit dedicated to this well

18. Distance from proposed location*
to nearest well, drilling, completed,
applied for, on this lease, ft. See Topo Map C

19. Proposed Depth
9400'

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
4938.1 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

Ed Trotter

Name (Printed/Typed)
Ed Trotter

RECEIVED
FEB 14 2005

Date
7-20-04

Title
Agent

Approved by (Signature)

Kevin B. Lawrence

Name (Printed/Typed)

Date
01/26/2005

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.

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)

UPDBM

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: EOG Resources Inc.
Well Name & Number: CHAPITA WELLS UNIT 626-27
API Number: 43-047-35878
Lease Number: UTU - 0285-A
Location: NENW Sec. 27 TWN: 09S RNG: 22E
Agreement: CHAPITA WELLS UNIT

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

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

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

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

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

A. DRILLING PROGRAM

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

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

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

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **5M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

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

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

In addition, to the cementing proposal for the surface casing under Option 1, a minimum of 200 ft. of Class G or Type 5 neat cement shall be placed from 200 ft. to surface in the 9 5/8" X 12 1/4" annulus.

As a minimum, the usable water and other valuable resources shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the top of the Wasatch Formation, identified at $\pm 4,639$ ft. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vapor proof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig. The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-5(d) shall be submitted to the appropriate Field Office within 60 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-5 (1).

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

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

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

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries and tested for meter accuracy at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform to Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, you must contact one of the following individuals:

Ed Forsman (435) 828-7874
Petroleum Engineer

Kirk Fleetwood (435) 828-7875
Petroleum Engineer

BLM FAX Machine (435) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spend solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids

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

Company/Operator: EOG Resources Inc..
API Number: 43-047-35878
Well Name & Number: CWU 626-27
Lease number: UTU-0285-A
Location: NESW Sec, 27 T.9S. R. 22E.
Surface Ownership: BLM
Date NOS Received:
Date APD Received: 8/9/04

Conditions for Approval are in the APD

Reseeded the existing top soil pile with the following seed mix:

| | | |
|-------------------|------------------------|-------------|
| Fourwing | Atriplex canescens | 4 lbs./acre |
| Shadscale | Atriplex confertifolia | 4 lbs./acre |
| Indian Rice Grass | Oryzopsis hymenoides | 4 lbs./acre |

**FINDING OF NO SIGNIFICANT IMPACT
AND
DECISION RECORD**

**EOG Resources, Inc., Proposed, One Gas Well, Chapita Well Unit 626-27
In the Chapita Well Unit
UT-080-2001-0472**

Based on the analysis of potential environmental impacts contained in the attached environmental assessment, and considering the significance criteria in 40 CFR 1508.27, I have determined that the action will not have a significant effect on the human environment. An environmental impact statement is therefore not required.

Decision:

It is my decision to authorize the drilling of EOG Resources, Inc. (EOG), gas well; CWU 626-27, as described in the Proposed Action of the EA No. UT-080-2001- 0472.

Summary of the Selected Alternative: EOG proposes to drill and complete one gas well, CWU 626-27, in Township 9 South, Range 22 East, Section 27, on Federal lease number UTU-0285-A. within 1 year of receiving approval. The location and access road has already been constructed under the original APD which expired April 2, 2004. About 311 feet of 3-inch unpainted, steel pipeline will be laid on the surface for gas production. The Chapita Well Unit is within the boundaries of a field development EA. This EA has analyze the impacts of EOG proposed developments within this region.

This decision is contingent on meeting all stipulations and monitoring requirements listed below. Recommend to reseed the existing top soil pile with the original seed recommendation as recommended with the original on site inspection dated, April 18, 2001.

Rationale for the Decision:

The Proposed Action is in conformance with the Book Cliffs Land Use Plan, approved May 1985. The Record of Decision of the Book Cliffs RMP/EIS allows leasing of oil and gas in the project area (BCRMP/ROD, p. 7). Assumptions identified under the Environmental Consequences section of the Book Cliffs RMP/EIS allow for the drilling of gas & oil wells (BCRMP/EIS, p. 158).

The proposed drilling is consistent with the *Uintah County General Plan, 1996* (Plan) that encompasses the location of the proposed well. In general, the Plan indicates support for development proposals such as the proposed action through the Plan's emphasis of multiple-use public land management practices, responsible use, and optimum utilization of public land resources.

There are no comprehensive State of Utah plans for the vicinity of the proposed action. The State of Utah School and Institutional Trust Lands Administration (SITLA) have leased much of the nearby State lands to oil and gas companies for oil and gas exploration and development. Because the objectives of SITLA are to produce funding for the State school system, and because production on Federal leases could

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: U-028555-A |
| | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 7. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT |
| | | 8. WELL NAME and NUMBER: CHAPITA WELLS UNIT 626-27 |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | 9. API NUMBER: 4304735878 | |
| 2. NAME OF OPERATOR: EOG RESOURCES, INC. | PHONE NUMBER: (435) 789-4120 | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES |
| 3. ADDRESS OF OPERATOR: P.O. BOX 1910 CITY VERNAL STATE UT ZIP 84078 | | |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 155' FNL, 1700' FWL | COUNTY: UINTAH | |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENW 27 9S 22E S | STATE: UTAH | |

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.
EOG 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: 08-15-05
By: [Signature]

**RECEIVED
AUG 10 2005**

DIV. OF OIL, GAS & MINING

| | |
|---------------------------------------|----------------------|
| NAME (PLEASE PRINT) <u>Ed Trotter</u> | TITLE <u>Agent</u> |
| SIGNATURE <u>[Signature]</u> | DATE <u>8/7/2005</u> |

(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: 43-047-35878
Well Name: CHAPITA WELLS UNIT 626-27
Location: 155' FNL, 1700' FWL, NENW, SEC. 27, T9S, R22E
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 8/17/2004

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

8/7/2005

Date

Title: Agent

Representing: EOG RESOURCES, INC.

RECEIVED
AUG 10 2005
DIV. OF OIL, GAS & MINING

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 626-27

Api No: 43-047-35878 Lease Type: FEDERAL

Section 27 Township 09S Range 22E County UINTAH

Drilling Contractor PETE MARTIN'S RIG # BUCKET

SPUDDED:

Date 10/12/05

Time 2:00 PM

How DRY

Drilling will Commence: _____

Reported by DALL COOK

Telephone # 1-435-828-3630

Date 10/13/05 Signed CHD

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 250 Big Piney WY, 83113**

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**NENW 155 FNL 1700 FWL S.L.B. & M
SECTION 27, T9S, R22E 40.01382 LAT 109.42876 LON**

5. Lease Serial No.
U-0285-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 626-27

9. API Well No.
43-047-35878

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 WELL SPUD | |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | | |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | | |

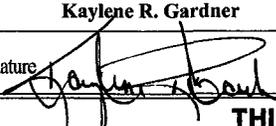
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical 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 recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. spud a 20" surface hole at the referenced location 10/12/2005 at 2:00 p.m. The contractor was Pete Martin's Bucket Rig. Dall Cook, representative for EOG, notified Matt Baker of the Vernal BLM office and Carol Daniels of the Utah Division of Oil Gas and Mining of the spud 10/12/2005 @ 12:30 p.m.

EOG Resources, Inc. operates under Nationwide Bond #2308

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

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

Signature  Date **10/14/2005**

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

OCT 1 / 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.

