

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

January 11, 2005

Utah Division of Oil, Gas, & Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, UT 84114-5801

RE: APPLICATION FOR PERMIT TO DRILL
CHAPITA WELLS UNIT 984-9
NE/SW, SEC. 9, T9S, R22E
UINTAH COUNTY, UTAH
LEASE NO.: FEE
Surface Owners: Timothy J. Schriver and
Martha Lucia Schriver

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
JAN 14 2005

DIV. OF OIL, GAS & MINING

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

FORM 3

AMENDED REPORT
(highlight changes)

| | | | | | |
|---|---|--|--|---|---------------------------|
| APPLICATION FOR PERMIT TO DRILL | | | | 5. MINERAL LEASE NO: FEE | 6. SURFACE: Fee |
| 1A. TYPE OF WORK: DRILL <input checked="" type="checkbox"/> REENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> | | | | 7. IF INDIAN, ALLOTTEE OR TRIBE NAME: | |
| B. TYPE OF WELL: OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> OTHER _____ SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/> | | | | 8. UNIT or CA AGREEMENT NAME: CHAPITA WELLS UNIT | |
| 2. NAME OF OPERATOR: EOG RESOURCES, INC. | | | | 9. WELL NAME and NUMBER: CHAPITA WELLS UNIT 984-9 | |
| 3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY VERNAL STATE UT ZIP 84078 | | | PHONE NUMBER: (435) 789-4120 | 10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES | |
| 4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 1590' FSL, 2409' FWL <i>632640X 40.047666</i> AT PROPOSED PRODUCING ZONE: SAME <i>4433996Y -109.445102</i> | | | | 11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 9 9S 22E S | |
| 14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 14.2 MILES SOUTHEAST OF OURAY, UTAH | | | | 12. COUNTY: UINTAH | 13. STATE: UTAH |
| 15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET) 1590' | 16. NUMBER OF ACRES IN LEASE: 240 | | 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: | | |
| 18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET) SEE TOPO MAP C | 19. PROPOSED DEPTH: 10,725 | | 20. BOND DESCRIPTION: JT-1230 | | |
| 21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 4736.4 FEET GRADED GROUND | 22. APPROXIMATE DATE WORK WILL START: 2/11/2005 | | 23. ESTIMATED DURATION: 45 DAYS | | |

24. **PROPOSED CASING AND CEMENTING PROGRAM**

| SIZE OF HOLE | CASING SIZE, GRADE, AND WEIGHT PER FOOT | SETTING DEPTH | CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT |
|--------------|---|---------------|---|
| 20" | 13 3/8" H-40 48.0# | 45 | SEE 8 POINT PLAN |
| 12 1/4" | 9 5/8" J-55 36.0# | 2,300 | SEE 8 POINT PLAN |
| 7 7/8" | 4 1/2" N-80 11.6# | 10,725 | SEE 8 POINT PLAN |
| | | | |
| | | | |
| | | | |
| | | | |

25. **ATTACHMENTS**

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

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

NAME (PLEASE PRINT) Ed Trotter TITLE Agent
SIGNATURE _____ DATE 1/11/2005

(This space for State use only)

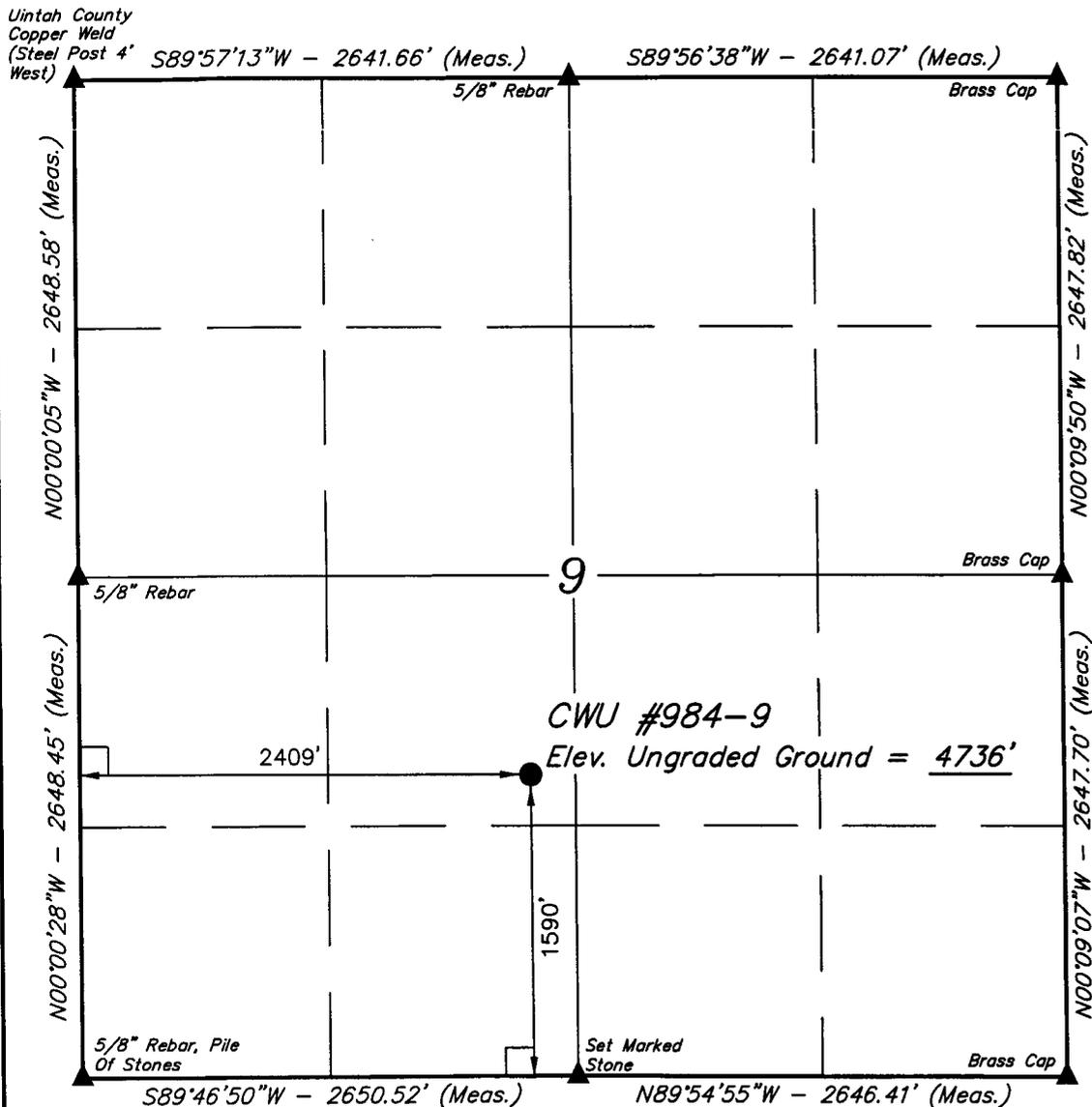
API NUMBER ASSIGNED: *Ed Trotter* *43-047-36240*

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

Date: *01-04-07* RECEIVED
By: *[Signature]* JAN 14 2005
DIV. OF OIL, GAS & MINING

(11/2001) (See Instructions on Reverse Side)

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



BASIS OF BEARINGS

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

(NAD 83)

LATITUDE = 40°02'51.50" (40.047639)

LONGITUDE = 109°26'44.98" (109.445828)

(NAD 27)

LATITUDE = 40°02'51.63" (40.047675)

LONGITUDE = 109°26'42.52" (109.445144)

LEGEND:

└─┘ = 90° SYMBOL

● = PROPOSED WELL HEAD.

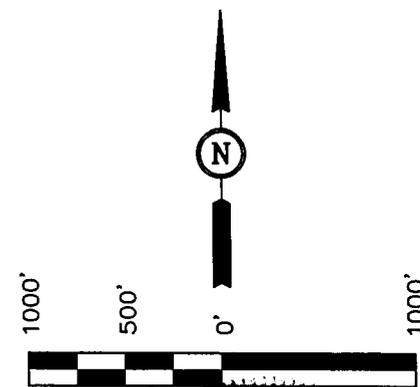
▲ = SECTION CORNERS LOCATED.

EOG RESOURCES, INC.

Well location, CWU #984-9, located as shown in the NE 1/4 SW 1/4 of Section 9, T9S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

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



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.

CERTIFICATE
 REGISTERED LAND SURVEYOR
 No. 161319
[Signature]
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING

85 SOUTH 200 EAST - VERNAL, UTAH 84078

(435) 789-1017

| | | |
|-------------------------|-----------------------------|-------------------------|
| SCALE 1" = 1000' | DATE SURVEYED: 10-4-04 | DATE DRAWN: 10-20-04 |
| PARTY G.S. D.L. K.G. | REFERENCES G.L.O. PLAT | |
| WEATHER WARM | FILE EOG RESOURCES, INC. | |

EIGHT POINT PLAN

CHAPITA WELLS UNIT 984-9
NE/SW, SEC. 9, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

| FORMATION | DEPTH (KB) |
|------------------------|-------------------|
| Green River | 1,667' |
| Wasatch | 4,933' |
| Chapita Wells | 5,530' |
| Buck Canyon | 6,228' |
| North Horn | 6,847' |
| Island | 7,319' |
| KMV Price River | 7,719' |
| KMV Price River Middle | 8,383' |
| KMV Price River Lower | 9,218' |
| Sego | 9,679' |
| KMV Castlegate | 9,845' |
| Base Castlegate | 10,077' |
| KMV Blackhawk | 10,286' |

EST. TD: **10,725'**

Anticipated BHP **4600 PSI**

3. PRESSURE CONTROL EQUIPMENT:

Intermediate Hole – **3000 PSIG**
Production Hole – **5000 PSIG**
BOP Schematic Diagrams attached.

4. CASING PROGRAM:

| <u>HOLE SIZE</u> | <u>INTERVAL</u> | <u>LENGTH</u> | <u>SIZE</u> | <u>WEIGHT</u> | <u>GRADE</u> | <u>THREAD</u> | <u>RATING FACTOR</u> | | |
|-------------------------|------------------------|----------------------|--------------------|----------------------|---------------------|----------------------|-----------------------------|---------------------|-----------------------|
| | | | | | | | <u>COLLAPSE</u> | <u>BURST</u> | <u>TENSILE</u> |
| 17 1/2" | 0' – 250' | 250' | 13 3/8" | 48.0# | H-40 | STC | 770 PSI | 1730 PSI | 322,000# |
| 12 1/4" | 250' - 2300'+/- KB | 2300' +/- | 9 5/8" | 36.0 # | J-55 | ST&C | 2020 PSI | 3520 PSI | 394,000# |
| 7 7/8" | 2300' – TD +/-KB | 10,725' +/- | 4 1/2" | 11.6 # | P-110 | LT&C | 7560 PSI | 10,710 PSI | 284,000# |

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.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 984-9
NE/SW, SEC. 9, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

5. Float Equipment:

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

Guide Shoe
Insert Baffle
Wooden wiper plug
Centralizers: 1 – 5-10' above shoe, every collar for next 3 joints (4 total).

Intermediate Hole Procedure (250'±2300')

Guide Shoe
Insert Float Collar (PDC drillable)
Cents.: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (± 2300'-TD')

FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, P-110 burst rating or equivalent marker collars or short casing joints at ± 7,719' (**Top of Price River**) and ± 4,500' (**400' above the Wasatch**) (alter depth if needed to avoid placing across any potentially- productive intervals). Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to **400' above Island top** (50 total). Thread lock FS, top and bottom of FC, and top of 2nd joint.

6. MUD PROGRAM

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

Air – Air Water Mist

Intermediate Hole Procedure (250'± 2500')

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

Production Hole Procedure (± 2500'-TD):

Drilling Fluid:

| DEPTH | MUD WT. | VIS | PV | YP | GELS | PH | FLUID LOSS | LGS | DAP |
|------------------|----------|--------|-------|-----------------------|--------|---------|------------|-----|-----|
| feet | ppg | sec | cp | lb/100ft ² | @ 120° | | ml | % | ppb |
| 2,700' - 4,685' | 8.4-8.5 | 28 -32 | 1 -3 | 0 -2 | N/C | 8.5-9.0 | N/C | <2 | N/C |
| 4,685' - 8,910' | 8.5-9.0 | 30 -34 | 2 -5 | 1 -2 | N/C | 8.5-9.5 | <40 | <3 | N/C |
| 8,910' - 10,325' | 9.0-11.0 | 40 -44 | 8 -14 | 8 -12 | <6/<20 | 9.0-9.5 | 10 -20 | <6 | N/C |

EIGHT POINT PLAN

CHAPITA WELLS UNIT 984-9
NE/SW, SEC. 9, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

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

8. EVALUATION PROGRAM:

Logs: No Open Hole Logs.
Cased Hole Logs will to run.

9. CEMENT PROGRAM:

Surface Hole Procedure (0-250' Below GL)

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

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

Intermediate Hole Procedure (250'-± 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.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 984-9
NE/SW, SEC. 9, T9S, R22E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (± 2300' to TD)

Lead: 500 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: 1700 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 (250'-± 2500'):

Lost circulation

Production Hole (± 2500'-TD):

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

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

(Attachment: BOP Schematic Diagram)

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

Company/Operator: EOG Resources, Inc.
Well Name & Number: Chapita Wells Unit #984-9
Lease Number: FEE
Location: 1590' FSL & 2409' FWL, NE/SW, Sec. 9,
T9S, R22E, S.L.B.&M.,
Uintah County, Utah

Surface Ownership: Timothy J. Schriver and Martha Lucia Schriver

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 14.2 miles southeast of Ouray, Utah - See attached TOPO Map "A" .
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

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

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

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

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

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

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

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

- A. Abandoned wells - 1*
 - B. Producing wells - 43*
 - C. Shut in wells - 2*
- (*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 well head valves, separator, dehy, 210 Bbl condensate tank, meter house and attaching piping.
- 2. Gas gathering lines - A 4" gathering line will be buried from dehy to the edge of the location.

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

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

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

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

6. **SOURCE OF CONSTRUCTION MATERIAL**

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

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. **METHODS AND LOCATION**

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

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

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

The reserve pit shall not be lined.

8. **ANCILLARY FACILITIES**

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

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.

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

The reserve pit will be located on the Southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the South side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence. The stockpiled topsoil will be stored Southeast and North of Corner #6 of the location.

Access to the well pad will be from the West.

Corners #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.

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

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

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

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

11. **SURFACE OWNERSHIP**

Access road: Timothy J. Schriver and Martha Lucia Schriver

Location: Timothy J. Schriver and Martha Lucia Schriver

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.

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.

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 984-9 Well, located in the NE/SW of Section 9, T9S, R22E, Uintah County, Utah; a fee lease;** 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 #JT-1230.

1-11-2005
Date

Ed Trotter
Agent

EOG RESOURCES, INC.
CWU #984-9
SECTION 9, 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, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 12.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST, TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE CWU #337-9 AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 45.2 MILES.

EOG RESOURCES, INC.

CWU #984-9

LOCATED IN UINTAH COUNTY, UTAH
SECTION 9, T9S, R22E, S.L.B.&M.

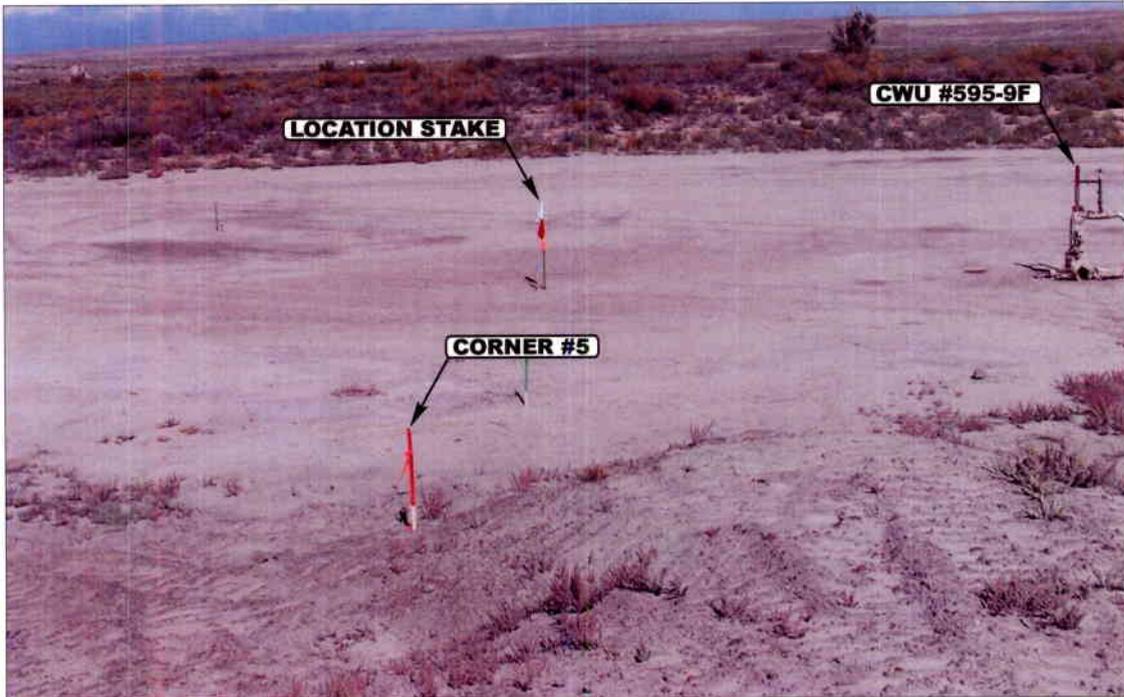


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

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

LOCATION PHOTOS

10 08 04
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

DRAWN BY: L.K.

REVISED: 00-00-00

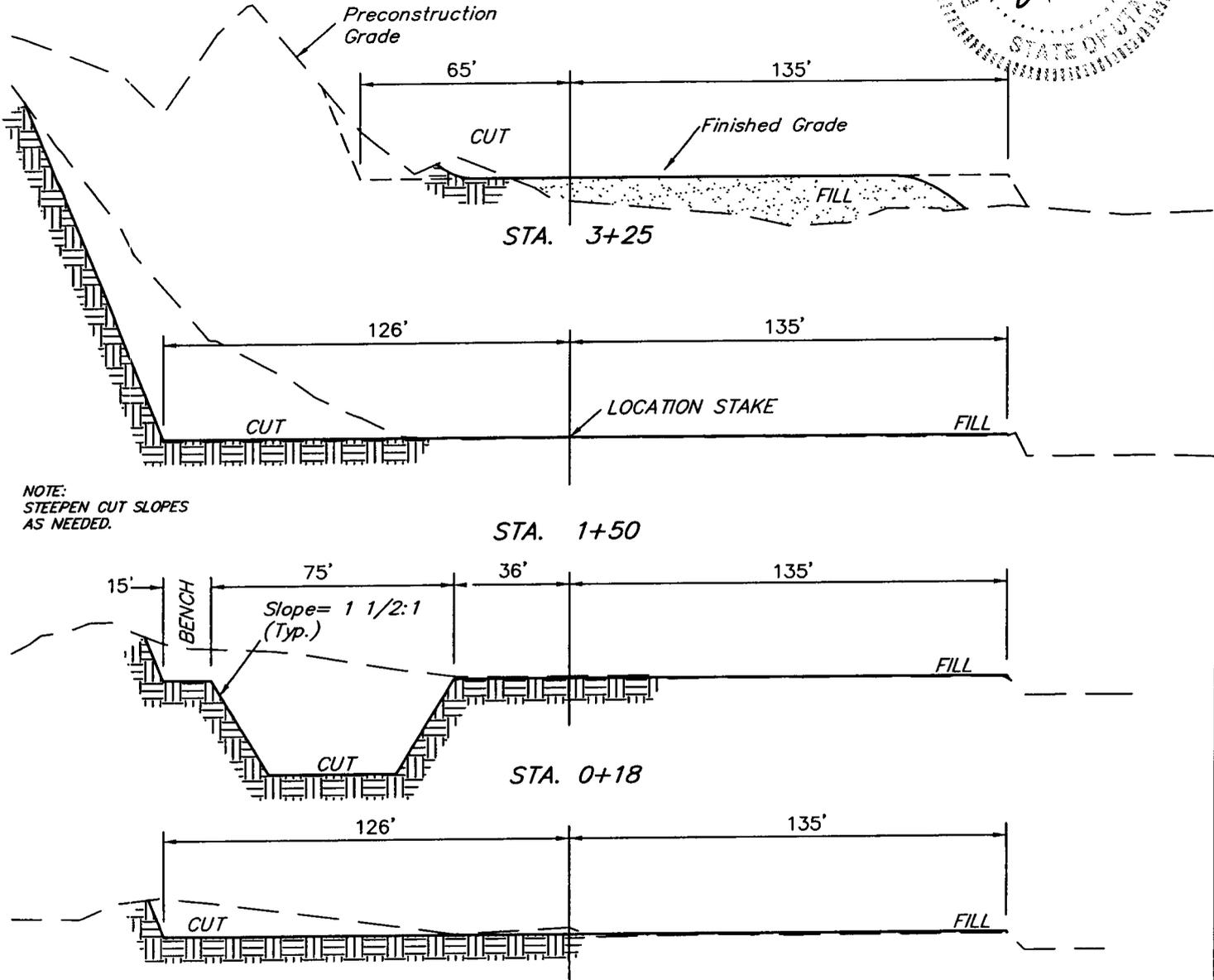
TYPICAL CROSS SECTIONS FOR

CWU #984-9

SECTION 9, T9S, R22E, S.L.B.&M.
1590' FSL 2409' FWL



1" = 20'
X-Section Scale
1" = 50'
SCALE: 1" = 50'
DATE: 10-20-04
Drawn By: K.G.



NOTE:
STEEPEN CUT SLOPES
AS NEEDED.

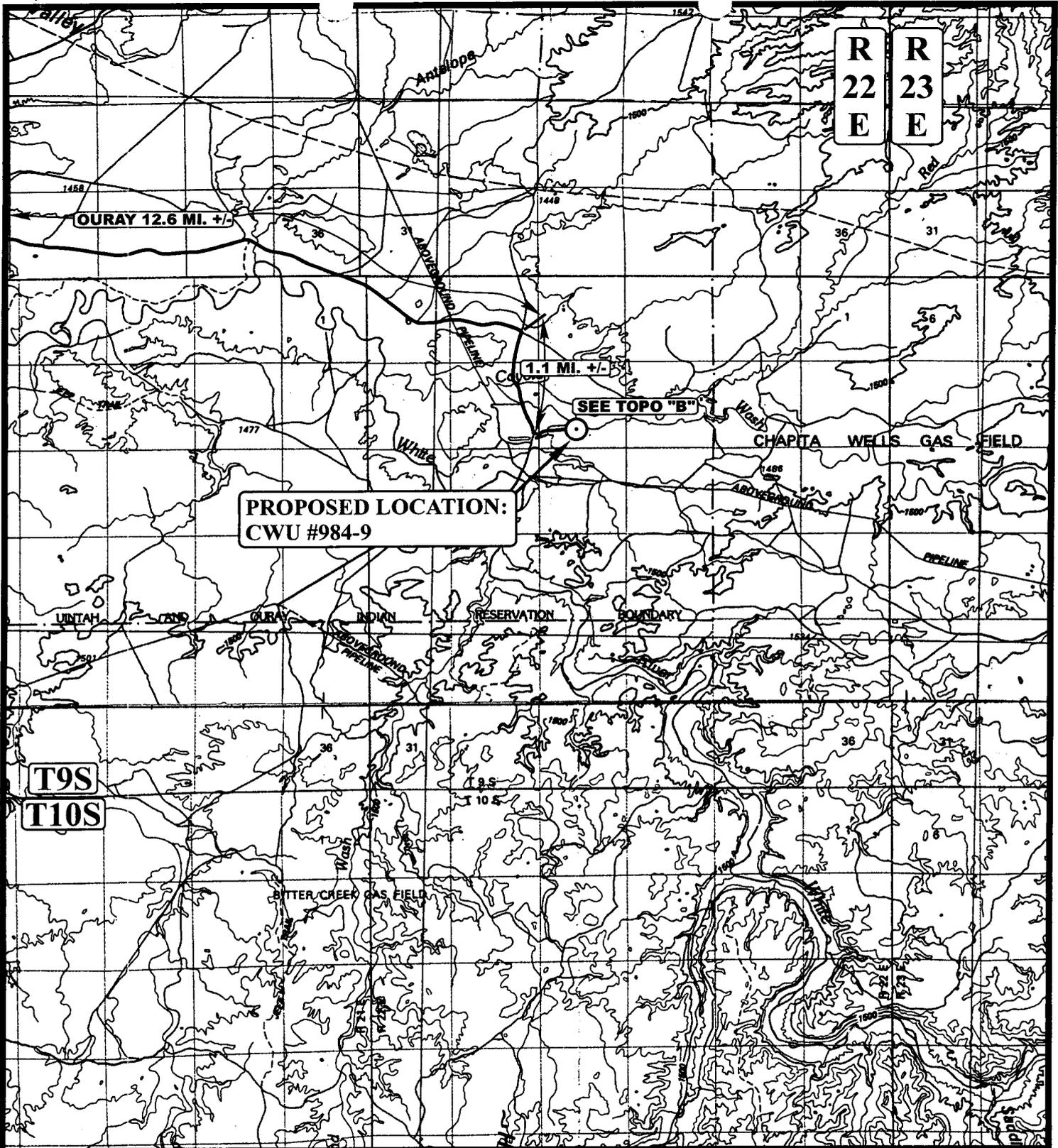
NOTE:
Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

| | |
|---|------------------------|
| CUT | |
| (6") Topsoil Stripping (New Construction Only) | = 910 Cu. Yds. |
| Remaining Location | = 8,640 Cu. Yds. |
| TOTAL CUT | = 9,550 CU.YDS. |
| FILL | = 1,120 CU.YDS. |

| | |
|--|------------------|
| EXCESS MATERIAL | = 8,430 Cu. Yds. |
| Topsoil & Pit Backfill (1/2 Pit Vol.) | = 2,570 Cu. Yds. |
| EXCESS UNBALANCE (After Rehabilitation) | = 5,860 Cu. Yds. |



**PROPOSED LOCATION:
CWU #984-9**

LEGEND:

⊙ PROPOSED LOCATION

EOG RESOURCES, INC.

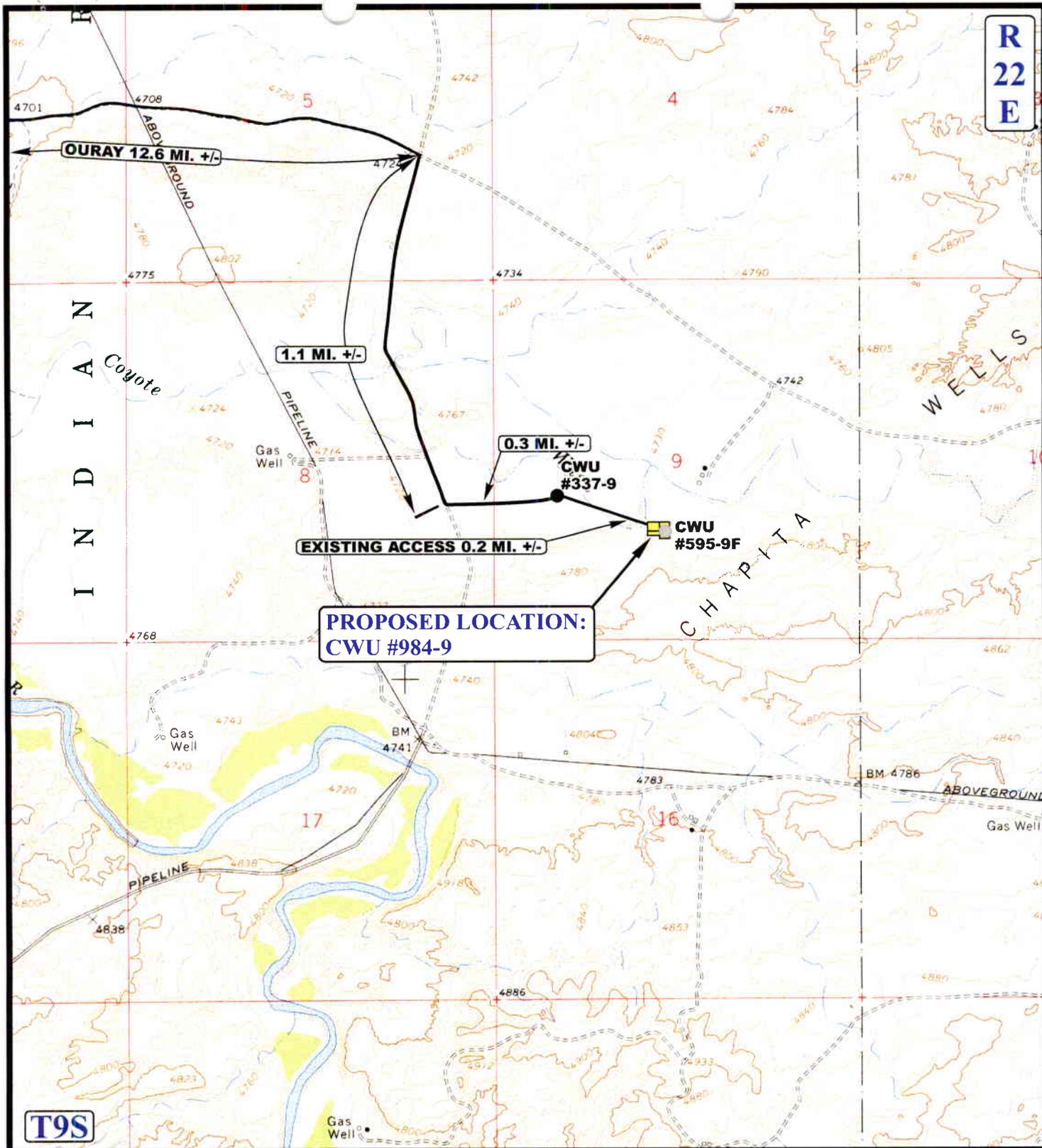
CWU #984-9
SECTION 9, T9S, R22E, S.L.B.&M.
1590' FSL 2409' FWL

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



TOPOGRAPHIC 10 08 04
MAP MONTH DAY YEAR
 SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00





**R
22
E**

T9S

LEGEND:

- EXISTING ROAD
- PROPOSED ACCESS ROAD



EOG RESOURCES, INC.