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. U-0285-A |
| 2. Name of Operator EOG RESOURCES, INC. | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P.O. BOX 250 Big Piney WY, 83113 | 3b. Phone No. (include area code) 307-276-3331 | 7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNIT |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NENW 155 FNL 1700 FWL S.L.B. & M SECTION 27, T9S, R22E 40.01382 LAT 109.42876 LON | | 8. Well Name and No. CHAPITA WELLS UNIT 626-27 |
| | | 9. API Well No. 43-047-35878 |
| | | 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.**

EOG Resources, Inc. operates under Nationwide Bond #2308

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

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

| | |
|---|--------------------------------------|
| Name (Printed/Typed) Kaylene R. Gardner | Title Regulatory Assistant |
| Signature | Date 10/14/2005 |

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
OCT 1 / 2005

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
 Address: P.O. BOX 250
 city BIG PINEY
 state WY zip 83113 Phone Number: (307) 276-3331

Well 1 H3-047-35878

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|-------------------------------|----------------------------------|-------------------|-------------------|-----------|----------------------------------|------------|---------------|
| <u>43-047-3578</u> | <u>CHAPITA WELLS UNIT 626-27</u> | | <u>NENW</u> | <u>27</u> | <u>9S</u> | <u>22E</u> | <u>UINTAH</u> |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| <u>X B</u> | <u>99999</u> | <u>13650</u> | <u>10/12/2005</u> | | <u>10/27/05</u> | | |
| Comments: <u>PRRV = INVLD</u> | | | | | | | <u>- J</u> |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| | | | | | | | |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| | | | | | | | |
| Comments: | | | | | | | |

Well 3

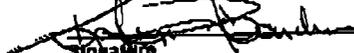
| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|-------------|-----------------------|-------------------|-----------|-----|----------------------------------|-----|--------|
| | | | | | | | |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | Entity Assignment Effective Date | | |
| | | | | | | | |
| Comments: | | | | | | | |

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)



Regulatory Assistant

10/14/2005

Title

Date

RECEIVED

OCT 24 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.

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. U-0285-A |
| 2. Name of Operator EOG RESOURCES, INC. | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address P.O. BOX 250 Big Piney WY, 83113 | 3b. Phone No. (include area code) 307-276-3331 | 7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNIT |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) NENW 155 FNL 1700 FWL S.L.B. & M SECTION 27, T9S, R22E 40.01382 LAT 109.42876 LON | | 8. Well Name and No. CHAPITA WELLS UNIT 626-27 |
| | | 9. API Well No. 43-047-35878 |
| | | 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 checked="" type="checkbox"/> Subsequent Report | <input type="checkbox"/> Alter Casing | <input type="checkbox"/> Fracture Treat | <input type="checkbox"/> Reclamation |
| <input type="checkbox"/> Final Abandonment Notice | <input type="checkbox"/> Casing Repair | <input type="checkbox"/> New Construction | <input type="checkbox"/> Recomplete |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal |
| | | | <input type="checkbox"/> Water Shut-Off |
| | | | <input type="checkbox"/> Well Integrity |
| | | | <input checked="" type="checkbox"/> Other DRILLING OPERATIONS |

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

Please see the attached well chronology report for drilling operations from 10/12/2005 - 11/5/2005.

EOG Resources, Inc. operates under Nationwide Bond #2308

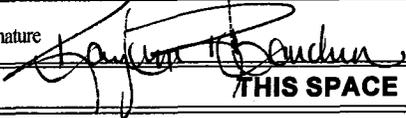
14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

Kaylene R. Gardner

Title **Regulatory Assistant**

Signature



Date

11/05/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Title

Date

Office

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

(Instructions on page 2)

RECEIVED

NOV 07 2005

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 11-04-2005

| | | | | | |
|----------------------|---|------------------|--------------|----------------------|-------------|
| Well Name | CWU 626-27 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA WELLS DEEP | API # | 43-047-35878 | Well Class | DRIL |
| County, State | UINTAH, UT | Spud Date | 10-14-2005 | Class Date | |
| Tax Credit | N | TVD / MD | 9,400/9,400 | Property # | 035758 |
| Water Depth | 0 | Last CSG | 4.5 | Shoe TVD / MD | 9,405/9,405 |
| KB / GL Elev | 4,956/ 4,938 | | | | |
| Location | Section 27, T9S, R22E, NENW, 155 FNL & 1700 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 50.0 | NRI % | 43.5 |

| | | | | | |
|------------------|-----------|------------------|----------------|---------------------|------------|
| AFE No | 302902 | AFE Total | | DHC / CWC | |
| Rig Contr | PATTERSON | Rig Name | PATTERSON #779 | Start Date | 10-14-2005 |
| | | | | Release Date | 10-31-2005 |

| | | | | | |
|------------------------------|--------------------|-------------------|---------------|------------------------|-----|
| 05-20-2004 | Reported By | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
| Cum Costs: Drilling | \$0 | Completion | \$0 | Well Total | \$0 |
| MD | 0 | TVD | 0 | Progress | 0 |
| | | | | Days | 0 |
| | | | | MW | 0.0 |
| | | | | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | |

Activity at Report Time: LOCATION INFORMATION

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | LOCATION: 155' FNL & 1700' FWL (NE/NW) SECTION 27, T9S, 22E UINTAH COUNTY, UTAH LEASE: U-0285A ELEVATION: 4940' NAT GL, 4938' PREP GL, 4956' KB (18') PATTERSON RIG #779 TD: 9400' MESAVERDE DW/GAS CHAPITA WELLS DEEP PROJECT CHAPITA WELLS UNIT DD&A: NATURAL BUTTES UNIT EOG WI 50%, NRI 43.5% |

| | | |
|-------------------|--------------------|---------------|
| 10-14-2005 | Reported By | EDDIE TROTTER |
|-------------------|--------------------|---------------|

| | | | | |
|------------------------------|--|-------------------|--|--------------------|
| Daily Costs: Drilling | | Completion | | Daily Total |
| Cum Costs: Drilling | | Completion | | Well Total |

MD 45 TVD 45 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREPARING TO DRILL

Start End Hrs Activity Description
 06:00 06:00 24.0 MIRU PETE MARTIN'S BUCKET RIG. SPUDED 20" HOLE @ 2:00 PM, 10/12/05.

DRILLED 20" HOLE TO 45'. RAN 45' OF 13-3/8", 54#, H-40, ST&C CONDUCTOR PIPE AND CEMENTED TO SURFACE.

DALL COOK NOTIFIED MATT BAKER W/BLM & CAROL DANIELS W/UOGM OF SPUDDING WELL AT 12:45 PM ON OCTOBER 7, 2005.

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

10-15-2005 Reported By PAUL WHITE

DailyCosts: Drilling Completion Daily Total
 Cum Costs: Drilling Completion Well Total
 MD 550 TVD 550 Progress 505 Days 1 MW 0.0 Visc 0.0
 Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start End Hrs Activity Description
 06:00 08:00 2.0 RIG UP ROTARY TOOLS. RIG ON DAY WORK AT 08:00 HRS, 10/14/05.
 08:00 11:00 3.0 STRAPPED AND PICKUP BHA.
 11:00 15:30 4.5 SPUD 12 1/4" SURFACE HOLE AT 11:00 HRS, 10/14/05. DRILLING. CONTINUED RIGGING UP AIR PACKAGE.
 15:30 16:00 0.5 SERVICED RIG.
 16:00 19:00 3.0 DRILLING 117' TO 179', 80 RPM, 12,000 WOB, 400 GPM.
 19:00 19:30 0.5 INSTALLED SAVER SUB ROTATING HEAD RUBBER AND DRIVE BUSHING. STARTED INJECTING AIR INTO STAND PIPE.
 19:30 06:00 10.5 DRILLING 179' TO 550', WOB 20,000, RPM 65/80, 400 GPM, WITH AIR.