CWU #984-9
SECTION 9, T9S, R22E, S.L.B.&M.
1590' FSL 2409' FWL

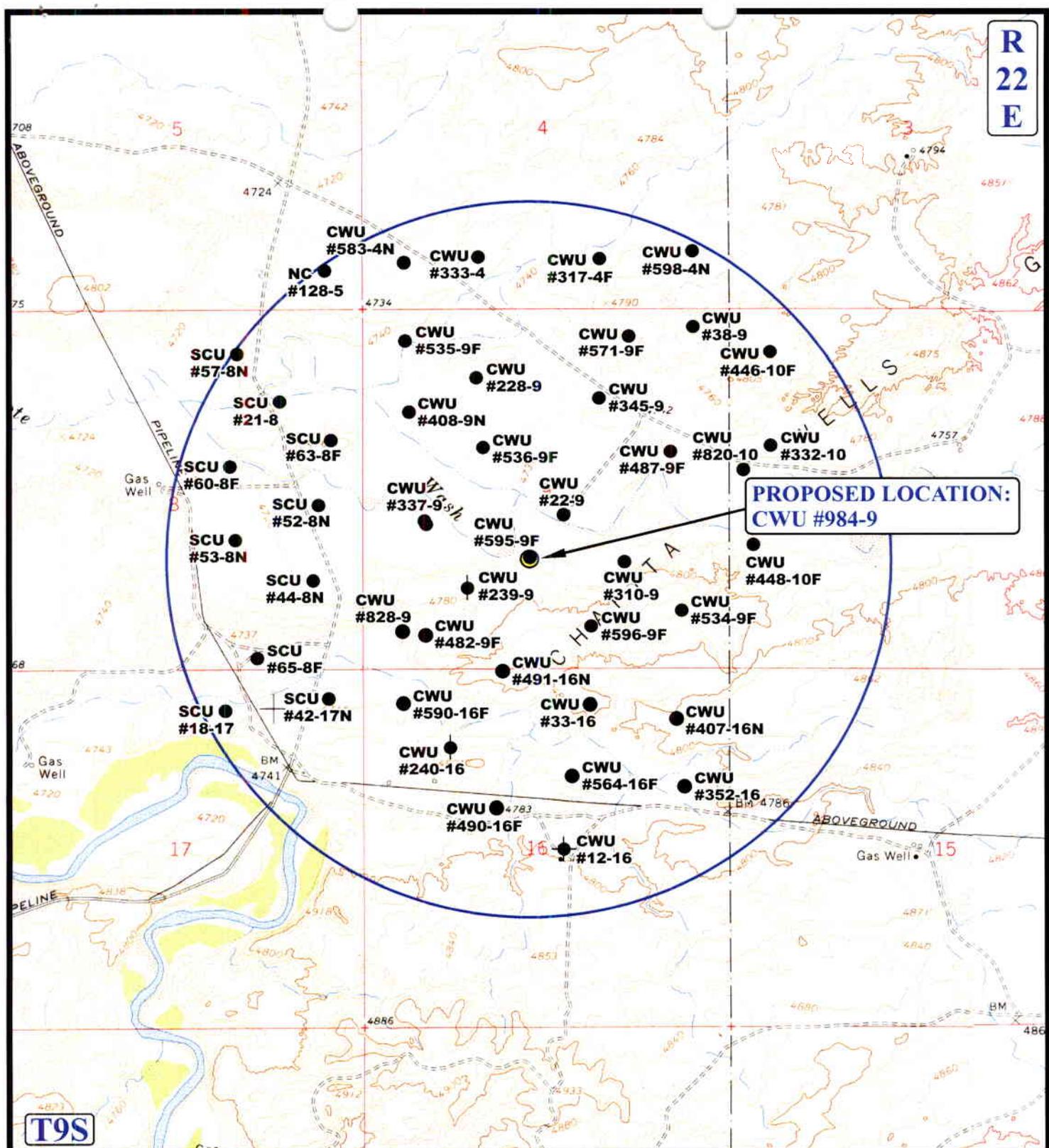


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| | | | |
|--------------------|----------------|-----------|-------------------|
| TOPOGRAPHIC | 10 | 08 | 04 |
| MAP | MONTH | DAY | YEAR |
| SCALE: 1" = 2000' | DRAWN BY: L.K. | | REVISED: 00-00-00 |



R
22
E



T9S

LEGEND:

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



EOG RESOURCES, INC.

CWU #984-9
 SECTION 9, T9S, R22E, S.L.B.&M.
 1590' FSL 2409' FWL



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

TOPOGRAPHIC MAP 10 08 04
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00

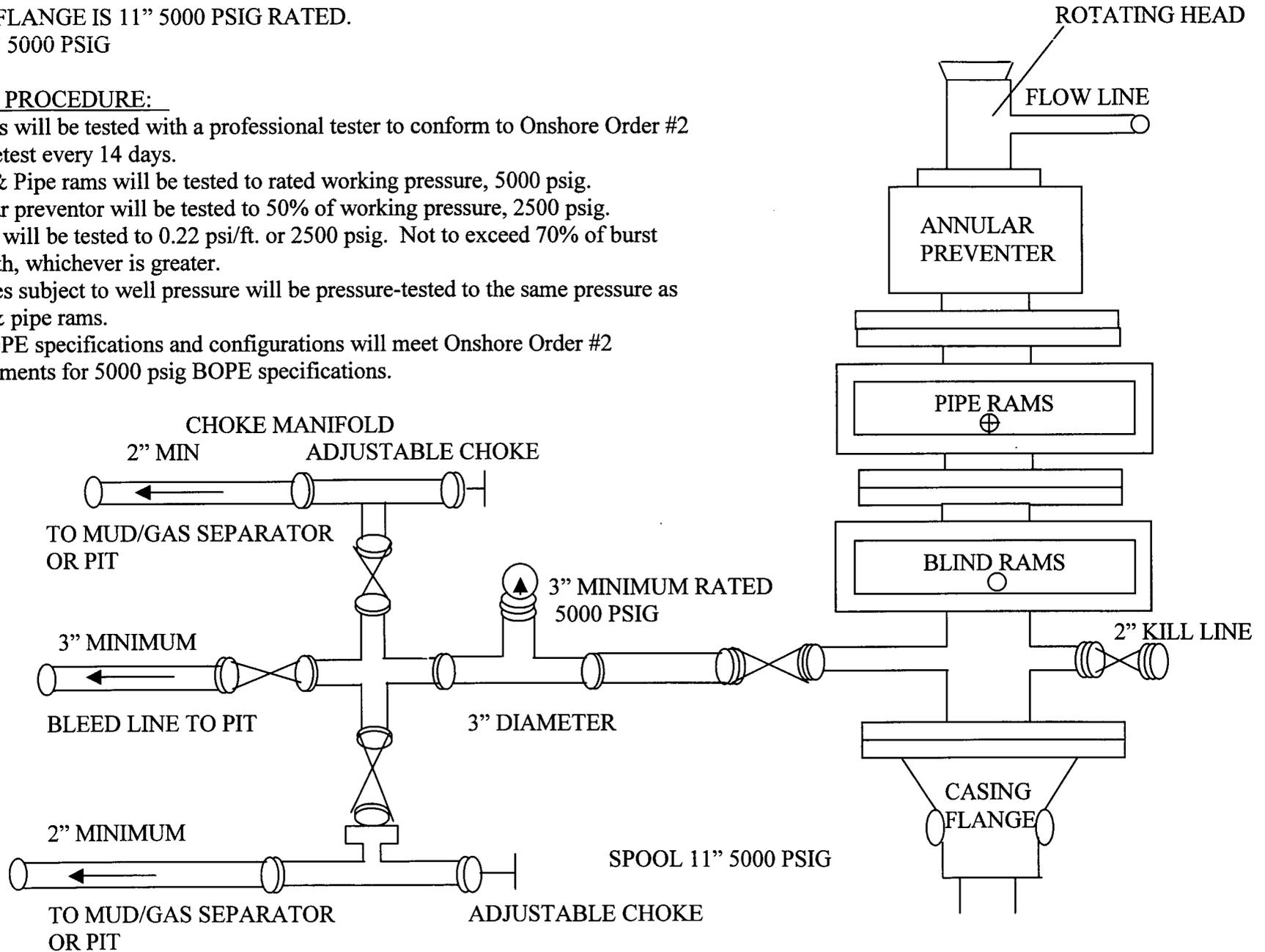


5000 PSIG DIAGRAM

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

TESTING PROCEDURE:

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



**WORKSHEET
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 01/14/2005

| |
|--------------------------------|
| API NO. ASSIGNED: 43-047-36240 |
|--------------------------------|

WELL NAME: CWU 984-9
 OPERATOR: EOG RESOURCES INC (N9550)
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:
 NESW 09 090S 220E
 SURFACE: 1590 FSL 2409 FWL
 BOTTOM: 1590 FSL 2409 FWL
 UINTAH
 NATURAL BUTTES (630)

| INSPECT LOCATN BY: / / | | |
|------------------------|-------------|---------------|
| Tech Review | Initials | Date |
| Engineering | <i>Dred</i> | <i>8/5/05</i> |
| Geology | | |
| Surface | | |

LEASE TYPE: 4 - Fee
 LEASE NUMBER: FEE
 SURFACE OWNER: 4 - Fee
 PROPOSED FORMATION: BLKHK
 COALBED METHANE WELL? NO

LATITUDE: 40.04767
 LONGITUDE: -109.4451

RECEIVED AND/OR REVIEWED:

Plat
 Bond: Fed[] Ind[] Sta[] Fee[]
 (No. 6196017)
 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-f
 Eff Date: 8-10-1999
 Siting: Suspends General Siting
 ___ R649-3-11. Directional Drill

COMMENTS: Needs Presic (07-20-05)

STIPULATIONS: 1- OIL SHALE
2- STATEMENT OF BASIS
3- Surface csg Cont Stip

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

OPERATOR: EOG RESOURCES INC
WELL NAME & NUMBER: CHAPITA WELLS UNIT 984-9
API NUMBER: 43-047-36240
LOCATION: 1/4,1/4 NE/SW Sec: 9 TWP: 9S RNG: 22E 1509' FSL 2409 FWL

Geology/Ground Water:

EOG proposes to set 45 feet of conductor and 2,300 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 200 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed surface casing should adequately protect any near surface aquifers.

Reviewer: Brad Hill **Date:** 07-28-05

Surface:

The predrill investigation of the surface was performed on 07/20/05. Surface and minerals for this well are Fee. The surface is owned by Timothy and Martha Schriver. Mr. Schriver's sister, Terresa Bauch was contacted on the phone. The Schrivers are in Washington on vacation. The presite was conducted while in the area doing other presites. A landowner agreement is in place. The location is on the same pad as CWU #395-9F. This is a producing gas well operated by EOG. There will be very little surface disturbance required to construct this location.

Reviewer: Floyd Bartlett **Date:** 07/20/2005

Conditions of Approval/Application for Permit to Drill:

None.

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

OPERATOR: EOG RESOURCES INC.
WELL NAME & NUMBER: CHAPITA WELLS UNIT 984-9
API NUMBER: 43-047-36240
LEASE: FEE FIELD/UNIT: NATURAL BUTTES
LOCATION: 1/4,1/4 NE/SW Sec: 9 TWP: 9S RNG: 22E 1590' FSL 2409 FWL
LEGAL WELL SITING: Siting suspended.
GPS COORD (UTM): 632640E 4433996N SURFACE OWNER: Timothy and Martha Schriver, P.O. Box 157 Vernal, UT

PARTICIPANTS

Floyd Bartlett, (DOGM), Ed Trotter (EOG)

REGIONAL/LOCAL SETTING & TOPOGRAPHY

Site is on a relatively level flat area 14 miles southeast of Ouray, Utah on an existing location (CWU 595-9f). Coyote Wash is 0.2 miles to the north and the White River is approx. 1 mile to the southwest.

SURFACE USE PLAN

CURRENT SURFACE USE: WILDLIFE AND LIVESTOCK GRAZING, HUNTING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 325' BY 246'. ACCESS ROAD ALREADY EXISTS.

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

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: NEW PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER DRILLING WELL. A GAS PIPELINE ALREADY ACCESSES THIS SITE.

SOURCE OF CONSTRUCTION MATERIAL: RESERVE PIT WILL BE EXCAVATED IN PREVIOUS LOCATION.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WILL DRILLING AT THIS LOCATION GENERATE PUBLIC INTEREST CONCERNS? (EXPLAIN). Unlikely, as there are numerous other existing wells in the surrounding area.

WASTE MANAGEMENT PLAN:

Drilled cuttings will be settled into reserve pit. Liquids from pit will be allowed to evaporate. Formation water will be confined to storage tanks or reserve pit. Commercial contractor will handle sewage facilities, storage and disposal. Trash will be contained in trash baskets and hauled to an approved land fill.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: Tamarisk, Russian thistle, greasewood, shadscale, prickly Pear (vegetation surrounding location. Halogeton is the only vegetation occupying the location): pronghorn, coyotes, songbirds, raptors, rodents, rabbits.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

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

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

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

LINER REQUIREMENTS (Site Ranking Form attached): A LINER WILL NOT BE REQUIRED FOR RESERVE PIT.

SURFACE RESTORATION/RECLAMATION PLAN: AS PER LANDOWNER AGREEMENT

SURFACE AGREEMENT: YES

CULTURAL RESOURCES/ARCHAEOLOGY: SITE IS ON FEE SURFACE.

OTHER OBSERVATIONS/COMMENTS

THIS PREDRILL INVESTIGATION WAS CONDUCTED ON A VERY HOT, SUNNY DAY. PROPOSED WELLBORE WILL BE 40.125' EAST OF THE WELLBORE FOR THE CWU 595-9F WELL.

ATTACHMENTS

PHOTOS OF THIS SITE WERE TAKEN AND PLACED ON FILE.

FLOYD BARTLETT
DOGM REPRESENTATIVE

07/20/05 1130 AM
DATE/TIME

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

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

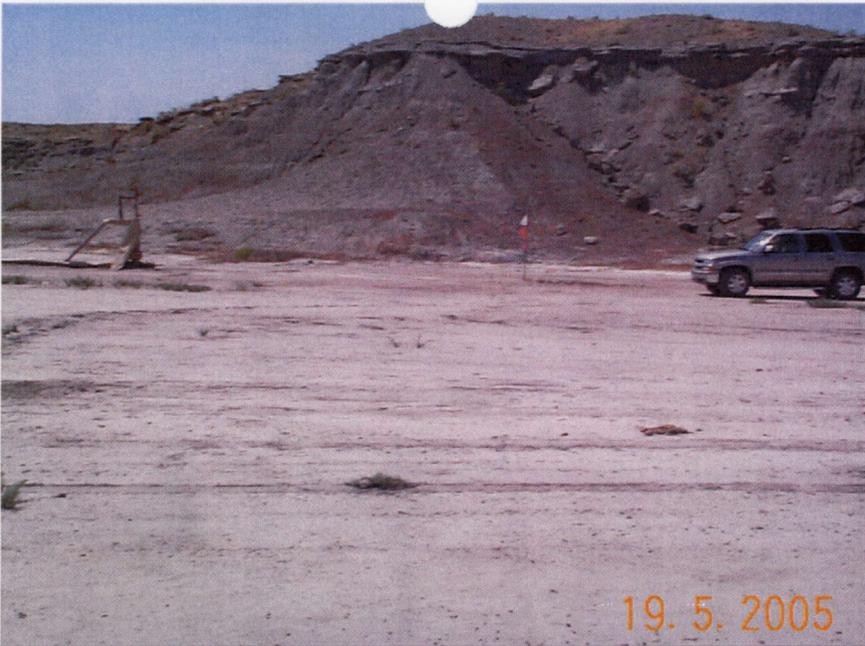
Final Score 10 (Level III Sensitivity)

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

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

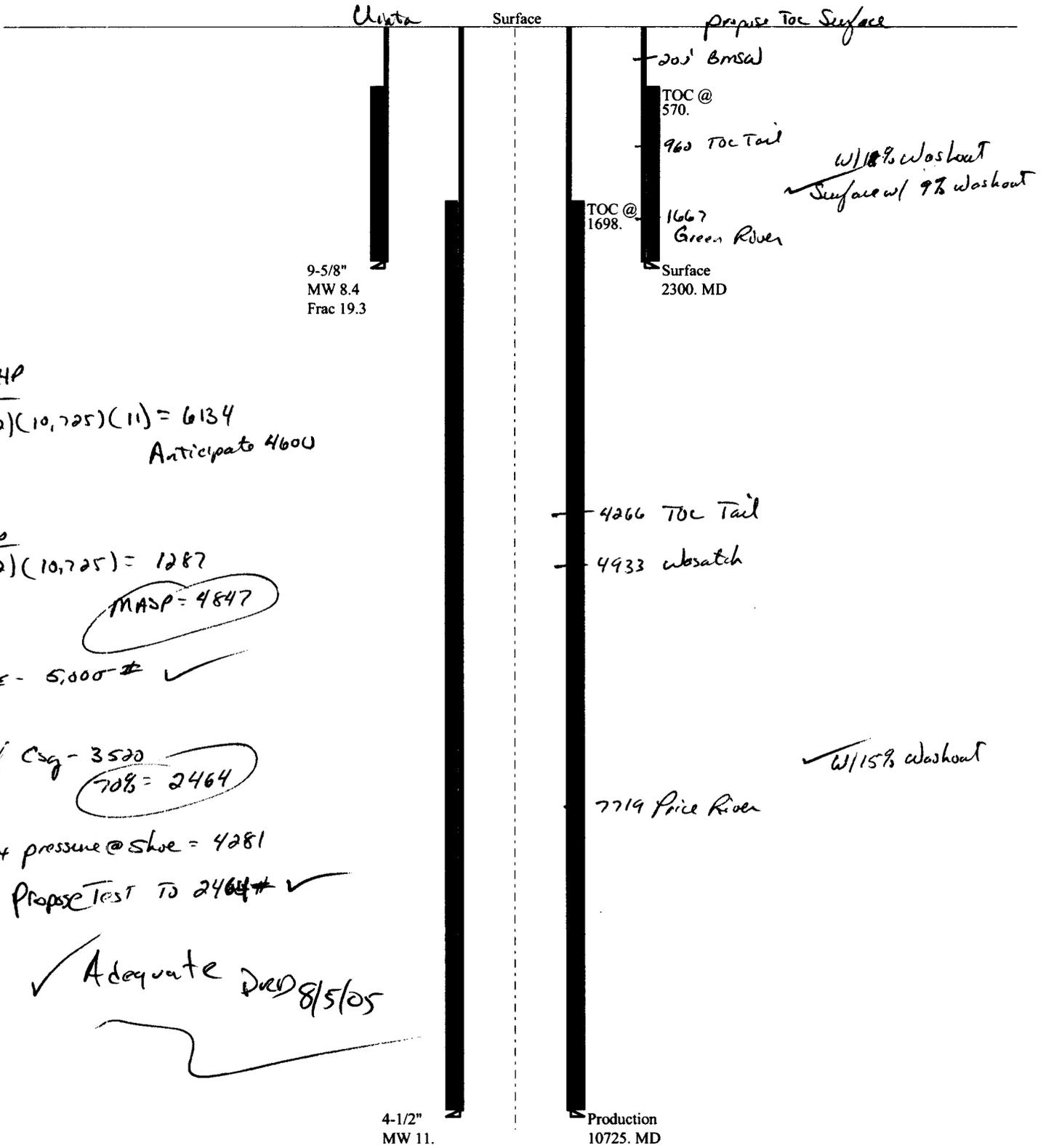
Sensitivity Level III = below 15; no specific lining is required.





08-05 EOG CWU 984-9

Casing Schematic



BHP
 $(.052)(10,725)(11) = 6134$
 Anticipate 4600

Gas
 $(.12)(10,725) = 1287$
 MASP = 4847

BOPE - 5,000 ✓

Seaf Csg - 3500
 70% = 2464

Max pressure @ shoe = 4281

Propose Test to 2464 ✓

✓ Adequate DWD 8/5/05

| | | |
|--------------|----------------------------|--------------|
| Well name: | 08-05 EOG CWU 984-9 | |
| Operator: | EOG Resources Inc | Project ID: |
| String type: | Surface | 43-047-36240 |
| Location: | Uintah County | |

Design parameters:

Collapse

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

Burst

Max anticipated surface pressure: 2,024 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 2,300 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on buoyed weight.
 Neutral point: 2,014 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 107 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 350 ft

Cement top: 570 ft

Completion type is subs
 Non-directional string.

Re subsequent strings:

Next setting depth: 10,725 ft
 Next mud weight: 11.000 ppg
 Next setting BHP: 6,129 psi
 Fracture mud wt: 19.250 ppg
 Fracture depth: 2,300 ft
 Injection pressure: 2,300 psi

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft ³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|--------------------------------------|
| 1 | 2300 | 9.625 | 36.00 | J-55 | ST&C | 2300 | 2300 | 8.796 | 163.8 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 1004 | 2020 | 2.013 | 2300 | 3520 | 1.53 | 73 | 394 | 5.43 J |

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

Phone: 801-538-5280
 FAX: 801-359-3940

Date: August 3, 2005
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 2300 ft, a mud weight of 8.4 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

| | | |
|--------------|----------------------------|--------------|
| Well name: | 08-05 EOG CWU 984-9 | |
| Operator: | EOG Resources Inc | Project ID: |
| String type: | Production | 43-047-36240 |
| Location: | Uintah County | |

Design parameters:

Collapse

Mud weight: 11.000 ppg
 Design is based on evacuated pipe.

Burst

Max anticipated surface pressure: 4,842 psi
 Internal gradient: 0.120 psi/ft
 Calculated BHP: 6,129 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor: 1.125

Burst:

Design factor: 1.00

Tension:

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

Tension is based on buoyed weight.
 Neutral point: 8,961 ft

Environment:

H2S considered? No
 Surface temperature: 75 °F
 Bottom hole temperature: 225 °F
 Temperature gradient: 1.40 °F/100ft
 Minimum section length: 1,500 ft

Cement top: 1,698 ft

Completion type is subs
 Non-directional string.

| Run Seq | Segment Length (ft) | Size (in) | Nominal Weight (lbs/ft) | Grade | End Finish | True Vert Depth (ft) | Measured Depth (ft) | Drift Diameter (in) | Internal Capacity (ft³) |
|---------|---------------------|-------------------------|-------------------------|------------------|----------------------|----------------------|---------------------|-------------------------|-------------------------|
| 1 | 10725 | 4.5 | 11.60 | P-110 | LT&C | 10725 | 10725 | 3.875 | 248.6 |
| Run Seq | Collapse Load (psi) | Collapse Strength (psi) | Collapse Design Factor | Burst Load (psi) | Burst Strength (psi) | Burst Design Factor | Tension Load (Kips) | Tension Strength (Kips) | Tension Design Factor |
| 1 | 6129 | 7580 | 1.237 | 6129 | 10690 | 1.74 | 104 | 279 | 2.68 J |

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

Phone: 801-538-5280
 FAX: 801-359-3940

Date: August 3, 2005
 Salt Lake City, Utah

Remarks:

Collapse is based on a vertical depth of 10725 ft, a mud weight of 11 ppg. The casing is considered to be evacuated for collapse purposes. Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

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)

January 18, 2005

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2005 Plan of Development Chapita Wells Unit
Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2005 within the Chapita Wells Unit, Uintah County, Utah.

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

(Proposed PZ Blackhawk)

| | | |
|--------------|--|--|
| 43-047-36239 | CWU 1028-9 Sec 9 T09S R22E 0642 FNL 2126 FWL | |
| 43-047-36240 | CWU 984-9 Sec 9 T09S R22E 1590 FSL 2409 FWL | |

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

/s/ Michael L. Coulthard

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

MCoulthard:mc:1-18-05



EOG Resources, Inc.
1060 E Hwy 40
Vernal, Utah 84078

January 3, 2007

Utah Department of Oil Gas & Mining
Atten: Diana Mason
P.O. Box 145801
Salt Lake City, UT 84114-5801

**RE: Surface Damage Payment
Chapita Wells Unit 984-09
NE/SW, Section 9-T9S-R22E**

Dear Diana:

Enclosed please find a copy of the executed Surface Agreement for the above referenced well.

Please contact me at 435-781-9111 if you have any additional questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Kayle R. Gardner".

Kayle R. Gardner
Sr. Regulatory Assistant

cc: File

energy opportunity growth

RECEIVED

JAN 04 2007

DIV. OF OIL, GAS & MINING

AGREEMENT

KNOW ALL MEN BY THESE PRESENTS THAT:

In consideration of the sum of \$10.00, and other good and valuable consideration, the receipt of which is due within (10) working days of receipt of this executed agreement, We, Timothy J. Schriver and Martha Lucia Schriver, of P.O. Box 157, Vernal, UT 84078 (Grantors), hereby grant EOG Resources, Inc., of 1060 East Hwy 40, Vernal, UT 84078, its employees, agents and contractors, (Grantee) a right-of-way to construct a drilling location, access road and pipeline for the Chapita Wells Unit 984-9 well in the NE/SW, Section 9, T9S, R22E, S.L.B.&M., Uintah County, Utah.

If the Chapita Wells Unit 984-9 well is a producer, Grantee shall operate it in a prudent manner in compliance with all applicable laws, ordinances, regulations, and orders of all applicable governmental authorities; and the reclamation and seeding will take place at such time as the well is abandoned.

Grantee agrees to indemnify and hold Grantors harmless from and against any and all costs, claims, or liability arising directly or indirectly out of or attributable to any soil, ground water, or other environmental contamination on or under this property caused by Grantee, its agents or contractors in the exercise of the rights granted hereunder, including costs of cleanup, any civil penalties assessed for any such contamination or other remedial or preventative action.

Grantors further agree that the payment and acceptance of the consideration set forth above is full and complete payment, settlement, compromise and satisfaction of any and all losses, liabilities, claims, damages, demands and causes of action accrued or accruing, whether known or unknown, to the undersigned, their respective employees and/or tenants arising directly or indirectly in connection with the above-mentioned operation by Grantee, its employees, agents and contractors and that such payment is in no way an admission of liability by Grantee, its employees, agents and contractors.

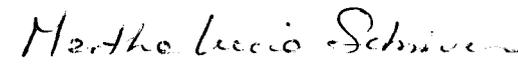
Further, Grantors covenant that they are owners of record of this property and have the legal authority to enter into this agreement.

EXECUTED this 26th Day of oct, 2006.

Grantors:



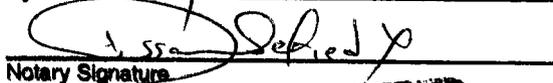
Timothy J. Schriver
P.O. Box 157
Vernal, UT 84078
Social Sec. # 141 52 5478

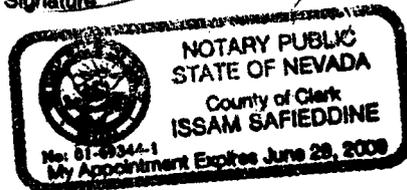


Martha Lucia Schriver
P.O. Box 157
Vernal, UT 84078
Social Sec. # 646 40 5942

State of Nevada
County of Clark

Signed and sworn to before me on 10-26-06
by Timothy Schriver and Martha Schriver


Notary Signature



Grantee:

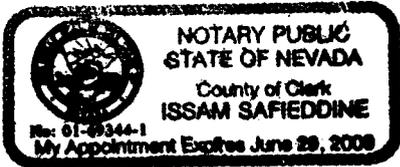


EOG Resources, Inc.
By Ed Trotter, Agent

RECEIVED
JAN 04 2007
DIV. OF OIL, GAS & MINING

STATE OF ~~UTAH~~ Nevada)
)
) :SS
COUNTY OF ~~UINTAH~~ Clark)

The foregoing instrument was acknowledged before me this 26th day of Oct, 2006, by Timothy J. Schriver as Grantor.



(Seal)

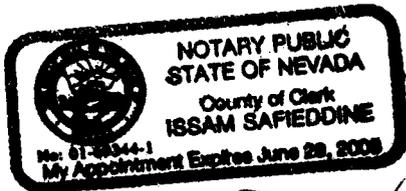
My Commission Expires: June 28/2009

Issam Safieddine
Notary Public

Residing at: Las Vegas, NV

STATE OF ~~UTAH~~ Nevada)
)
) :SS
COUNTY OF ~~UINTAH~~ Clark)

The foregoing instrument was acknowledged before me this 26th day of Oct, 2006, by Martha Lucia Schriver as Grantor.



(Seal)

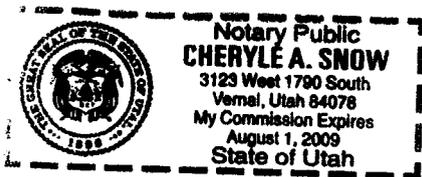
My Commission Expires: June 28/2009

Issam Safieddine
Notary Public

Residing at: Las Vegas, NV

STATE OF UTAH)
)
) :SS
COUNTY OF UTAH)

The foregoing instrument was acknowledged before me this 13th day of September, 2006, by Ed Trotter, as Agent for EOG Resources, Inc.



(Seal)

My Commission Expires:

Cheryl A. Snow
Notary Public

Residing at: 3123 W 1790 S
Kernal, UT

RECEIVED

JAN 04 2007

DIV. OF OIL, GAS & MINING



State of Utah

**Department of
Natural Resources**

MICHAEL R. STYLER
Executive Director

**Division of
Oil, Gas & Mining**

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

January 4, 2007

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

Re: Chapita Wells Unit 984-9 Well, 1590' FSL, 2409' FWL, NE SW, Sec. 9,
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 43-047-36240.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor (via e-mail)
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 984-9
API Number: 43-047-36240
Lease: Fee

Location: NE SW **Sec.** 9 **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**

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

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

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

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

3. **Reporting Requirements**

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

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

5. Surface casing shall be cemented to the surface.

6. 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.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG RESOURCES INC

Well Name: CWU 984-9

Api No: 43-047-36240 Lease Type: FEE

Section 09 Township 09S Range 22E County UINTAH

Drilling Contractor CRAIG'S ROUSTABOUT SERV RIG # RATHOLE

SPUDDED:

Date 10/19/07

Time 7:00 PM

How DRY

Drilling will Commence: _____

Reported by JERRY BARNES

Telephone # (435) 828-1720

Date 10/22/07 Signed CHD

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

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

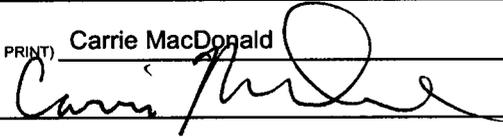
| | | |
|---|--|---|
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 5. LEASE DESIGNATION AND SERIAL NUMBER: Fee |
| 2. NAME OF OPERATOR: EOG Resources, Inc. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202 | | 7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit |
| PHONE NUMBER: (303) 262-2812 | | 8. WELL NAME and NUMBER: Chapita Wells Unit 984-9 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,590' FSL & 2,409' FWL 40.047639 LAT 109.445828 LON COUNTY: UINTAH QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 9 9S 22E S.L.B. & M. STATE: UTAH | | 9. API NUMBER: 43-047-36240 |
| | | 10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde |

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

| TYPE OF SUBMISSION | TYPE OF ACTION | | |
|---|---|---|---|
| <input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| <input checked="" 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>Well spud</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.