9 5/8" CASING DUE ON LOCATION THIS AM
 SCHLUMBERGER BLENDING CMT

NO ACCIDENTS NO INCIDENTS
 CREW HELD TSM: INSTALLING ROTATING HEAD RUBBER
 NOTIFIED MATT BAKER W/BLM (LEFT MESSAGE) & CAROL DANIELS W/ST OF UT OF INTENT TO SPUD @ 1500 HRS, 10/13/05

10-16-2005 Reported By PAUL WHITE

DailyCosts: Drilling Completion Daily Total
 Cum Costs: Drilling Completion Well Total
 MD 1,425 TVD 1,425 Progress 920 Days 2 MW 0.0 Visc 0.0
 Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start End Hrs Activity Description

06:00 16:00 10.0 DRILL 550' TO 965', WOB 5/10, RPM 50, 400 GPM. STARTED INJECTING AIR IN STAND PIPE AT 210', RATE 600 TO 700 SCFM.

16:00 16:30 0.5 RIG SERVICED.

16:30 19:30 3.0 DRILL 965' TO 1093', WOB 38/50K, RPM 65/85, 400 GPM W/650 SCFM AIR INJECTED. RIG UP TEXSTEAM CHEMICAL PUMP AND INJECTED 3 GAL/HR CORROSION INHIBITOR W/AIR.

19:30 20:00 0.5 INSTALLED FITTING ON BLOOEIE LINE TO DEFLECT STREAM AWAY FROM PIT LINER.

20:00 06:00 10.0 DRILLED 1093' TO 1425', WOB 40/45K, RPM 65/85, 400 GPM/ 670 CFM.

9 5/8" CASING ON RACK, READY TO BE RUN

NO ACCIDENTS OR INCIDENTS

SAFETY MEETING: WORKING W/AIR/EYE PROTECTION/WATCHFULLNESS AROUND AIR PRESSURE

10-17-2005 Reported By TIM MCDONALD

| | | | | | | | | | | | |
|------------------------------|-------|-------------------|-------|-------------------|-----|-------------|---|------------------------|-----|-------------|-----|
| Daily Costs: Drilling | | | | Completion | | | | Daily Total | | | |
| Cum Costs: Drilling | | | | Completion | | | | Well Total | | | |
| MD | 2,177 | TVD | 2,177 | Progress | 752 | Days | 3 | MW | 0.0 | Visc | 0.0 |
| Formation : | | PBTD : 0.0 | | Perf : | | | | PKR Depth : 0.0 | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:30 | 3.5 | DRILL 1425'- 1508', 45K, 85 RPM. |
| 09:30 | 10:00 | 0.5 | SURVEY @ 1462', .75 DEG. |
| 10:00 | 18:30 | 8.5 | DRILL 1508'- 1794', 45K, 85 RPM. |
| 18:30 | 19:00 | 0.5 | SERVICED RIG. |
| 19:00 | 23:00 | 4.0 | DRILL 1794'- 1954', 45K, 85 RPM. |
| 23:00 | 23:30 | 0.5 | CHANGED OUT SECTION OF 6' BLOOEY LINE. |
| 23:30 | 01:30 | 2.0 | DRILL 1954'- 2017', 45K, 85 RPM. |
| 01:30 | 02:00 | 0.5 | SURVEY @ 1971', TOOL GOT STUCK IN FLOAT, PULLED OUT OF ROPE SOCKET. LEFT TOOL IN HOLE. |
| 02:00 | 06:00 | 4.0 | DRILL 2017'- 2177', 45K, 85 RPM. |

SAFETY MEETING W/CREWS: AIR DRILLING SAFETY

10-18-2005 Reported By TIM MCDONALD

| | | | | | | | | | | | |
|------------------------------|-------|-------------------|-------|-------------------|-----|-------------|---|------------------------|-----|-------------|-----|
| Daily Costs: Drilling | | | | Completion | | | | Daily Total | | | |
| Cum Costs: Drilling | | | | Completion | | | | Well Total | | | |
| MD | 2,405 | TVD | 2,405 | Progress | 228 | Days | 4 | MW | 0.0 | Visc | 0.0 |
| Formation : | | PBTD : 0.0 | | Perf : | | | | PKR Depth : 0.0 | | | |

Activity at Report Time: WAIT ON CEMENT

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 11:30 | 5.5 | DRILL 2177'- 2405', 45K, 85 RPM. |
| 11:30 | 14:30 | 3.0 | CIRCULATED FOR AND CLEANED UP HOLE FOR TRIP OUT TO RUN SURFACE CSG. |
| 14:30 | 19:00 | 4.5 | TOH, LAY DOWN 8" DRILL COLLARS. |

HAD FIRST AID ACCIDENT WHILE LAYING DOWN 8" DRILL COLLARS, DEAKEAN MILLER WAS BUMPED BY BREAK OUT TONGS ON KNEE. FIRST AID WAS ADMINISTERED, WILL NOT BE LOST TIME. WILL BE BACK TO WORK TODAY. HAVE PATTERSON AND EOG REPORT HERE.

19:00 01:30 6.5 HELD SAFETY MEETING WITH CREW AND CASING CREW. RIG UP CSG CREW.

PICK UP AND RUN 60 JTS OF 9.625", 40#, J-55, STC CSG WITH FLOAT EQUIPMENT AND 15 CENTRILIZERS. LANDED AT 2405' KB. RAN AS FOLLOWS: FLOAT SHOE, 1 JT CASING, FLOAT COLLAR, 59 JTS CASING.

01:30 05:30 4.0 CEMENTING WELL WITH SCHLUMBERGER. RAN CEMENT AS FOLLOWS: LEAD 385 SX LT WEIGHT, YIELD 2.36 FT3/SX, SLURRY WT 9.90 PPG, 7.93 GAL/SX MIX WATER. TAIL 275 SX CLASS G, YIELD 1.20 FT3/SX, SLURRY WT 15.60 PPG, 5.35 GAL/SX MIX WATER. LOST RETURNS 90 BBLS INTO DISPLACEMENT. STOPPED PUMPING FOR 20 MINUTES. RESUME PUMPING @ 1.5 BBL/MIN. SLOWED TO .5 BBLS/MIN. CEMENT AT FLOW LINE IN CONDUCTOR UNTIL DISPLACED.

05:30 06:00 0.5 WAIT ON CEMENT. CEMENT @ GROUND LEVEL @ 6:00 HRS.