The referenced well spud on 10/19/2007.

| | |
|---|-------------------------------|
| NAME (PLEASE PRINT) <u>Carrie MacDonald</u> | TITLE <u>Operations Clerk</u> |
| SIGNATURE  | DATE <u>10/23/2007</u> |

(This space for State use only)

RECEIVED

OCT 24 2007

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: Fee |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit |
| 2. NAME OF OPERATOR: EOG Resources, Inc. | | 8. WELL NAME and NUMBER: Chapita Wells Unit 984-9 |
| 3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202 | | 9. API NUMBER: 43-047-36240 |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,590' FSL & 2,409' FWL 40.047639 LAT 109.445828 LON | | 10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 9 9S 22E S.L.B. & M. | | COUNTY: UINTAH STATE: UTAH |

| 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA | | | |
|---|---|---|--|
| TYPE OF SUBMISSION | TYPE OF ACTION | | |
| <input checked="" type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____ | <input type="checkbox"/> ACIDIZE | <input type="checkbox"/> DEEPEN | <input type="checkbox"/> REPERFORATE CURRENT FORMATION |
| <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____ | <input type="checkbox"/> ALTER CASING | <input type="checkbox"/> FRACTURE TREAT | <input type="checkbox"/> SIDETRACK TO REPAIR WELL |
| | <input type="checkbox"/> CASING REPAIR | <input type="checkbox"/> NEW CONSTRUCTION | <input type="checkbox"/> TEMPORARILY ABANDON |
| | <input type="checkbox"/> CHANGE TO PREVIOUS PLANS | <input type="checkbox"/> OPERATOR CHANGE | <input type="checkbox"/> TUBING REPAIR |
| | <input type="checkbox"/> CHANGE TUBING | <input type="checkbox"/> PLUG AND ABANDON | <input type="checkbox"/> VENT OR FLARE |
| | <input type="checkbox"/> CHANGE WELL NAME | <input type="checkbox"/> PLUG BACK | <input checked="" type="checkbox"/> WATER DISPOSAL |
| | <input type="checkbox"/> CHANGE WELL STATUS | <input type="checkbox"/> PRODUCTION (START/RESUME) | <input type="checkbox"/> WATER SHUT-OFF |
| | <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS | <input type="checkbox"/> RECLAMATION OF WELL SITE | <input type="checkbox"/> OTHER: _____ |
| | <input type="checkbox"/> CONVERT WELL TYPE | <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION | |

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

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

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Ace Disposal
4. RN Industries

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

Date: 10-25-07
By: [Signature]

COPY SENT TO OPERATOR
DATE: 10/29/07
BY: CHD

| | |
|---|-------------------------------|
| NAME (PLEASE PRINT) <u>Carrie MacDonald</u> | TITLE <u>Operations Clerk</u> |
| SIGNATURE <u>[Signature]</u> | DATE <u>10/23/2007</u> |

(This space for State use only)

RECEIVED
OCT 24 2007
DIV. OF OIL, GAS & MINING

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

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES, INC. Operator Account Number: N 9550
 Address: 600 17th Street
city Denver
state CO zip 80202 Phone Number: (303) 262-2812

Well 1

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--------------------------|-----------------------|-------------------|------------|-----|-----|----------------------------------|--------|
| 43-047-39694 | EAST CHAPITA 14-23Z | | SWSE | 23 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| A | 99999 | 16439 | 10/10/2007 | | | 10/31/07 | |
| Comments: PRRV = MVRD | | | | | | | |

Well 2

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|--------------------------|--------------------------|-------------------|------------|-----|-----|----------------------------------|--------|
| 43-047-37083 | CHAPITA WELLS UNIT 674-6 | | SENW | 6 | 9S | 23E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| A | 99999 | 16440 | 10/18/2007 | | | 10/31/07 | |
| Comments: PRRV = MVRD | | | | | | | |

Well 3

| API Number | Well Name | | QQ | Sec | Twp | Rng | County |
|---------------------------|--------------------------|-------------------|------------|-----|-----|----------------------------------|--------|
| 43-047-36240 | CHAPITA WELLS UNIT 984-9 | | NESW | 9 | 9S | 22E | UINTAH |
| Action Code | Current Entity Number | New Entity Number | Spud Date | | | Entity Assignment Effective Date | |
| AB | 99999 | 13650 | 10/19/2007 | | | 10/31/07 | |
| Comments: BLKHK = MVRD | | | | | | | |

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)

Carrie MacDonald

Name (Please Print)

Signature

Operations Clerk

Title

10/23/2007

Date

RECEIVED

OCT 24 2007

DIV. OF OIL GAS & MINING

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: Fee |
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| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit |
| 2. NAME OF OPERATOR: EOG Resources, Inc. | | 8. WELL NAME and NUMBER: Chapita Wells Unit 984-9 |
| 3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202 | | 9. API NUMBER: 43-047-36240 |
| PHONE NUMBER: (303) 824-5526 | | 10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,590' FSL & 2,409' FWL 40.047639 LAT 109.445828 LON | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 9 9S 22E S.L.B. & M. | | STATE: UTAH |

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

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

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

The referenced well was turned to sales on 2/18/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

| | |
|--|-----------------------------------|
| NAME (PLEASE PRINT) <u>Mary A. Maestas</u> | TITLE <u>Regulatory Assistant</u> |
| SIGNATURE <u>Mary A Maestas</u> | DATE <u>2/19/2008</u> |

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FEB 20 2008

**WELL CHRONOLOGY
REPORT**

Report Generated On: 02-19-2008

| | | | | | |
|----------------------|---|------------------|----------------|----------------------|------------|
| Well Name | CWU 984-09 | Well Type | DEVG | Division | DENVER |
| Field | CHAPITA DEEP | API # | 43-047-36240 | Well Class | 1SA |
| County, State | UINTAH, UT | Spud Date | 11-12-2007 | Class Date | 02-18-2008 |
| Tax Credit | N | TVD / MD | 10,725/ 10,725 | Property # | 055555 |
| Water Depth | 0 | Last CSG | 2.375 | Shoe TVD / MD | 0/ 0 |
| KB / GL Elev | 4,753/ 4,736 | | | | |
| Location | Section 9, T9S, R22E, NESW, 1590 FSL & 2409 FWL | | | | |

| | | | | | |
|-----------------|--------------------|--------------------|------------------|--------------|--------|
| Event No | 1.0 | Description | DRILL & COMPLETE | | |
| Operator | EOG RESOURCES, INC | WI % | 100.0 | NRI % | 81.993 |

AFE No 303034 **AFE Total** 2,290,900 **DHC / CWC** 1,240,700/ 1,050,200

Rig Contr TRUE **Rig Name** TRUE #9 **Start Date** 01-25-2005 **Release Date** 12-01-2007

01-25-2005 **Reported By**

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

Cum Costs: Drilling \$0 **Completion** \$0 **Well Total** \$0

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

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

Activity at Report Time: LOCATION DATA

| Start | End | Hrs | Activity Description |
|-------|-------|------|----------------------|
| 06:00 | 06:00 | 24.0 | LOCATION DATA |

1590' FSL & 2409' FWL (NE/SW)
SECTION 9, T9S, R22E
UINTAH COUNTY, UTAH

LAT 40.047639, LONG 109.445828 (NAD 83)
LAT 40.047675, LONG 109.445828 (NAD 27)

TRUE #9
OBJECTIVE: 10,725' TD, KMV BLACK HAWK
DW/GAS
PROSPECT: CHAPITA WELLS DEEP
DD&A FIELD: CHAPITA DEEP
FIELD: NATURAL BUTTES

LEASE: FEE
ELEVATION: 4736.4' NAT GL, 4736.4' PREP GL (DUE TO ROUNDING 4736' IS THE PREP GL), 4753' KB (17')

EOG BPO WI 100%, NRI 81.99333%
EOG APO WI 56.4206%, NRI 48.22336%

10-12-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling \$38,000 **Completion** \$0 **Daily Total** \$38,000
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
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: BUILD LOCATION

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 CONSTRUCTION OF LOCATION WILL START.

10-15-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling \$38,000 **Completion** \$0 **Daily Total** \$38,000
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
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: BUILD LOCATION

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 LOCATION 30% COMPLETE.

10-16-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
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: BUILD LOCATION

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 LOCATION IS 50% COMPLETE.

10-17-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
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: BUILD LOCATION

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 BUILDING LOCATION. HIT ROCK.

10-18-2007 **Reported By** TERRY CSERE

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0
Cum Costs: Drilling \$38,000 **Completion** \$0 **Well Total** \$38,000
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: BUILD LOCATION

Start **End** **Hrs** **Activity Description**
 06:00 06:00 24.0 DRILLING HOLES.

10-19-2007 **Reported By** TERRY CSERE

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 10/25/2007. DRILLED 12-1/4" HOLE TO 2600' GL. ENCOUNTERED NO WATER. RAN 59 JTS (2545.60') OF 9-5/8", 36.0#, J-55, ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2562' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.

MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 185 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 240 SX (163 BBLs) OF PREMIUM LEAD CEMENT W/16% GEL, 10 #/ SX GILSONITE, 3 #/ SX GR-3, 3% SALT & 1/4 #/ SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.

TAILED IN W/200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE. MIXED TAIL CEMENT TO 15.8 W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/194.4 BBLs FRESH WATER. BUMP PLUG W/1000 # @ 5:23 PM, 10/27/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 40 BBLs INTO LEAD CEMENT. CIRCULATED 20 BBLs LEAD CEMENT TO PIT. CEMENT FELL BACK AT SURFACE WHEN PLUG BUMPED.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILED & CIRCULATED APPROXIMATELY 5 BBLs LEAD CEMENT TO PIT. CEMENT FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS.

TOP JOB # 2: MIXED & PUMPED 125 SX (26 BBLs) OF PREMIUM CEMENT W/2% CACL2 & 1/4 #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CEMENTERS.

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

MIRU GLENN'S WIRELINE. RUN IN HOLE W/STRAIGHT HOLE SURVEY & TAG CEMENT @ 2422'. PICK UP TO 2402' & RUN SURVEY. 1 DEGREE.

KYLAN COOK NOTIFIED DAVE HACKFORD W/UDOGM OF THE SURFACE CASING & CEMENT JOB ON 10/26/2007 @ 12:15 PM.

| | | | | | | | | | | | |
|--|------------|--------------------|--|-------------------|---|---------------|---|--------------------|------------------------|-------------|-----|
| 11-10-2007 | | Reported By | | NEIL BOURQUE | | | | | | | |
| Daily Costs: Drilling | | \$16,511 | | Completion | | \$0 | | Daily Total | | \$16,511 | |
| Cum Costs: Drilling | | \$252,814 | | Completion | | \$0 | | Well Total | | \$252,814 | |
| MD | 2,562 | TVD | 2,562 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |
| Activity at Report Time: RIG MOVE | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 18:00 | 12.0 | RDRT. 10 MEN 12 HRS. SAFETY TOPICS: RIGGING DOWN, LOWERING DERRICK. NO ACCIDENTS OR INCIDENTS REPORTED. | | | | | | | | |
| 18:00 | 06:00 | 12.0 | WAIT ON DAYLIGHT. | | | | | | | | |

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|------------------------------|-------|--------------------|-------------------|-------------------|---|---------------|---|--------------------|------------------------|-------------|-----|
| 11-11-2007 | | Reported By | | NEIL BOURQUE | | | | | | | |
| Daily Costs: Drilling | | \$16,511 | | Completion | | \$672 | | Daily Total | | \$17,183 | |
| Cum Costs: Drilling | | \$269,325 | | Completion | | \$672 | | Well Total | | \$269,997 | |
| MD | 2,562 | TVD | 2,562 | Progress | 0 | Days | 0 | MW | 0.0 | Visc | 0.0 |
| Formation : | | | PBTD : 0.0 | | | Perf : | | | PKR Depth : 0.0 | | |

Activity at Report Time: RURT

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 07:00 | 1.0 | HELD PRE- JOB SAFETY MEETING WITH WESTROC TRUCKING AND TRUE CREWS. |
| 07:00 | 12:00 | 5.0 | RIG DOWN AND MOVE 3.7 MILES F/ NCW 284-06 TO CWU 984-09 |
| 12:00 | 18:00 | 6.0 | RIG UP. 60 % |
| 18:00 | 06:00 | 12.0 | WAIT ON DAYLIGHT. |

SAFETY TOPICS: RIG MOVE. NO ACCIDENTS OR INCIDENTS REPORTED.
15 MEN 12 HRS EA

| 11-12-2007 | | Reported By | | NEIL BOURQUE | | | | | | | |
|------------------------------|-------|-------------------|-------|-------------------|-------|------------------------|--------------------|-----------|-----|-------------|------|
| Daily Costs: Drilling | | \$35,200 | | Completion | \$0 | | Daily Total | \$35,200 | | | |
| Cum Costs: Drilling | | \$304,525 | | Completion | \$672 | | Well Total | \$305,197 | | | |
| MD | 2,562 | TVD | 2,562 | Progress | 0 | Days | 0 | MW | 9.5 | Visc | 32.0 |
| Formation : | | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 18:00 | 12.0 | CONTINUE RIGGING UP. NOTICE GIVEN TO RICHARD POWELL (WOGCC) AND CLIFF JOHNSON (BLM) REGARDING PRESSURE TESTING BOP. MESSAGES LEFT 11/11/07 @ 08:00 HRS. |
| 18:00 | 23:00 | 5.0 | RIG EXCEPETED FOR DAY WORK 11/11/07 @ 18:00 HRS (9 MEN 12 HRS EACH).TEST BOPS AS FOLLOWS. SAFETY MEETING, RIG UP B&C QUICK TEST, TESTER JESUS. TEST SAFETY VALVE, INSIDE BOP, UPPER & LOWER KELLY VALVE TO 250 PSI LOW 5 MINUTES & 5000 PSI HIGH 10 MINUTES. TEST PIPE RAMS & INSIDE BOP VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & OUTSIDE BOP VALVES 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS, INSIDE MANIFILD VALVES UPRIGHT GATE VALVE & CHECK VALVE TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST ANNULAR TO 250 PSI LOW FOR 5 MINUTES & 3500 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, OUTSIDE MANIFOLD VALVES CHOKE LINE. TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES.TEST SURFACE CASING TO 1500 PSI FOR 15 MINUTES. INSTALL WEAR BUSHING. PREFORM KOOMEY TEST AND CHECK BOTTLES FOR CORRECT PRESSURE. 1 BOTTLE FAILED. |
| 23:00 | 00:00 | 1.0 | R/U CALIBER P/U MACHINE, HELD PRE-JOB SAFETY MEETING. |
| 00:00 | 02:00 | 2.0 | PICK UP BHA, DRILL PIPE. TAG CEMENT @ 2,465' |
| 02:00 | 03:00 | 1.0 | R/D CALIBER EQUIPMENT. |
| 03:00 | 05:00 | 2.0 | DRILL OUT CEMENT AND FLOAT EQUIPMENT. CLEAN OUT RAT HOLE TO 2,617'. DRILL 3' NEW FORMATION. |
| 05:00 | 05:30 | 0.5 | CIRCULATE HOLE CLEAN. |
| 05:30 | 06:00 | 0.5 | FIT W/ 9.5 PPG. 200 PSI. EMW = 11.0 PPG FUEL 2,000 GAL. USED 1,100 GAL FULL CREWS. BOILER 16 HRS. MUD LOGGER CHARLES DAVIS ON LOCATION 1 DAY. GAS UNDER 9 5/8" SHOE - 5592U SAFETY TOPICS: PRESSURE TESTING, P/U DRILL PIPE. NO ACCIDENTS OR INCIDENTS REPORTED. |

| 11-13-2007 | | Reported By | | NEIL BOURQUE | | | | | | | |
|------------------------------|-------|-------------------|-------|-------------------|-------|------------------------|--------------------|-----------|-----|-------------|------|
| Daily Costs: Drilling | | \$121,708 | | Completion | \$0 | | Daily Total | \$121,708 | | | |
| Cum Costs: Drilling | | \$426,233 | | Completion | \$672 | | Well Total | \$426,905 | | | |
| MD | 4,320 | TVD | 4,320 | Progress | 1,758 | Days | 1 | MW | 9.4 | Visc | 33.0 |
| Formation : | | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 11:30 | 5.5 | DRILL 7 7/8" HOLE F/ 2,562' TO 2,909'. 347' @ 63 FPH. MW 9.8, VIS 34, WOB 15-18K, 130 SPM, 455 GPM, 1375 PSI, ROTARY 55, MUD MOTOR 73. BOP DRILL HELD - 1MIN 10 SEC. |
| 11:30 | 12:00 | 0.5 | SERVICE RIG. FUNCTION TEST COM. |
| 12:00 | 22:00 | 10.0 | DRILL 7 7/8" HOLE F/ 2,909' TO 3,694'. 785' @ 78.5 FPH. MW 10.1, VIS 31, WOB 17-18K, 130 SPM, 455 GPM, 1,800 PSI, ROTARY 55, MUD MOTOR 73. BOP DRILL HELD 1 MIN 10 SEC. |
| 22:00 | 22:30 | 0.5 | CIRCULATE PRIOR TO AND SURVEY @ 3,612'. 1.37 DEG |
| 22:30 | 23:00 | 0.5 | CHANGE OUT GRANT ROTATING RUBBER. |
| 23:00 | 06:00 | 7.0 | DRILL 7 7/8" HOLE F/ 3,694' TO 4,320'. 626' @ 89.4 FPH. MW 10.1, VIS 31, WOB 116-18K, 130 SPM, 455 GPM, 1,760 PSI, ROTARY 55, MUD MOTOR 73. FUEL 8,600 GAL, RECEIVED 8,000 GAL, USED 1,400 GAL. FULL CREWS. BOILER 6 HRS. BG GAS 450U, CONN GAS 710U, HIGH GAS 5578U @ 2,588' LITHOLOGY: SH 80%, SS 15%, LS 5%. SHOWS: 2997'-3020' MUD LOGGER CHARLES DAVIS ON LOCATION 2 DAYS SAFETY TOPICS: BLOW OUT PREVENTION, CONNECTIONS. NO ACCIDENTS OR INCIDENTS REPORTED. |
| 06:00 | | 18.0 | SPUD 7 7/8" HOLE ON 11/12/07 @ 06:00 HRS. |

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|------------------------------|-------------------|--------------------|---------------|------------------------|-----------|-------------|---|-----------|------|-------------|------|
| 11-14-2007 | | Reported By | NEIL BOURQUE | | | | | | | | |
| Daily Costs: Drilling | \$40,126 | Completion | \$0 | Daily Total | \$40,126 | | | | | | |
| Cum Costs: Drilling | \$466,360 | Completion | \$672 | Well Total | \$467,032 | | | | | | |
| MD | 5,640 | TVD | 5,640 | Progress | 1,320 | Days | 2 | MW | 10.2 | Visc | 35.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 09:30 | 3.5 | DRILL 7 7/8" HOLE F/ 4,320' TO 4,697'. 377' @ 107.7 FPH. MW 10.2, VIS 33, WOB 17-18K, 130 SPM, 455 GPM, 1,750 PSI, ROTARY 55, MUD MOTOR 73. |
| 09:30 | 10:00 | 0.5 | CIRCULATE HOLE CLEAN PRIOR TO SURVEY. |
| 10:00 | 10:30 | 0.5 | SURVEY 3.19 DEG @ 4,615' |
| 10:30 | 11:30 | 1.0 | DRILL 7 7/8" HOLE F/ 4,697' TO 4,790'. |
| 11:30 | 12:00 | 0.5 | SERVICE RIG. FUNCTION TEST COM & PIPE RAMS. |
| 12:00 | 06:00 | 18.0 | DRILL 7 7/8" HOLE F/ 4,790' TO 5,640'. 850' @ 47.2 FPH. MW 10.4, VIS 34, WOB 16-19K, 130 SPM, 455 GPM, 1830 PSI, ROTARY 55, MUD MOTOR 73. FUEL 7,500 GAL, USED 1,100 GAL, FULL CREWS. BOILER 9 HRS. BG GAS 375U, CONN GAS 500U, HIGH GAS 931U @ 5425' LITHOLOGY: SH 80%, SS 20%. TOP OF WASATCH @ 4,939', TOP OF CHAPITA WELLS @ 5,568' SHOWS: 5402'-5434' MUD LOGGER CHARLES DAVIS ON LOCATION 3 DAYS SAFETY TOPICS: SURVEYS, OPERATING AIR HOISTS. NO ACCIDENTS OR INCIDENTS REPORTED. |

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|------------------------------|-------------------|--------------------|---------------|------------------------|-----------|-------------|---|-----------|------|-------------|------|
| 11-15-2007 | | Reported By | NEIL BOURQUE | | | | | | | | |
| Daily Costs: Drilling | \$35,098 | Completion | \$0 | Daily Total | \$35,098 | | | | | | |
| Cum Costs: Drilling | \$501,458 | Completion | \$672 | Well Total | \$502,130 | | | | | | |
| MD | 6,610 | TVD | 6,610 | Progress | 970 | Days | 3 | MW | 10.4 | Visc | 35.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 14:00 | 8.0 | DRILL 7 7/8" HOLE F/ 5,640' TO 6,049'. 409' @ 51.1 FPH. LOST 100 BBLs @ 5,900'. TREAT ACTIVE W/ LCM. MW 10.7, VIS 35, WOB 17-20K, 125 SPM, 438 GPM, 1900 PSI, ROTARY 53, MUD MOTOR 70. |
| 14:00 | 14:30 | 0.5 | SERVICE RIG, FUNCTION TEST COM. |
| 14:30 | 06:00 | 15.5 | DRILL 7 7/8" HOLE F/ 6,049' TO 6,610'. 561' @ 36.2 FPH. MW 10.8, VIS 34, WOB- 18-24K, 120 SPM, 420 GPM, 1,800 PSI, ROTARY 53, MUD MOTOR 68. 200 BBLs SEEPAGE LOSSES. CONTINUE TREATING ACTIVE W/ LCM. BG GAS 460U, CONN GAS 650U, HIGH GAS 665U @ 6,529' LITHOLOGY: SH 80%, SS 20%, TOP OF BUCK CANYON @ 6,167' SHOWS: 6455'-6464' MUD LOGGER CHARLES DAVIS ON LOCATION 4 DAYS SAFETY TOPICS: MSDS, BOILER, PRESSURE. NO ACCIDENTS OR INCIDENTS REPORTED. |

| 11-16-2007 | | Reported By | | NEIL BOURQUE | | | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|-------------|---|-----------|------|-------------|------|
| Daily Costs: Drilling | \$50,525 | Completion | \$0 | Daily Total | \$50,525 | | | | | | |
| Cum Costs: Drilling | \$551,984 | Completion | \$672 | Well Total | \$552,656 | | | | | | |
| MD | 6,865 | TVD | 6,865 | Progress | 255 | Days | 4 | MW | 10.9 | Visc | 36.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 11:30 | 5.5 | DRILL 7 7/8" HOLE F/ 6,610' TO 6,735'. 125' @ 22.7 FPH. MW 10.9, VIS 35, WOB 18-24K, 120 SPM, 420 GPM, 1800 PSI. ROTARY 53, MUD MOTOR 68. |
| 11:30 | 12:00 | 0.5 | SERVICE RIG, FUNCTION TEST COM. |
| 12:00 | 15:30 | 3.5 | DRILL 7 7/8" HOLE F/ 6,735' TO 6,818'. 83' @ 23.7 FPH. MW 10.9, VIS 36. WOB 22-24K |
| 15:30 | 16:30 | 1.0 | CIRCULATE HOLE CLEAN PRIOR TO BIT & BHA TRIP. SLUG PIPE, DROP SURVEY |
| 16:30 | 20:00 | 3.5 | POOH, TIGHT HOLE F/ 5,000' TO 4,800'. L/D REAMERS, CHANGE OUT MUD MOTOR AND BIT. |
| 20:00 | 21:00 | 1.0 | REPAIR LEAK IN FLOWLINE. |
| 21:00 | 00:00 | 3.0 | TIH TO 4,800' FILL PIPE @ 4,000'. |
| 00:00 | 01:00 | 1.0 | WASH & REAM F/ 4,800' TO 4,930' |
| 01:00 | 01:30 | 0.5 | TIH TO 6,730'. TIGHT HOLE @ 5,500'. |
| 01:30 | 02:00 | 0.5 | WASH AND REAM F/ 6,730' TO 6,818'. 10' FILL. 35 BBL LOSSES F/ TRIP. |
| 02:00 | 06:00 | 4.0 | DRILL 7 7/8" HOLE F/ 6,818' TO 6,865'. 47' @ 11.8 FPH. MW 10.9, VIS 35, WOB 15-18K, 130 SPM, 455 GPM, 2,000 PSI FUEL 4,300 GAL. USED 1,100 GAL. FULL CREWS. BOILER 18 HRS. BG GAS 400U, CONN GAS 650U, TRIP GAS 2141U, HIGH GAS 2087U @ 6759' LITHOLOGY: SH 55%, SS 45% SHOWS: 6756'-6753U. LOGGER CHARLES DAVIS ON LOCATION 5 DAYS SAFETY TOPICS: SNUB LINES, MIXING CAUSTIC, TRIPPING. NO ACCIDENTS OR INCIDENTS REPORTED. |

| 11-17-2007 | | Reported By | | NEIL BOURQUE | | | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|-------------|---|-----------|------|-------------|------|
| Daily Costs: Drilling | \$33,808 | Completion | \$0 | Daily Total | \$33,808 | | | | | | |
| Cum Costs: Drilling | \$585,792 | Completion | \$672 | Well Total | \$586,464 | | | | | | |
| MD | 7,166 | TVD | 7,166 | Progress | 301 | Days | 5 | MW | 10.9 | Visc | 36.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: RIG REPAIR

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 16:30 | 10.5 | DRILL 7 7/8" HOLE F/ 6,865' TO 7,100'. 235' @ 22.4 FPH., MW 11.1, VIS 36, 130 SPM, 455 GPM, 1950 PSI, WOB 17-20K, 53 RPM, MUD MOTOR 73. |
| 16:30 | 17:00 | 0.5 | SERVICE RIG. FUNCTION TEST COM. |
| 17:00 | 20:30 | 3.5 | DRILL 7 7/8" HOLE F/ 7,100' TO 7,166'. 66' @ 22 FPH. MW 11.1, VIS 35, WOB 16-20K, 125 SPM, 438 GPM, 1900 PSI, ROTARY 53, MUD MOTOR 70. CONTINUE TREATING ACTIVE W/ LCM F/ SEEPAGE LOSSES. |
| 20:30 | 22:00 | 1.5 | WORK TIGHT HOLE F/ 7,090' TO 7,166'. SOME LARGE, FRACTURED SHALE PIECES ACROSS SHAKER. SLOWLY INCREASE MW TO 11.2. |
| 22:00 | 02:00 | 4.0 | STEADY BEARING IN # 1 FLOOR MOTOR RADIATOR FAN SHAFT FAILED. PUMP SLUG AND TRIP TO SHOE. 30K DRAG FIRST 10 STANDS OFF BOTTOM, TIGHT HOLE F/ 5,500-5,300', @ 4,650' AND 3,400'. |
| 02:00 | 06:00 | 4.0 | CIRCULATE AND CONDITION MUD @ SHOE. WEIGHT UP SYSTEM TO 11.4 PPG. FUEL 2,800 GAL, USED 1,500 GAL. FULL CREWS. BOILER 20 HRS. BG GAS 100U, CONN GAS 200U, HIGH GAS 301U @ 7076' LITHOLOGY: SH 50%, SS 50%. TOP OF NORTH HORN @ 6,958' LOGGER CHARLES DAVIS ON LOCATION 6 DAYS. SAFTEY TOPICS: 100% TIE-OFF, PUMP REPAIR, REAMING. NO ACCIDENTS OR INCIDENTS REPORTED. |

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|------------------------------|-------------------|--------------------|-------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 11-18-2007 | | Reported By | | NEIL BOURQUE | | | | | | | |
| Daily Costs: Drilling | \$44,746 | Completion | \$0 | Daily Total | \$44,746 | | | | | | |
| Cum Costs: Drilling | \$630,539 | Completion | \$672 | Well Total | \$631,211 | | | | | | |
| MD | 7.510 | TVD | 7.510 | Progress | 344 | Days | 6 | MW | 11.3 | Visc | 35.0 |
| 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 | WAIT ON PARTS FOR # 1 FLOOR MOTOR RAD FAN. |
| 07:00 | 08:30 | 1.5 | INSTALL NEW PARTS. |
| 08:30 | 09:30 | 1.0 | TIH F/ SHOE TO 6,300'. FILL PIPE @ 5,000' |
| 09:30 | 12:00 | 2.5 | WASH AND REAM F/ 6,300' TO 6,630'. |
| 12:00 | 13:00 | 1.0 | TIH TO 7,100'. |
| 13:00 | 14:00 | 1.0 | WASH AND REAM F/ 7,100' TO 7,166'. 6' OF FILL. PUMP 100 BBLS H/V PILL. |
| 14:00 | 15:00 | 1.0 | DRILL F/ 7,166' TO 7,198'. |
| 15:00 | 15:30 | 0.5 | SERVICE RIG. FUNCTION TEST COM. |
| 15:30 | 06:00 | 14.5 | DRILL 7 7/8" HOLE F/ 7,198' TO 7,510', 312' @ 21.5 FPH. MW 11.5, VIS 35, WOB 20K, 125 SPM, 438 GPM, 2,000 PSI, ROTARY 53, MUD MOTOR 70. FUEL 5,200 GAL, RECEIVED 4,000 GAL, USED 1,600 GAL. FULL CREWS. BOILER 12 HRS. BG GAS 65U, CONN GAS 200U, TRIP GAS 822U, HIGH GAS 4654U @ 7456' LITHOLOGY: SH 55%, SS 45%. TOP OF NORTH HORN @ 6,958'. SHOWS: 7431'-7456' LOGGER CHARLES DAVIS ON LOCATION 7 DAYS. SAFETY TOPICS: TRIPPING, CORRECT TOOLS, WASHING IN LIGHT PLANT. NO ACCIDENTS OR INCIDENTS REPORTED. |

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|------------------------------|-----------|--------------------|-------|--------------------|-----------|--|--|--|--|--|--|
| 11-19-2007 | | Reported By | | NEIL BOURQUE | | | | | | | |
| Daily Costs: Drilling | \$64,652 | Completion | \$0 | Daily Total | \$64,652 | | | | | | |
| Cum Costs: Drilling | \$695,191 | Completion | \$672 | Well Total | \$695,863 | | | | | | |

MD 7,840 **TVD** 7,840 **Progress** 330 **Days** 7 **MW** 11.5 **Visc** 35.0
Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: WASH AND REAM TO BOTTOM

| Start | End | Hrs | Activity Description |
|--|-------|------|---|
| 06:00 | 16:00 | 10.0 | DRILL 7 7/8" HOLE F/ 7,510' TO 7,730'. 220' @ 22 FPH. MW 11.5, VIS 35, WOB 18-22K, 125 SPM 1975 PSI, 438 GPM, ROTARY 53, MUD MOTOR 70. |
| 16:00 | 16:30 | 0.5 | SERVICE RIG. FUNCTION TEST COM. |
| 16:30 | 23:00 | 6.5 | DRILL 7 7/8" HOLE F/ 7,730' TO 7,840'. 110' @ 16.9 FPH. MW 11.6, VIS 34, WOB 17-25K, 120 SPM, 420 GPM, 2000 PSI. ROTARY 53, MUD MOTOR 68. |
| 23:00 | 23:30 | 0.5 | SLUG PIPE, DROP SURVEY. |
| 23:30 | 02:00 | 2.5 | POOH FOR BIT CHANGE. RECOVER SURVEY. 1.24 DEG @ 7,755'. |
| 02:00 | 04:30 | 2.5 | M/U NEW BIT AND TIH TO 6,190'. |
| 04:30 | 05:00 | 0.5 | WASH AND REAM F/ 6,240' TO 6,350' |
| 05:00 | 05:30 | 0.5 | RIH F/ 6,350 TO 6,4 50' |
| 05:30 | 06:00 | 0.5 | WASH AND REAM F/ 6,486 TO 7,050' |
| FUEL 3,800 GAL, USED 1,400 GAL. FULL CREWS. BOILER 13 HRS. BG GAS 95U, CONN GAS 400U, HIGH GAS 5403U @ 7,503' LITHOLOGY: SS 50%, SH 40%, SLTSTN 10%. TOP OF PRICE RIVER @ 7,569' SHOWS: 7496'-7518', 7538'-7548', 7569'-7587', 7637'-7678', 7704'-7710', 7760'-7778'. LOGGER CHARLES DAVIS ON LOCATION 8 DAYS. SAFETY TOPICS: STEAM, RIG SERVICE. NO ACCIDENTS OR INCIDENTS REPORTED | | | |

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|------------------------------|--------------------|-------------------|---------------|--------------------|------------------------|-------------|---|-----------|------|-------------|------|
| 11-20-2007 | Reported By | NEIL BOURQUE | | | | | | | | | |
| Daily Costs: Drilling | \$17,363 | Completion | \$0 | Daily Total | \$17,363 | | | | | | |
| Cum Costs: Drilling | \$712,555 | Completion | \$672 | Well Total | \$713,227 | | | | | | |
| MD | 8,260 | TVD | 8,260 | Progress | 420 | Days | 8 | MW | 11.7 | Visc | 35.0 |
| Formation : | PBTD : 0.0 | | Perf : | | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|---|-------|------|---|
| 06:00 | 06:30 | 0.5 | WASH AND REAM F/ 7,808' TO 7,840'. NO FILL |
| 06:30 | 16:30 | 10.0 | DRILL 7 7/8" HOLE F/ 7,840' TO 8,013'. 173' @ 17.3 FPH. MW 11.6, VIS 35, WOB 13-18K, 53 RPM, MUD MOTOR 70, 125 SPM, 438 GPM, 2,050 PSI. |
| 16:30 | 17:00 | 0.5 | SERVICE RIG. FUNCTION TEST COM, SUPER CHOKE AND CHECK CHOKE VALVES FOR PROPER POSITION. |
| 17:00 | 06:00 | 13.0 | DRILL 7 7/8" HOLE F/ 8,013' TO 8,260'. 247' @ 19 FPH. MW 11.7, VIS 36, 125 SPM, 438 GPM, 2150 PSI, WOB 17-20K, ROTARY 53, MUD MOTOR 70. |
| FUEL 2,200 GAL, USED 1,600 GAL. FULL CREWS. BOILER 12 HRS. BG GAS 90U, CONN GAS 340U, TRIP GAS 1718U, HIGH GAS 7901U @ 7,879' LITHOLOGY: SS 50%, SH 40%, SLTSTN 10% SHOWS: 7861'-7919', 7950'-7955', 7995'-8028', 8089'-8170' LOGGER CHARLES DAVIS 9 DAYS SAFETY TOPICS: TRIPPING, TONG INSPECTION, PUMPS. NO ACCIDENTS OR INCIDENTS REPORTED. | | | |