10-19-2005 Reported By TIM MCDONALD

| | | | | | | | | | | | |
|------------------------------|-------|------------|-------------------|-------------------|---|---------------|---|--------------------|------------------------|-------------|-----|
| Daily Costs: Drilling | | | | Completion | | | | Daily Total | | | |
| Cum Costs: Drilling | | | | Completion | | | | Well Total | | | |
| MD | 2,405 | TVD | 2,405 | Progress | 0 | Days | 5 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |

Activity at Report Time: TESTING BOP'S

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 14:30 | 8.5 | WAIT ON CEMENT. NIPPLE DOWN CONDUCTOR AND AIR DRILLING EQUIPMENT. CUT OFF CONDUCTOR. TOP OF CEMENT @ 38'. GOT OK FROM MATT BAKER W/BLM AND EOG TO TOP-OUT WITH SACK-CRETE. TOOK 40 SKS TO TOP-OUT. GOT WITH PAUL BEULER W/BLM OVER RESERVE PIT LEAK. TALKED WITH ED TROTTER W/EOG. BUILT SMALL CATCH PIT ON WEST SIDE OF LOCATION AS PER BLM. ED TROTTER WITH EOG SAID HE WOULD SUBMIT ALL PAPER WORK ON PIT. |
| 14:30 | 03:00 | 12.5 | CUT OFF SURFACE PIPE WELD ON WELL HEAD. NU BOP AND CHOKE SYSTEM. |
| 03:00 | 04:00 | 1.0 | CHANGED OUT BLIND RAMS. RETURNED RENTALS. |
| 04:00 | 06:00 | 2.0 | TESTED BOPS, KELLY AND CHOKE SYSTEM TO 5000 PSI AND 250 PSI. |

NOTIFIED MATT BAKER W/BLM & JAMIE SPARGER W/STATE OF BOP TEST AT 8:00 HRS, 10/18/05.
CATCH PIT FOR LEAK IN PLACE AND LINED

10-20-2005 Reported By TIM MCDONALD

| | | | | | | | | | | | |
|------------------------------|-------|------------|-------------------|-------------------|-----|---------------|---|--------------------|------------------------|-------------|-----|
| Daily Costs: Drilling | | | | Completion | | | | Daily Total | | | |
| Cum Costs: Drilling | | | | Completion | | | | Well Total | | | |
| MD | 2,560 | TVD | 2,560 | Progress | 155 | Days | 6 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 18:30 | 12.5 | TESTED BOPS. TESTED KELLY AND CHOKE SYSTEM TO 5000 PSI, 250 PSI. |
| 18:30 | 19:00 | 0.5 | SERVICED RIG. |
| 19:00 | 00:00 | 5.0 | LOADED RACK WITH BHA. PU BHA & TOOLS. |
| 00:00 | 02:00 | 2.0 | TOH. TAGGED CEMENT @ 2327'. |
| 02:00 | 04:00 | 2.0 | DRILL CEMENT/FLOAT EQUIPMENT AND 7' OF FORMATION 2405'- 2412'. SPUD 7 7/8" HOLE @ 04:00 HRS, 10/19/05. |
| 04:00 | 04:30 | 0.5 | TESTED CASING SHOE TO 12 PPG, MUD WEIGHT EQUIVALENT 300 PSI. |
| 04:30 | 06:00 | 1.5 | DRILL 2412'- 2560'. |

10-21-2005 Reported By TIM MCDONALD

| | | | | | | | | | | | |
|-----------------------------|-------------------|------------|-------|-----------------|-------------------|-------------|---|------------------------|-----|-------------|------|
| DailyCosts: Drilling | | | | | Completion | | | Daily Total | | | |
| Cum Costs: Drilling | | | | | Completion | | | Well Total | | | |
| MD | 4,815 | TVD | 4,815 | Progress | 2,165 | Days | 7 | MW | 8.5 | Visc | 29.0 |
| Formation : | PBTD : 0.0 | | | | Perf : | | | PKR Depth : 0.0 | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 15:30 | 9.5 | DRILL 2560'-3516', 45 RPM, 25K, 100 FPH. |
| 15:30 | 16:00 | 0.5 | SERVICED RIG. |
| 16:00 | 16:30 | 0.5 | CHANGED OUT CORROSION RING IN SAVER SUB. |
| 16:30 | 17:00 | 0.5 | SURVEY @ 3440', 2.5 DEG. |
| 17:00 | 21:00 | 4.0 | DRILL 3516'-4026', 50 RPM, 28K, 127 FPH. |
| 21:00 | 21:30 | 0.5 | SURVEY @ 3981', 3 DEG. |
| 21:30 | 06:00 | 8.5 | DRILL 4026'-4815', 50 RPM, 28K, 93 FPH. IN WASATCH FORMATION NOW. |

CREW SAFETY MEETING: MAKING CONNECTIONS/MIXING MUD SAFELY

10-22-2005 **Reported By** TIM MCDONALD

| | | | | | | | | | | | |
|-----------------------------|-------------------|------------|-------|-----------------|-------------------|-------------|---|------------------------|-----|-------------|------|
| DailyCosts: Drilling | | | | | Completion | | | Daily Total | | | |
| Cum Costs: Drilling | | | | | Completion | | | Well Total | | | |
| MD | 5,964 | TVD | 5,964 | Progress | 1,149 | Days | 8 | MW | 9.4 | Visc | 34.0 |
| Formation : | PBTD : 0.0 | | | | Perf : | | | PKR Depth : 0.0 | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|---------------------------------|
| 06:00 | 07:00 | 1.0 | DRILL 4815'-4854', 45 RPM 28K. |
| 07:00 | 07:30 | 0.5 | SURVEY @ 4701', 2.25 DEG. |
| 07:30 | 18:00 | 10.5 | DRILL 4854'-5364', 45 RPM, 28K. |
| 18:00 | 18:30 | 0.5 | SERVICED RIG. |
| 18:30 | 01:00 | 6.5 | DRILL 5364'-5715', 45 RPM, 28K. |
| 01:00 | 01:30 | 0.5 | SURVEY @ 5639'. |
| 01:30 | 06:00 | 4.5 | DRILL 5715'-5964', 45 RPM, 28K. |

10-23-2005 **Reported By** TIM MCDONALD

| | | | | | | | | | | | |
|-----------------------------|-------------------|------------|-------|-----------------|-------------------|-------------|---|------------------------|-----|-------------|------|
| DailyCosts: Drilling | | | | | Completion | | | Daily Total | | | |
| Cum Costs: Drilling | | | | | Completion | | | Well Total | | | |
| MD | 6,512 | TVD | 6,512 | Progress | 548 | Days | 9 | MW | 9.7 | Visc | 38.0 |
| Formation : | PBTD : 0.0 | | | | Perf : | | | PKR Depth : 0.0 | | | |

Activity at Report Time: TOH

| Start | End | Hrs | Activity Description |
|-------|-------|------|---------------------------------|
| 06:00 | 14:00 | 8.0 | DRILL 5964'-6304', 45 RPM, 28K. |
| 14:00 | 14:30 | 0.5 | SERVICED RIG. |
| 14:30 | 01:30 | 11.0 | DRILL 6304'-6512', 45 RPM, 28K. |
| 01:30 | 06:00 | 4.5 | TRIP OUT FOR BIT AND MOTOR. |

10-24-2005 **Reported By** TIM MCDONALD

| | | | | | | | | | | |
|-----------------------------|--|--|--|--|-------------------|--|--|--------------------|--|--|
| DailyCosts: Drilling | | | | | Completion | | | Daily Total | | |
|-----------------------------|--|--|--|--|-------------------|--|--|--------------------|--|--|

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------------------|
| 06:00 | 12:00 | 6.0 | DRILL 7746'- 8001', 55 RPM, 28K. |
| 12:00 | 12:30 | 0.5 | SERVICED RIG. |
| 12:30 | 06:00 | 17.5 | DRILL 8001'- 8449', 55 RPM, 28K. |

BOP DRILL BOTH CREWS

DISCUSSED THEIR STATIONS AND HOW IMPORTANT IT IS TO BE THERE AND READY

10-28-2005 Reported By TIM MCDONALD

| DailyCosts: Drilling | Completion | Daily Total |
|----------------------|-------------|---------------------------|
| Cum Costs: Drilling | Completion | Well Total |
| MD 8,543 TVD 8,543 | Progress 94 | Days 14 MW 11.1 Visc 44.0 |
| Formation : | PBTD : 0.0 | Perf : PKR Depth : 0.0 |