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|------------------------------|--------------------|-------------------|-------|--------------------|-----------|-------------|---|-----------|------|-------------|------|
| 11-21-2007 | Reported By | NEIL BOURQUE | | | | | | | | | |
| Daily Costs: Drilling | \$62,852 | Completion | \$0 | Daily Total | \$62,852 | | | | | | |
| Cum Costs: Drilling | \$775,407 | Completion | \$672 | Well Total | \$776,079 | | | | | | |
| MD | 8,475 | TVD | 8,475 | Progress | 215 | Days | 9 | MW | 11.7 | Visc | 36.0 |

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 13:00 | 7.0 | DRILL 7 7/8" HOLE F/ 8,260' TO 8,391'. 131' @ 18.7 FPH. MW 11.7, VIS 35. |
| 13:00 | 15:00 | 2.0 | CIRCULATE @ 85 SPM, 298 GPM DUE TO LOSSES. TREAT ACTIVE W/ LCM, SLOWLY INCREASING MUD PUMP TO 115 SPM, 402 GPM, 2,200 PSI (PLUGGED NOZZLE. |
| 15:00 | 16:30 | 1.5 | DRILL 7 7/8" HOLE F/ 8,391' TO 8,421' W/ MINIMUM LOSSES. |
| 16:30 | 17:00 | 0.5 | SERVICE RIG, FUNCTION TEST COM |
| 17:00 | 18:30 | 1.5 | DRILL 7 7/8" HOLE F/ 8,421' TO 8,440'. 19' @ 12.6 FPH. MW 11.7 VIS 36, WOB 19K, 113 SPM, 395 GPM, 2200 PSI (PLUGGED JETS) |
| 18:30 | 19:00 | 0.5 | CIRCULATE PRIOR TO POOH. |
| 19:00 | 19:30 | 0.5 | SPOT 100 BBL LCM PILL ON BOTTOM. |
| 19:30 | 20:00 | 0.5 | PUMP SLUG, DROP SURVEY. |
| 20:00 | 23:00 | 3.0 | POOH FOR BIT AND MUD MOTOR CHANGE. RECOVER SURVEY F/ 8,360' - 1.53 DEG. |
| 23:00 | 00:00 | 1.0 | M/U NEW MOTOR, BIT AND RIH TO 2,500'. FILL PIPE. |
| 00:00 | 01:00 | 1.0 | SLIP AND CUT DRILLING LINE. |
| 01:00 | 03:00 | 2.0 | TIH, FILL PIPE @ 5,050', REAM THRU TIGHT SPOT @ 6,240' |
| 03:00 | 03:30 | 0.5 | WASH AND REAM F/ 8,355' TO 8,440'. 35 BBLs LOSSES F/ TRIP. |
| 03:30 | 06:00 | 2.5 | DRILL 7 7/8" HOLE F/ 8,440' TO 8,475'. 35' @ 14 FPH, MW 11.7, VIS 39, WOB,13-17K, 120 SPM, 420 GPM, 2000 PSI., NO LOSSES. FUEL 4,800 GAL, USED 1,400 GAL, RECEIVED 4,000 GAL. BG GAS 90U, CONN GAS 290U, TRIP GAS 1518U, HIGH GAS 7667U @ 8,321' LITHOLOGY: SS 50%, SH 40%, SLTSTN 10% TOP OF PRICE RIVER M - 8,393'. SHOWS: 8275'-8291', 8316'-8332', 8349'-8380' LOGGER CHARLES DAVIS ON LOCATION 10 DAYS SAFETY TOPICS: HOUSE KEEPING, WORKING ON PUMPS, TRIPPING. NO ACCIDENTS OR INCIDENTS REPORTED. |

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|-----------------------|-------------|--------------|---------|-------------|-----------|------|----|----|------|------|------|
| 11-22-2007 | Reported By | NEIL BOURQUE | | | | | | | | | |
| Daily Costs: Drilling | \$33,751 | Completion | \$6,245 | Daily Total | \$39,996 | | | | | | |
| Cum Costs: Drilling | \$809,158 | Completion | \$6,917 | Well Total | \$816,076 | | | | | | |
| MD | 8,890 | TVD | 8,890 | Progress | 415 | Days | 10 | MW | 11.7 | Visc | 40.0 |

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 15:30 | 9.5 | DRILL 7 7/8" HOLE F/ 8,475' TO 8,609'. 134' @ 14.1 FPH. WOB 13-20K, 125 SPM, 438 GPM, 2100 PSI. MW 11.7 VIS 38. |
| 15:30 | 16:00 | 0.5 | SERVICE RIG, FUNCTION TEST COM, KELLY COCKS AND SAFETY VALVES |
| 16:00 | 06:00 | 14.0 | DRILL 7 7/8" HOLE F 8,609' TO 8,890'. 284' @ 20.3 FPH. MW 11.8, VIS 38, WOB 16-20K, 123 SPM, 430 GPM, 2,100 PSI, ROTARY 51, MUD MOTOR 69. FUEL 3,000 GAL, USED 1,800 GAL. BOILER 16 HR, FULL CREWS. BG GAS 380U, CONN GAS 650U, HIGH GAS 6553U @ 8,564'. LITHOLOGY: SS 70%, SH 20%, SLTSTN 10% SHOWS: 8545'-8464', 8507'-8528', 8548'-8567', 8586'-8614', 8632'-8670', 8770'-8820' LOGGER CHARLES DAVIS ON LOCATION 11 DAYS. SAFETY TOPICS: CUTTING DRILLING LINE, PUMP REPAIR, UNLOADING CASING. NO ACCIDENTS OR INCIDENTS REPORTED. |

11-23-2007 Reported By NEIL BOURQUE

Daily Costs: Drilling \$45,050 Completion \$0 Daily Total \$45,050
 Cum Costs: Drilling \$854,209 Completion \$6,917 Well Total \$861,126

MD 9,105 TVD 9,105 Progress 215 Days 11 MW 11.8 Visc 40.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TIH W/ BIT #5

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 14:30 | 8.5 | DRILL 7 7/8" HOLE F/ 8,890' TO 9,015'.125' @ 14.7 FPH. MW 11.8, VIS 38, 125 SPM, 438 GPM, 1,950 PSI. ROTARY 53, MUD MOTOR 70. |
| 14:30 | 15:00 | 0.5 | SERVICE RIG. FUNCTION TEST COM AND PIPE RAMS. |
| 15:00 | 22:00 | 7.0 | DRILL 7 7/8" HOLE F/ 9,015' TO 9,105'. 90' @ 12.8 FPH. MW 11.8, VIS 37. WOB 12-20K, 125 SPM, 438 GPM, 2200 PSI. ROTARY 53, MUD MOTOR 70. |
| 22:00 | 23:00 | 1.0 | CIRCULATE BOTTOMS UP PRIOR TO BIT TRIP. |
| 23:00 | 23:30 | 0.5 | PUMP SLUG, DROP SURVEY. |
| 23:30 | 02:00 | 2.5 | POOH. RECOVER SURVEY. 1.05 DEG F/ 9,025' |
| 02:00 | 05:00 | 3.0 | CHANGE OUT BIT AND RIH TO 6,730' |
| 05:00 | 05:30 | 0.5 | WASH AND REAM F/ 6,730' TO 6,905' |
| 05:30 | 06:00 | 0.5 | TIH F/ 6,905' TO 8,500' |

FUEL 1,400 GAL, USED 1,600 GAL. FULL CREWS, BOILER 15 HRS.
 BG GAS 4,20U, CONN GAS 1150U, HIGH GAS 7262U @ 8894'
 LITHOLOGY: SS 60%, SH 20%, SLTSTN 20%.
 SHOWS: 8860'-8906'
 LOGGER CHARLES DAVIS ON LOCATION 12 DAYS.
 SAFETY TOPICS: PPE, BLOWING DOWN BOILER. NO ACCIDENTS OR INCIDENTS REPORTED.

11-24-2007 Reported By NEIL BOURQUE

Daily Costs: Drilling \$46,860 Completion \$0 Daily Total \$46,860
 Cum Costs: Drilling \$901,070 Completion \$6,917 Well Total \$907,987

MD 9,550 TVD 9,550 Progress 445 Days 12 MW 11.9 Visc 39.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:30 | 0.5 | RIH F/ 8,500' TO 9,020' |
| 06:30 | 07:00 | 0.5 | WASH AND REAM 76' TO BOTTOM. NO FILL |
| 07:00 | 15:30 | 8.5 | DRILL 7 7/8" HOLE F/ 9,105' TO 9,265'. 160' @ 18.8 FPH. MW 11.8, VIS 38, WOB 15-17K, 120 SPM, 420 GPM, 2,100 PSI. ROTARY 53, MUD MOTOR 67. |
| 15:30 | 16:00 | 0.5 | SERVICE RIG, FUNCTION TEST COM AND HCR. |
| 16:00 | 06:00 | 14.0 | DRILL 7 7/8" HOLE F/ 9,265' TO 9,550'. 285' @ 20.3 FPH. MW 11.9, VIS 37, WOB 15-21K, ROTARY 53, MUD MOTOR 68. 120 SPM, 420 GPM, 2,175 PSI. |

FUEL 3,900 GAL, RECEIVED 4,400 GAL, USED 1,900 GAL. FULL CREWS. BOILER 17 HRS.
 BG GAS 1300U, CONN GAS 6,200U, TRIP GAS 9081U, HIGH GAS 8910U @ 9,392'
 LITHOLOGY: SS 60%, SH 30%, SLTSTN 10%. TOP OF PRICE RIVER LOWER @ 9,235'
 SHOWS: 9252'-9336', 9374'-9506'
 LOGGER CHARLES DAVIS ON LOCATION 13 DAYS.
 SAFETY TOPICS: WORKING ON MUD PUMP, ICY CONDITIONS. NO ACCIDENTS OR INCIDENTS REPORTED.

11-25-2007 Reported By NEIL BOURQUE

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|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|-------------|----|-----------|------|-------------|------|
| Daily Costs: Drilling | \$47,986 | Completion | \$783 | Daily Total | \$48,769 | | | | | | |
| Cum Costs: Drilling | \$949,056 | Completion | \$7,700 | Well Total | \$956,757 | | | | | | |
| MD | 9,876 | TVD | 9,876 | Progress | 326 | Days | 13 | MW | 12.0 | Visc | 42.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: TOH FOR BIT #6

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 15:30 | 9.5 | DRILL 7 7/8" HOLE F/ 9,550' TO 9,736'. 186' @ 19.6 FPH. MW 12.0, VIS 37, WOB 20-22K, ROTARY 53, MUD MOTOR 67, 120 SPM 420 GPM, 2200 PSI. |
| 15:30 | 16:00 | 0.5 | SERVICE RIG. FUNCTION TEST COM AND PIPE RAMS. BOP DRILL HELD 58 SEC. |
| 16:00 | 02:00 | 10.0 | DRILL 7 7/8" HOLE F/ 9,736' TO 9,876'. 140' @ 14 FPH. MW 12.1, VIS 37, WOB 20-25K, 120 SPM, 420 GPM, 2,300 PSI, ROTARY 53, MUD MOTOR 67. |
| 02:00 | 03:00 | 1.0 | CIRCULATE BOTTOMS UP. FLOW CHECK. |
| 03:00 | 03:30 | 0.5 | PUMP SLUG, DROP SURVEY. |
| 03:30 | 06:00 | 2.5 | POOH FOR BIT AND MUD MOTOR CHANGE. FUEL 4,900 GAL, RECEIVED 2,800 GAL, USED 1,800 GAL. FULL CREWS, BOILER 17 HRS. BG GAS 850U, CONN GAS 8,900U, HIGH GAS 8443U @ 9594'. LITHOLOGY: SS 30%, SH 60%, SLTSTN 10%. TOP OF SEGO @ 9,634', BUCK TONGUE @ 9,748' SHOWS: 9555'-9601', 9690'-9730', 9786'-9803' LOGGER CHARLES DAVIS 14 DAYS. SAFETY TOPICS: SANDING & GRINDING, TRIPPING. NO ACCIDENTS OR INCIDENTS REPORTED. |

11-26-2007 Reported By NEIL BOURQUE

| | | | | | | | | | | | |
|------------------------------|-------------------|-------------------|---------------|------------------------|-----------|-------------|----|-----------|------|-------------|------|
| Daily Costs: Drilling | \$42,417 | Completion | \$736 | Daily Total | \$43,153 | | | | | | |
| Cum Costs: Drilling | \$991,474 | Completion | \$8,436 | Well Total | \$999,911 | | | | | | |
| MD | 9,876 | TVD | 9,876 | Progress | 0 | Days | 14 | MW | 12.1 | Visc | 39.0 |
| Formation : | PBTD : 0.0 | | Perf : | PKR Depth : 0.0 | | | | | | | |

Activity at Report Time: WASH AND REAM TO 9876'

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 06:30 | 0.5 | TO 3,572'. C.O.M. FAILURE, "CROWN RIG" @ 06:30 HRS. NO INJURYS TO CREW. |
| 06:30 | 09:30 | 3.0 | INSPECT DAMAGE TO WOODEN CROWN BUMPER BLOCKS, REMOVE BROKEN PIECES OF WOOD AND MESH GUARD. VERIFY NO STRUCTURAL DAMAGE TO CROWN, DRILLING LINE OR DERRICK. MONITOR ACROSS WELL W/ TRIP TANK, PERIODICALLY ROTATING STRING. |
| 09:30 | 12:00 | 2.5 | CONTINUE POOH F/ BIT AND MUD MOTOR CHANGE. RECOVER SURVEY F/ 9,813', 1.32 DEG. |
| 12:00 | 16:00 | 4.0 | M/U NEW MUD MOTOR, BIT AND RIH. REAM F/ 3,920' TO 4,000'. TIH F/ 4,000' TO 4,820'. |
| 16:00 | 20:30 | 4.5 | WHILE REAMING F/ 4,820' TO 4,880' HAD LOSSES. CIRCULATE AND CONDITION MUD AT 69 SPM, 241 GPM. TREAT ACTIVE W/ LCM. |
| 20:30 | 21:00 | 0.5 | TIH TO 6,300'. |
| 21:00 | 22:00 | 1.0 | CIRCULATE AND CONDITION MUD SLOWLY INCREASING SPM. CONTINUE TREATING ACTIVE W/ LCM. |
| 22:00 | 23:30 | 1.5 | REAM F/ 6330' TO 6481' |
| 23:30 | 00:00 | 0.5 | TIH |
| 00:00 | 02:30 | 2.5 | REAM F/ 7,403' TO 7,575' |
| 02:30 | 04:00 | 1.5 | TIH. |
| 04:00 | 04:30 | 0.5 | REAM F/ 9,688' TO 9,738' |
| 04:30 | 05:30 | 1.0 | CIRCULATE OUT BOTTOMS UP GAS THRU GAS BUSTER. |
| 05:30 | 06:00 | 0.5 | WASH WORK SINGLES F/ 9,738' TO 9,800'. |

TOTAL LOSSES F/ LAST 24 HRS = 350 BBLs
 FUEL 3,800 GAL, USED 1,100 GAL. FULL CREWS. BOILER 18 HRS.
 BG GAS 220U, TRIP GAS 8,757U, HIGH GAS 8836U.
 LITHOLOGY: SS 30%, SH 60%, SLTSTN 10%.
 LOGGER CHARLES DAVIS ON LOCATION 15 DAYS.
 SAFETY TOPICS: TRIPPING, CROWN 'O' MATIC.
 ONE INCIDENT REPORTED. CROWNING RIG.