Activity at Report Time: TIH AFTER BIT RUN

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 07:30 | 1.5 | DRILL 8449'- 8464', RPM 55, WT 30. |
| 07:30 | 08:00 | 0.5 | RIG REPAIRED, WORK ON PUMPS. |
| 08:00 | 11:00 | 3.0 | DRILL 8464'- 8511', RPM 55, 30K. |
| 11:00 | 11:30 | 0.5 | SERVICED RIG. |
| 11:30 | 15:00 | 3.5 | DRILL 8511'- 8543', RPM 55, 30K. |
| 15:00 | 15:30 | 0.5 | CIRCULATED FOR TRIP OUT TO CHANGE BIT. |
| 15:30 | 22:00 | 6.5 | PRE-JOB SAFETY MEETING ON TRIPPING PIPE. TRIP OUT, NO PROBLEMS. |
| 22:00 | 23:00 | 1.0 | CHANGED OUT BIT, CHECKED OUT RIG. PRE-JOB SAFETY MEETING ON TRIPPING PIPE IN HOLE. |
| 23:00 | 06:00 | 7.0 | TIH WITH NEW BIT. |

10-29-2005 Reported By TIM MCDONALD

| DailyCosts: Drilling | Completion | Daily Total |
|----------------------|------------|---------------------------|
| Cum Costs: Drilling | Completion | Well Total |
| MD 9,326 TVD 9,326 | Progress 0 | Days 15 MW 11.7 Visc 41.0 |
| Formation : | PBTD : 0.0 | Perf : PKR Depth : 0.0 |

Activity at Report Time: DRILLING AHEAD @ 9326'

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 07:00 | 1.0 | TRIP IN HOLE TO 8420'. |
| 07:00 | 07:30 | 0.5 | WASH/REAM FROM 8420'- 8543'. |
| 07:30 | 08:00 | 0.5 | CIRCULATE OUT GAS. |
| 08:00 | 12:00 | 4.0 | DRILL 8543'- 8765', 55 RPM, 28K. |
| 12:00 | 12:30 | 0.5 | SERVICE RIG. |
| 12:30 | 23:00 | 10.5 | DRILL 8765'- 9277', 55 RPM, 28K. |
| 23:00 | 01:30 | 2.5 | WASH/REAM WORK TIGHT HOLE @ 9277'. LOST 30 BBLs OF MUD, BY-PASS SHAKER AND MIX LCM LOSSES SEEM TO HAVE STOPPED. |
| 01:30 | 06:00 | 4.5 | DRILL 9277'- 9326'. 55 RPM, 28K. |

HELD SAFETY MEETINGS ON FORKLIFT SAFETY AND WORKING ON MUD PUMPS SAFELY.

10-30-2005 Reported By TIM MCDONALD

| DailyCosts: Drilling | Completion | Daily Total |
|----------------------|------------|-------------|
|----------------------|------------|-------------|

| | | | | | | | | | | | |
|----------------------------|-------|------------|-------------------|-----------------|----|-------------------|----|-----------|------------------------|-------------|------|
| Cum Costs: Drilling | | | Completion | | | Well Total | | | | | |
| MD | 9,405 | TVD | 9,405 | Progress | 79 | Days | 16 | MW | 11.7 | Visc | 38.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |

Activity at Report Time: CIRCULATING FOR LAY DOWN & CSG.

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 08:30 | 2.5 | DRILL 9326'-9346'. 55 RPM, 28K. |
| 08:30 | 09:30 | 1.0 | CIRCULATE FOR TRIP OUT TO CHANGE OUT MOTOR AND BIT. |
| 09:30 | 18:00 | 8.5 | TRIP OUT HOLE & LD MOTOR AND BIT. |
| 18:00 | 19:00 | 1.0 | PICK UP NEW MOTOR AND BIT HELD SAFETY MEETING. FUNCTION TEST BOPE. |
| 19:00 | 03:00 | 8.0 | TRIP IN HOLE. |
| 02:00 | 03:00 | 1.0 | TRIP IN HOLE TO 9346'. |
| 03:00 | 06:00 | 3.0 | DRILL 9346'-9405' TD. TD WELL 10/30/05 @ 06:00. |

10-31-2005 **Reported By** TIM MCDONALD

| | | | | | | | | | | | |
|------------------------------|-------|------------|-------------------|-----------------|---|--------------------|----|-----------|------------------------|-------------|-----|
| Daily Costs: Drilling | | | Completion | | | Daily Total | | | | | |
| Cum Costs: Drilling | | | Completion | | | Well Total | | | | | |
| MD | 9,405 | TVD | 9,405 | Progress | 0 | Days | 17 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |

Activity at Report Time: CIRCULATING OUT GAS TO CEMENT CSG

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 10:30 | 4.5 | CIRCULATE AND PREPARE TO LAY DOWN DRILL STRING. |
| 10:30 | 21:00 | 10.5 | LD DRILL PIPE AND BHA BREAK KELLY AND PULL WEAR RING. |
| 21:00 | 05:30 | 8.5 | PICK UP AND RUN 236 JOINT (232 FULL JTS + 1 SHORT JT+ 2 MARKER JTS) OF 4.5", 11.60#, N-80, LTC CASING. LANDED AT 9405' KB. RAN CASING AS FOLLOWS: FLOAT SHOE, SHORT JT, FLOAT COLLAR 9382', 52 JTS CASING, MARKER JT 7278', 76 JTS CASING, MARKER JT 7202', 104 JTS CASING, LANDING COLLAR & LANDING JT. |
| 05:30 | 06:00 | 0.5 | CIRCULATE FOR CEMENT JOB. |

11-01-2005 **Reported By** TIM MCDONALD

| | | | | | | | | | | | |
|------------------------------|-------|------------|-------------------|-----------------|---|--------------------|----|-----------|------------------------|-------------|-----|
| Daily Costs: Drilling | | | Completion | | | Daily Total | | | | | |
| Cum Costs: Drilling | | | Completion | | | Well Total | | | | | |
| MD | 9,405 | TVD | 9,405 | Progress | 0 | Days | 18 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |

Activity at Report Time: WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 07:30 | 1.5 | CIRCULATE GAS OUT TO CEMENT WELL, HAD 25-30' FLARE. |
| 07:30 | 09:30 | 2.0 | CEMENTING PRODUCTION STRING WITH SCHLUMBERGER. LEAD 476 SX 35.65 POZ + 4% D020 + 2% D174 + 0.25% D029, + 0.2% D040, + 0.75% D112, + 0.2% D013, + 9.19 GPS H2O, MIXED @ 13 PPG/1.75 YLD. TAIL 1463 SX "G" + 2% D20 + 0.2% D065, + 0.2% D167 + 0.1% D046 + 0.75% D013 + 5.96 GPS H2O MIXED AT 14.1 PPG/1.29 YLD. MAINTAINED FULL RETURNS THROUGH OUT CEMENT JOB MANDREL HANGER. LANDED @ 80K. TESTED OK. |
| 09:30 | 15:00 | 5.5 | NIPPLE DOWN. CLEANED MUD TANKS. |
| 15:00 | 06:00 | 15.0 | RIG DOWN AND PREPARE TO MOVE TO CWU 859-29. |

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address
600 17th St. Suite 1100N, Denver, CO 80202

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**NENW 155 FNL 1700 FWL S.L.B. & M
SECTION 27, T9S, R22E 40.01382 LAT 109.42876 LON**

5. Lease Serial No.
U-0285-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 626-27

9. API Well No.
43-047-35878

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 COMPLETION |
| | <input type="checkbox"/> Change Plans | <input type="checkbox"/> Plug and Abandon | <input type="checkbox"/> Temporarily Abandon | OPERATIONS |
| | <input type="checkbox"/> Convert to Injection | <input type="checkbox"/> Plug Back | <input type="checkbox"/> Water Disposal | |

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

Please see the attached operations summary report for completion operations performed from 12/06/2005 - 12/20/2005 on the subject well.

EOG Resources, Inc. operates under Nationwide Bond #2308

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

Mary Maestas

Title **Operations Clerk**

Signature

Mary Maestas

Date

12/20/2005

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Title

Date

Office

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

(Instructions on page 2)

RECEIVED

DEC 22 2005

DIV. OF OIL, GAS & MINING

PERCY

OPERATIONS SUMMARY REPORT

| | |
|---------------------------------------|--------------------------------------|
| WELL NAME: CWU 626-27 | AFE NO: 302902 |
| RIG NAME: PATTERSON #779 | WELL ID NO.: 035758 |
| FIELD NAME: CHAPITA WELLS DEEP | API NO.: 43-047-35878 |
| EVENT NO.: 1 | EVENT DESC.: DRILL & COMPLETE |

| | | | | |
|------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/7/2005 | DSS: 37 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,647,068.90 |
|------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--------------|-----------|-----------|------------|--|
| 14.50 | C | OT | | SICP 3200 PSIG. RU CUTTERS WL. SET 10K CBP @ 8195'. RDWL. RU SCHLUMBERGER. FRAC DOWN CSG W/165 GALS GYPTRON T-106, 4959 GALS YF125ST PAD, 60327 GALS YF125ST & YF118ST & 238280# 20/40 SAND @ 1-6 PPG. MTP 6275 PSI. MTR 50.2 BPM. ATP 4455 PSI. ATR 41.5 BPM. ISIP 3300 PSI. RD SCHLUMBERGER. |
| | | | | FLOWED 3 HRS. 16/64" CHOKE. FCP 1850 PSIG. 60 BFPH. RECOVERED 260 BLW. 1436 BLWTR. |
| | | | | RU CUTTERS WL. SET 10K CBP @ 8030'. PERFORATED MPR FROM 7973-75', & 7925-27' @ 3 SPF & 120° PHASING. RDWL. |
| | | | | RIH W/HD PKR. TO FILL @ 8003'. WASHED SAND TO CBP @ 8030'. SET PKR @ 7947'. LANDED TBG W/25K# COMPRESSION. |
| | | | | RU SCHLUMBERGER. BROKE DOWN MPR PERFS 7973-75' W/9 BBLs TREATED WATER @ 6111 PSIG. 1 MIN SIP 2151 PSIG. BROKE DOWN MPR PERFS 7925-27' W/1.9 BBLs TREATED WATER @ 3194 PSIG. 1 MIN SIP 1785 PSIG. RD SCHLUMBERGER. |
| | | | | INSTALLED DIGITAL PRESSURE GAUGE TO MONITOR TBG & CSG PRESSURES UNTIL 12/8/05. SECURED WELL. |

| | | | | |
|------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/9/2005 | DSS: 38 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,661,345.90 |
|------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--------------|-----------|-----------|------------|---|
| 6.00 | C | OT | | SITP 1641 PSIG. SICP 1683 PSIG. REMOVED DIGITAL PRESSURE GAUGE. BLEW WELL DOWN. RELEASED PKR & POH. |
| | | | | RU CUTTERS WL. PERFORATED MPR FROM 8013'-15', 7964'-66' & 7904'-06' @ 3 SPF & 120° PHASING. RDWL. SDFN. |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/10/2005 | DSS: 39 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,735,499.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--------------|-----------|-----------|------------|--|
| 23.00 | C | OT | | SICP 2000 PSIG. RU SCHLUMBERGER. FRAC DOWN CSG W/165 GALS GYPTRON T-106, 4983 GALS YF125ST PAD, 58908 GALS YF125ST & YF118ST & 248,860# 20/40 SAND @ 1-6 PPG. MTP 6761 PSIG. MTR 49.7 BPM. ATP 5534 PSIG. ATR 46.7 BPM. ISIP 3169 PSIG. RD SCHLUMBERGER. |
| | | | | FLOWED 15.5 HRS. 16/64" CHOKE. FCP 1350 PSIG. 60 BFPH. RECOVERED 1160 BLW. 498 BLWTR. |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/11/2005 | DSS: 40 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,765,599.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

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DEC 22 2005

DIV. OF OIL, GAS & MINING



OPERATIONS SUMMARY REPORT

| | |
|---------------------------------------|--------------------------------------|
| WELL NAME: CWU 626-27 | AFE NO: 302902 |
| RIG NAME: PATTERSON #779 | WELL ID NO.: 035758 |
| FIELD NAME: CHAPITA WELLS DEEP | API NO.: 43-047-35878 |
| EVENT NO.: 1 | EVENT DESC.: DRILL & COMPLETE |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/11/2005 | DSS: 40 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,765,599.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--|-----------|-----------|------------|---|
| 7.00 | C | OT | | FLOWED 1 HR. 16/64" CHOKE. FCP 1350 PSIG. 60 BFPH. 438 BLWTR. |
| <p>RU CUTTERS WL. SET 10K CBP @ 7840'. PERFORATED UPR FROM 7780-81' & 7664-66' @ 3 SPF & 120° PHASING. RDWL. RIH W/HD PKR TO FILL @ 7838'. CIRCULATED HOLE CLEAN. SET PKR @ 7740' W/25K# COMPRESSION. RU SCHLUMBERGER. BROKE DOWN PERFS 7780-81' W/1 BBL TREATED WATER @ 5259 PSIG. 1 MIN SIP 2115 PSIG. BROKE DOWN PERFS 7664-66' W/1.5 BBL TREATED WATER @ 3330 PSIG. 1 MIN SIP 1889 PSIG. RD SCHLUMBERGER.</p> <p>INSTALLED DIGITAL PRESSURE GAUGE TO MONITOR CSG & TBG PRESSURES UNTIL 12/12/05. SECURED WELL.</p> | | | | |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/13/2005 | DSS: 41 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,839,147.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--|-----------|-----------|------------|--|
| 23.00 | C | OT | | SITP 1417 PSIG. SICP 1410 PSIG. REMOVED DIGITAL GAUGE. BLEW WELL DOWN. RELEASED PKR & POH. |
| <p>RU CUTTERS WL. PERFORATED UPR FROM 7824'-25', 7745'-46', 7729'-30', 7712'-14', 7695'-96', 7690'-91', 7639'-40', 7618'-19' & 7595'-96' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CSG W/165 GALS GYPTRON T-106, 4974 GALS YF125ST PAD, 45,076 GALS YF125ST & YF118ST & 168,080# 20/40 SAND @ 1-6 PPG. MTP 6025 PSIG. MTR 50.3 BPM. ATP 4446 PSIG. ATR 48.4 BPM. ISIP 2750 PSIG. RD SCHLUMBERGER.</p> <p>FLOWED 16 HRS. 16/64" CHOKE. FCP 1000 PSIG. 20 BFPH. RECOVERED 665 BLW. 783 BLWTR.</p> | | | | |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/14/2005 | DSS: 42 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,866,097.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--|-----------|-----------|------------|--|
| 24.00 | C | OT | | RU CUTTERS WL. SET 10K CBP AT 7540'. PERFORATED UPR FROM 7449-50' & 7508-10' @ 2 SPF & 180° PHASING. RDWL. |
| <p>BLEW WELL DOWN. RIH W/HD PKR TO CBP AT 7540'. CIRCULATED HOLE CLEAN W/ TREATED WATER. SET PKR AT 7485' W/26K# COMPRESSION.</p> <p>RU SCHLUMBERGER. BROKE DOWN PERFS 7508-10' @ 1700 PSIG. 1 MIN SIP 25 PSIG. BROKE DOWN PERFS 7449-50' @ 4802 PSIG. 1MIN SIP 1685 PSIG. RD SCHLUMBERGER.</p> <p>INSTALLED DIGITAL PRESSURE GAUGE ON TBG AND CSG. SITP 0 PSIG. SICP 1288 PSIG. SI UNTIL 12/15.</p> | | | | |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/15/2005 | DSS: 43 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,870,132.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--------------|-----------|-----------|------------|--|
| 24.00 | C | OT | | SHUT IN FOR STG 10 PRESSURE FALL-OFF TEST. |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/16/2005 | DSS: 44 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,892,628.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

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DEC 22 2005

DIV. OF OIL, GAS & MINING

PERC

OPERATIONS SUMMARY REPORT

| | |
|---------------------------------------|--------------------------------------|
| WELL NAME: CWU 626-27 | AFE NO: 302902 |
| RIG NAME: PATTERSON #779 | WELL ID NO.: 035758 |
| FIELD NAME: CHAPITA WELLS DEEP | API NO.: 43-047-35878 |
| EVENT NO.: 1 | EVENT DESC.: DRILL & COMPLETE |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/16/2005 | DSS: 44 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,892,628.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--------------|-----------|-----------|------------|--|
| 24.00 | C | OT | | SITP 778 PSIG. SICP 1997 PSIG. REMOVED DIGITAL GAUGE. MIRU PLS SLICK LINE. RAN PRESSURE GAUGE TO 7485'. MADE STOPS AT 7000' AND 6500' ON WAY OUT OF HOLE. FLUID LEVEL AT 2600'.. RDWL. |
| | | | | BLEW WELL DOWN. KILLED TBG W/TREATED WATER. RELEASED PKR. POH. HAD TO KILL WELL 3 TIMES DURING TRIP. UNABLE TO KILL @ 1150'±. FLOWED TBG AND CSG 2 HRS. KILLED WELL. FINISHED POH. SDFN. |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/17/2005 | DSS: 45 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 1,959,669.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--------------|-----------|-----------|------------|---|
| 24.00 | C | OT | | SICP 1975 PSIG. RU CUTTERS WL. PERFORATED UPR FROM 7398-99', 7421-22', 7432-33', 7439-40', 7457-58', 7490-91' & 7500-01' @ 2 SPF & 180° PHASING. RDWL. |
| | | | | RU SCHLUMBERGER. FRAC DOWN CSG W/165 GALS GYPTRON T-106, 5038 GALS YF125ST PAD, 53,859 GALS YF125ST & YF118ST & 187,525# 20/40 SAND @ 1-6 PPG. MTP 5808 PSIG. MTR 50.0 BPM. ATP 4885 PSIG. ATR 42.2 BPM. ISIP 2540 PSIG. RD SCHLUMBERGER. |
| | | | | FLOWED 19.5 HRS. 16/64" CHOKE. FCP 1050 PSIG. 34 BFPH. RECOVERED 920 BLW. 536 BLWTR. |

| | | | | |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|
| DATE: 12/20/2005 | DSS: 48 | DEPTH: 9,405 | MUD WT: | CUM COST TO DATE: 2,021,044.90 |
|-------------------------|----------------|---------------------|----------------|---------------------------------------|

| <u>HOURS</u> | <u>PH</u> | <u>OP</u> | <u>ACT</u> | <u>ACTIVITY DESCRIPTION</u> |
|--------------|-----------|-----------|------------|--|
| 24.00 | C | OT | | REMOVED DIGITAL GAUGE. SITP 541 PSIG. SICP 752 PSIG. BLEW WELL DOWN. RELEASED PKR. POH. |
| | | | | RU CUTTERS WL. PERFORATED UPR FROM 7265-66', 7291-92', 7301-02', 7321-22' & 7367-69' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CSG W/165 GALS GYPTRON T-106, 4952 GALS YF125ST PAD, 42763 GALS YF125ST & YF118ST & 138747# 20/40 SAND @ 1-6 PPG. MTP 5752 PSIG. MTR 50.6 BPM. ATP 4416 PSIG. ATR 44.9 BPM. ISIP 2300 PSIG. RD SCHLUMBERGER. |
| | | | | FLOWED 18 HRS. 16/64" CHOKE. FCP 1100 PSIG. 27 BFPH. RECOVERED 736 BLW. 400 BLWTR. |
| | | | | GS |

RECEIVED

DEC 22 2005

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 250 Big Piney WY, 83113

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

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

**NENW 155 FNL 1700 FWL S.L.B. & M
SECTION 27, T9S, R22E 40.01382 LAT 109.42876 LON**

5. Lease Serial No.
U-0285-A

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
CHAPITA WELLS UNIT 626-27

9. API Well No.
43-047-35878

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

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.)

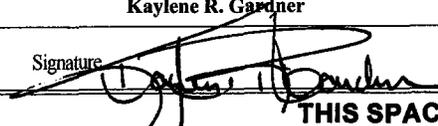
INITIAL PRODUCTION: The referenced well was turned to sales at 11:00 a.m., 1/16/2006 through Questar meter # 6916 on a 10/64" choke. Opening pressure, FTP 2700 psig, CP 3200 psig.

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

Kaylene R. Gardner

Title **Regulatory Assistant**

Signature



Date

01/17/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

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

Title

Date

Office

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

(Instructions on page 2)

JAN 24 2006

ENV. C/F OIL, GAS, R/W

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. Resvr.,
 Other _____

5. Lease Serial No.
U-0285-A

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
CWU 626-27

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

9. AFI Well No.
43-047-35878

3. Address **P.O. Box 250
Big Piney, WY 83113** 3a. Phone No. (include area code)
307-276-3331

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

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

At surface **NENW 155 FNL 1700 FWL 40.01382 LAT 109.42876 LON**

11. Sec., T., R., M., on Block and Survey or Area **SECTION 27, T9S, R22E, S13E, & M**

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

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

At total depth **SAME**

14. Date Spudded **10/12/2005** 15. Date T.D. Reached **10/30/2005** 16. Date Completed **01/16/2006**
 D & A Ready to Prod.

17. Elevations (DF, RKB, RT, GL)*
4956 KB

18. Total Depth: MD **9405** 19. Plug Back T.D.: MD **9270** 20. Depth Bridge Plug Set: MD
 TVD TVD TVD

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

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

| Hole Size | Size/Grade | Wt. (#/ft.) | Top (MD) | Bottom (MD) | Stage Cementer Depth | No. of Sk. & Type of Cement | Slurry Vol. (BBL) | Cement Top* | Amount Pulled |
|-----------|------------|-------------|----------|-------------|----------------------|-----------------------------|-------------------|-------------|---------------|
| 12-1/4 | 9-7/8 | J-55 | 40# | 0-2405 | | 660 | | | |
| 7-7/8 | 4-1/2 | N-80 | 11.6 | 0-9405 | | 1939 | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

24. Tubing Record

| Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) | Size | Depth Set (MD) | Packer Depth (MD) |
|-------|----------------|-------------------|------|----------------|-------------------|------|----------------|-------------------|
| 2-3/8 | 7129 | | | | | | | |

| 25. Producing Intervals MURD | | | 26. Perforation Record | | | |
|-------------------------------------|------|--------|------------------------|------|-----------|--------------|
| Formation | Top | Bottom | Perforated Interval | Size | No. Holes | Perf. Status |
| A) MESAVERDE | 7138 | 9139 | 8996-9139 | | 3/SPF | |
| B) | | | 8774-8951 | | 2/SPF | |
| C) | | | 8616-8726 | | 2/SPF | |
| D) | | | 8492-8566 | | 3/SPF | |

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

| Depth Interval | Amount and Type of Material |
|----------------|---|
| 8996-9139 | 1260 BBLs GELLED WATER & 170,959 # 20/40 SAND |
| 8774-8951 | 1168 BBLs GELLED WATER & 168,120 # 20/40 SAND |
| 8616-8726 | 1194 BBLs GELLED WATER & 168,080 # 20/40 SAND |
| 8492-8566 | 1089 BBLs GELLED WATER & 147,600 # 20/40 SAND |

28. Production - Interval A

| Date First Produced | Test Date | Hours Tested | Test Production | Oil BBL | Gas MCF | Water BBL | Oil Gravity Corr. API | Gas Gravity | Production Method |
|---------------------|----------------------|--------------|-----------------|---------|---------|-----------|-----------------------|-------------|--------------------|
| 01/16/2006 | 01/22/2006 | 24 | → | 20 | 966 | 114 | | | FLOWS FROM WELL |
| Choke Size | Tbg. Press. Flwg. SI | Csg. Press. | 24 Hr. Rate | Oil BBL | Gas MCF | Water BBL | Gas/Oil Ratio | Well Status | |
| 10/64 | 2500 | 3000 | → | 20 | 966 | 114 | | | PRODUCING GAS WELL |

28a. Production - Interval B

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

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

FEB 06 2006

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

| Formation | Top | Bottom | Descriptions, Contents, etc. | Name | Top |
|--------------------------|-------------|-------------|------------------------------|---------------------------|-------------|
| | | | | | Meas. Depth |
| MESAVERDE | 7138 | 9139 | | WASATCH | 4641 |
| | | | | CHAPITA WELLS | 5254 |
| | | | | BUCK CANYON | 5924 |
| | | | | NORTH HORN | 6712 |
| | | | | ISLAND | 6915 |
| | | | | MESAVERDE | 7119 |
| | | | | MIDDLE PRICE RIVER | 7958 |
| LOWER PRICE RIVER | 8767 | | | | |
| SEGO | 9247 | | | | |

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

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

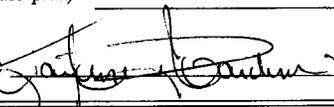
- Electrical/Mechanical Logs (1 full set req'd.)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other:

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) **Kaylene R. Gardner**

Title **Regulatory Assistant**

Signature



Date **02/01/2006**

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

Chapita Wells Unit 626-27 - ADDITIONAL REMARKS (CONTINUED):

TURNED TO SALES THROUGH QUESTAR METER # 6916. Two 400 bbl tank # 80675V and 80676V are on location.

27. PERFORATION RECORD

| | |
|-----------|-------|
| 8350-8454 | 2/SPF |
| 8226-8313 | 2/SPF |
| 8052-8181 | 2/SPF |
| 7904-8015 | 3/SPF |
| 7595-7830 | 2/SPF |
| 7398-7510 | 2/SPF |
| 7243-7369 | 3/SPF |
| 7138-7216 | 3/SPF |

28. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

| | |
|-----------|---|
| 8350-8454 | 1436 BBLS GELLED WATER & 194,086 # 20/40 SAND |
| 8226-8313 | 1283 BBLS GELLED WATER & 168,040 # 20/40 SAND |
| 8052-8181 | 1558 BBLS GELLED WATER & 238,280 # 20/40 SAND |
| 7904-8015 | 1525 BBLS GELLED WATER & 248,860 # 20/40 SAND |
| 7595-7830 | 1196 BBLS GELLED WATER & 168,080 # 20/40 SAND |
| 7398-7510 | 1406 BBLS GELLED WATER & 187,525 # 20/40 SAND |
| 7243-7369 | 1140 BBLS GELLED WATER & 138,747 # 20/40 SAND |
| 7138-7216 | 1401 BBLS GELLED WATER & 192,480 # 20/40 SAND |

Perforated the Lower Price River from 8996-98', 9030-33', 9063-65', 9069-70', 9081-82', 9103-04', 9127-28', 9138-39' w/3 SPF.

Perforated the Lower Price River from 8774-76', 8801-02', 8818-20', 8840-41', 8860-61', 8867-69', 8914-16', 8929-30', 8950-51' w/2 SPF.

Perforated the Middle Price River from 8616-17', 8630-31', 8633-34', 8667-69', 8673-75', 8710-12', 8724-26' w/2 SPF.

Perforated the Middle Price River from 8492-94', 8516-18', 8535-37', 8556-58', 8564-66' w/3 SPF.

Perforated the Middle Price River from 8350-53', 8362-63', 8393-94', 8399-8401', 8413-14', 8424-25', 8429-30' & 8453-54' w/ 2 SPF.

Perforated the Middle Price River from 8226-28', 8239-40', 8269-71', 8286-87', 8295-97', 8302-04', & 8311-13' w/2 SPF.

Perforated the Middle Price River from 8052-54', 8076-77', 8095-96', 8111-12', 8125-66', 8139-40', 8152-53', 8167-68', & 8179-81' w/2 SPF.

Perforated the Middle Price River from 7904-06', 7925-27', 7964-66', 7973-75', & 8013-15' w/3 SPF.

Perforated the Upper Price River from 7595-96', 7618-19', 7639-40', 7664-66', 7690-91', 7695-96', 7712-14', 7729-30', 7745-46', 7780-81', 7829-30' w/2 SPF.

Perforated the Upper Price River from 7398-99', 7421-22', 7432-33', 7439-40', 7449-50', 7457-58', 7490-91', 7500-01', 7508-10' w/2 SPF.

Perforated the Upper Price River from 7243-46', 7265-66', 7291-92', 7301-02', 7321-22', 7331-33', & 7367-69' w/3 SPF.

Perforated the Upper Price River from 7138-39', 7156-58', 7182-84', 7193-95', 7200-02', & 7215-16' w/3 SPF.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

| | | |
|---|--|--|
| 1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other | | 5. Lease Serial No. U-0285A |
| 2. Name of Operator EOG Resources, Inc. | | 6. If Indian, Allottee or Tribe Name |
| 3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202 | | 7. If Unit or CA/Agreement, Name and/or No. Chapita Wells Unit |
| 3b. Phone No. (include area code) 303-824-5526 | | 8. Well Name and No. Chapita Wells Unit 626-27 |
| 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 155' FNL & 1700' FWL (NE/NW) Sec. 27-T9S-R22E 40.01382 LAT 109.42876 LON | | 9. API Well No. 43-047-35878 |
| | | 10. Field and Pool, or Exploratory Area Natural Buttes/Mesaverde |
| | | 11. County or Parish, State Uintah County, Utah |

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The reserve pit for the referenced location was closed on 5/15/2006 as per the APD procedure.

| | | |
|---|--|-----------------------------------|
| 14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Mary A. Maestas | | Title Regulatory Assistant |
| Signature <i>Mary A. Maestas</i> | | Date 01/09/2007 |

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

(Instructions on page 2)

RECEIVED

JAN 10 2007

DIV. OF OIL, GAS & MINING