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|------------------------------|--------------------|--------------------------|---------|--------------------|------------------------|-------------|----|-----------|------|-------------|------|
| 11-27-2007 | Reported By | NEIL BOURQUE/PETE COMEAU | | | | | | | | | |
| Daily Costs: Drilling | \$36,194 | Completion | \$783 | Daily Total | \$36,977 | | | | | | |
| Cum Costs: Drilling | \$1,027,669 | Completion | \$9,219 | Well Total | \$1,036,888 | | | | | | |
| MD | 10,240 | TVD | 10,240 | Progress | 364 | Days | 15 | MW | 11.9 | Visc | 39.0 |
| 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 | WASH AND REAM F/ 9,802' TO 9,876', 7' FILL. FUNCTION TESTED C.O.M. W/ DRILLING LINE. |
| 07:00 | 10:30 | 3.5 | DRILL 7 7/8" HOLE F/ 9,876' TO 9,958'. 82' @ 23.4 FPH. MW 11.9, VIS 37, WOB 15-18K, ROTARY 53, MUD MOTOR 65, 115 SPM, 402 GPM, 2,200 PSI. |
| 10:30 | 11:00 | 0.5 | SERVICE RIG |
| 11:00 | 06:00 | 19.0 | DRILL 7 7/8" HOLE F/ 9,958' TO 10,240'. 282' @ 14.8 FPH. MW 12.1, VIS 38, WOB 20-25K, 116 SPM, 406 GPM, 2,250 PSI. ROTARY 50, MUD MOTOR 65. FUEL 2,300 GAL, USED 1,500 GAL. FULL CREWS, BOILER 15 HRS. BG GAS 275U, CONN GAS 900U, TRIP GAS 9079U, HIGH GAS 7413U @ 9974'. LITHOLOGY: SS 60%, SH 20%, SLTSTN 20% FORMATION TOPS: BUCK TONGUE 9,748', CASTLEGATE 9,872', BASE CASTLEGATE 10,101'. SHOWS: 9965-9983', 10031'-10043' MUD LOGGER CHARLES DAVIS ON LOCATION 16 DAYS. SAFETY TOPICS: TIGHT HOLE, ELECTRICAL, STEAM LINES. NO ACCIDENTS OR INCIDENTS REPORTED. |

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|------------------------------|--------------------|--------------------------|----------|--------------------|------------------------|-------------|----|-----------|------|-------------|------|
| 11-28-2007 | Reported By | NEIL BOURQUE/PETE COMEAU | | | | | | | | | |
| Daily Costs: Drilling | \$60,923 | Completion | \$963 | Daily Total | \$61,886 | | | | | | |
| Cum Costs: Drilling | \$1,088,592 | Completion | \$10,182 | Well Total | \$1,098,775 | | | | | | |
| MD | 10,350 | TVD | 10,350 | Progress | 110 | Days | 16 | MW | 12.1 | Visc | 39.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: DRILLING 7 7/8" HOLE

| Start | End | Hrs | Activity Description |
|-------|-------|-----|--|
| 06:00 | 09:00 | 3.0 | DRILL 7 7/8" HOLE F/ 10,240' TO 10,272'. 32' @ 10.1 FPH. MW 12.1 VIS 38, WOB 25K, ROTARY 52, MUD MOTOR 65, SPM 115, 403 GPM, 2225 PSI. |
| 09:00 | 09:30 | 0.5 | SERVICE RIG. FUNCTION TEST C.O.M. AND KELLY COCKS. |
| 09:30 | 14:30 | 5.0 | DRILL 7 7/8" HOLE F/ 10,272' TO 10,318'. 46' @ 9.2 FPH. MW 12.1, VIS 38, 115 SPM, 2300 PSI, 403 GPM. ROTARY 52, MUD MOTOR 64. |
| 14:30 | 15:30 | 1.0 | FLOW CHECK, CIRCULATE BOTTOMS UP, MIX & PUMP SLUG. |
| 15:30 | 21:00 | 5.5 | FUNCTION TEST COM W/ DLG LINE ON FIRST STAND. POOH, TIGHT HOLE @ 9,200' & 7,500'. MORNING TOUR DRILLER FUNCTION TESTED COM W/ DLG LINE. CONTINUE POOH. |
| 21:00 | 00:30 | 3.5 | CHANGE OUT BIT AND TIH TO 6,765' |
| 00:30 | 01:30 | 1.0 | WASH AND REAM F/ 6,765' TO 6,967' |

01:30 02:30 1.0 TIH
 02:30 03:00 0.5 WASH AND REAM 35' TO BOTTOM, 5' OF FILL.
 03:00 06:00 3.0 DRILL 7 7/8" HOLE F/ 10,318' TO 10,350', 32' @ 10.2 FPH. MW 12.2 VIS 39, 115 SPM, 403 GPM, 2200 PSI, ROTARY 48, MUD MOTOR 64.
 FUEL 4,900 GAL, RECEIVED 4,000 GAL, USED 1,400 GAL. FULL CREWS, BOILER 16 HRS.
 BG GAS 250U, CONN GAS 800U, TRIP GAS 8612U @ 10,318', HIGH GAS 640U @ 10,221'.
 LITHOLOGY: SS 30%, SH 60%, SLTSTN 10%.
 FORMATION TOPS: CASTLEGATE BASE @ 10,101'. BLACKHAWK @ 10,286'.
 MUD LOGGER CHARLES DAVIS ON LOCATION 17 DAYS.
 SAFETY TOPICS: MIXING CAUSTIC W/ HOT WATER, TRIPPING. NO ACCIDENTS OR INCIDENTS REPORTED.

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|------------------------------|-------------------|--------------------|----------|--------------------------|------------------------|-------------|----|-----------|------|-------------|------|
| 11-29-2007 | | Reported By | | NEIL BOURQUE/PETE COMEAU | | | | | | | |
| Daily Costs: Drilling | \$32,943 | Completion | \$0 | Daily Total | \$32,943 | | | | | | |
| Cum Costs: Drilling | \$1,121,536 | Completion | \$10,182 | Well Total | \$1,131,719 | | | | | | |
| MD | 10,610 | TVD | 10,610 | Progress | 260 | Days | 17 | MW | 12.1 | Visc | 40.0 |
| 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 7.875" HOLE FROM 10,350 TO 10,490. WOB 22, ROTARY 47 & MOTOR 64. 140' @ 14.7 FPH. #1 PUMP @ 115 GPM, 402 GPM @ 2230 PSI. MUD WT. 12.1 & VIS 39. |
| 15:30 | 16:00 | 0.5 | SERVICE RIG, FUNCTION CROWN O MATIC & KELLY VALVES |
| 16:00 | 06:00 | 14.0 | DRILL 7.875" HOLE FROM 10490 TO 10,610. 120' @ 8.6 FPH. WOB 25, ROTARY 47 & MOTOR 64. #1 PUMP ON HOLE @ 115 SPM, 402 GPM @ 2240 PSI. MUD WT 12.1 & VIS 39 BGG GAS = 450, CONN GAS = 900, HIGH GAS = 6692 @ 10,352 LITHOLOGY: SS = 20% SH = 70% , SLTSTN = 10% SHOWS = 10342 - 10,375 MUD LOGGER CHARLES DAVIS, ON LOCATION 18 DAYS FUEL 3400, USED 1500 CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED SAFETY MEETINGS: #1 = FORKLIFT OPERATIONS, #2 = PINCH POINTS BOILER RAN 12 HRS |

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|------------------------------|-------------------|--------------------|----------|--------------------|------------------------|-------------|----|-----------|------|-------------|------|
| 11-30-2007 | | Reported By | | PETE COMEAU | | | | | | | |
| Daily Costs: Drilling | \$23,655 | Completion | \$6,450 | Daily Total | \$30,105 | | | | | | |
| Cum Costs: Drilling | \$1,145,192 | Completion | \$16,632 | Well Total | \$1,161,824 | | | | | | |
| MD | 10,673 | TVD | 10,673 | Progress | 63 | Days | 18 | MW | 12.2 | Visc | 41.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: LD DP

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 12:30 | 6.5 | DRILL 7.875" HOLE FROM 10,610 TO 10,647. 37' @ 5.7 FPH. WOB 25, ROTARY 47 & MOTOR 64. #1 PUMP ON HOLE @ 115 SPM. 402 GPM @ 2300 PSI. MUD WT. 12.2 & VIS 40 |
| 12:30 | 13:00 | 0.5 | SERVICE RIG, FUNCTION COM WITH DRILL LINE ON FIRST CONNECTION, FUNCTION SUPERCHOKE & HCR |
| 13:00 | 17:00 | 4.0 | DRILL 7.875" HOLE FROM 10, 647 TO 10,673' (TD) 26' @ 6.5 FPH. WOB 25/27. ROTARY 47 & MOTOR 64. #1 PUMP ON HOLE @ 115 SPM. 402 GPM @ 2300 PSI. MUD WT. 12.2 & VIS 39. T.D. CALLED EARLY BY DANNY FISCHER DUE SLOW P-RATE. REACHED TD AT 17:00 HRS, 11/29/07. |
| 17:00 | 18:30 | 1.5 | CIRCULATE HOLE CLEAN FOR WIPER TRIP, PUMP SLUG |

18:30 20:30 2.0 MAKE 20 STAND WIPER TRIP. HOLE IN GOOD CONDITION. NO FILL ON BOTTOM
 20:30 22:00 1.5 CIRCULATE OUT TRIP GAS, SAFETY MEETING WITH CALIBER LAYDOWN CREW
 22:00 22:30 0.5 SURVEY
 22:30 06:00 7.5 LAY DOWN DRILL PIPE (LAYING DOWN BHA @ 06:00)
 BGG GAS = 450, CONN GAS = 1200, TRIP GAS = 2368, HIGH GAS = 867 @ 10623
 LITHOLOGY: SS = 10%, SH = 80%, SLTSTN = 10%
 NO SHOWS
 MUD LOGGER CHARLES DAVIS ON LOCATION 19 DAYS
 FUEL 1900, USED 1500, BOILER RAN 12 HRS
 CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED
 SAFETY MEETINGS: #1 = TRIPPING, #2 = LAY DOWN DRILL PIPE
 TD CALLED @ 10,673 AS PER JIM TILLEY
 CALLED RICHARD POWELL, UTAH STATE DEPARTMENT OF NATURAL RESOURCES & INFORMED HIM OF CASING & CEMENT JOB

| | | | | | | | | | | | |
|------------------------------|--------------------|-------------------|-----------|--------------------|------------------------|-------------|----|-----------|-----|-------------|-----|
| 12-01-2007 | Reported By | PETE COMEAU | | | | | | | | | |
| Daily Costs: Drilling | \$36,659 | Completion | \$217,254 | Daily Total | \$253,913 | | | | | | |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$233,886 | Well Total | \$1,415,738 | | | | | | |
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 19 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 0.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |

Activity at Report Time: RDRT/WO COMPLETION

| Start | End | Hrs | Activity Description |
|-------|-------|-----|---|
| 06:00 | 07:00 | 1.0 | FINISH LAY DOWN DRILL STRING, PULL WEAR BUSHING |
| 07:00 | 08:30 | 1.5 | RIG UP CASING CREW, SAFETY MEETING. |
| 08:30 | 17:00 | 8.5 | RUN 4 1/2" PRODUCTION CASING AS FOLLOWS: RUN 256 JOINTS OF 4 1/2" P-110, LT&C 11.6# CASING WITH FLOAT SHOE @ 10,659.4, FLOAT COLLAR @ 10,614.22', MARKER JOINT AT 7095' & 4441'. PICK UP JOINT # 257 AND TAG BOTTOM, LAY BACK DOWN & SPACE OUT DTO HANGER. |
| 17:00 | 17:30 | 0.5 | RIG UP SCHLUMBERGER CIRCULATING HEAD. |
| 17:30 | 19:00 | 1.5 | CIRCULATE HOLE CLEAN, SAFETY MEETING WITH SCHLUMBERGER. |
| 19:00 | 21:30 | 2.5 | CEMENT PRODUCTION CASING AS FOLLOWS: PRESSURE LINES TO 5000 PSI. PUMP 20 BBLSCHEM WASH FOLLOWED BY 20 BBL FRESH WATER, FOLLOWED BY LEAD SLURRY, 480 SKS 65/35 POZ CEMENT (149.6 BBL). YEALD 1.75 FT3/SK PLUS ADDITIVES MIXED @ 13.1 PPG, FOLLOWED BY TAIL SLURRY, 1865 SKS 50/50 POZ CEMENT, 428 BBL, YEALD 1.29 FT3/SK. PLUS ADDITIVES MIXED @ 14.1 PPG. DISPLACED WITH 165 BBL FRESH WATER. BUMPED PLUG. PLUG HELD. GOOD RETURNS THROUGHOUT JOB. |
| 21:30 | 22:00 | 0.5 | LAND DTO HANGER WITH 84000# STRING WT. TEST SEALS TO 5000 PSI FOR 15 MINS, OK |
| 22:00 | 01:00 | 3.0 | CLEAN MUD TANKS. |
| 01:00 | 06:00 | 5.0 | RIG DOWN. RIG RELEASED TO CWU 1028-09. RIG MOVE MILES 2.4 MILES ONE WAY. |

TRUCKS ORDERED FOR MINI CAMP MOVE @ 09:00 HRS. 12/01/07

TRUCKS ORDERED FOR RIG MOVE @ 07:00 HRS, 12/02/07

CREWS FULL, NO ACCIDENTS OR INCIDENTS REPORTED

SAFETY MEETINGS. #1 = RUN CASING, #2 = CEMENTING

WEATHER: HEAVY SNOW, 26 DEGREES

TRANSFERED 6 JOINTS 4 1/2" P-110, LT& C, 11.6# PLUS 3 PUP JOINTS, 4 1/2" P-110, LT&C, 11.6# PLUS 3200 GALLONS #2 DIESLE TO CWU 1028-09 ON FR# 07411

06:00 18.0 RIG RELEASED @ 01:00 HRS, 12/01/07.
CASING POINT COST \$1,168,047

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|--|-----------------------|-------------------|---|--------------------|------------------------|-------------|----|-----------|-----|-------------|-----|
| 12-02-2007 | Reported By | SEARLE | | | | | | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$41,500 | Daily Total | \$41,500 | | | | | | |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$275,386 | Well Total | \$1,457,238 | | | | | | |
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 20 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 10614.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: PREP FOR FRACS | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 290'. EST CEMENT TOP ABOVE 200'. RD SCHLUMBERGER. | | | | | | | | |

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| 01-06-2008 | Reported By | MCCURDY | | | | | | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$1,780 | Daily Total | \$1,780 | | | | | | |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$277,166 | Well Total | \$1,459,018 | | | | | | |
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 21 | MW | 0.0 | Visc | 0.0 |
| Formation : | PBTD : 10614.0 | | | Perf : | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: WO COMPLETION | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 09:00 | 10:00 | 1.0 | NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION. | | | | | | | | |

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| 01-30-2008 | Reported By | CARLSON | | | | | | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$8,246 | Daily Total | \$8,246 | | | | | | |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$285,412 | Well Total | \$1,467,264 | | | | | | |
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 22 | MW | 0.0 | Visc | 0.0 |
| Formation : MESA VERDE | PBTD : 10614.0 | | | Perf : 10333-10497 | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: FRAC | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | RU CUTTERS WL. PERFORATED BLACKHAWK FROM 10333'-35', 10357'-59', 10369'-71', 10384'-86', 10421'-23', 10484'-85' & 10496'-97' @ 3 SPF & 120° PHASING. RDWL. | | | | | | | | |

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| 01-31-2008 | Reported By | CARLSON | | | | | | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$49,762 | Daily Total | \$49,762 | | | | | | |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$335,175 | Well Total | \$1,517,026 | | | | | | |
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 23 | MW | 0.0 | Visc | 0.0 |
| Formation : MESA VERDE | PBTD : 10614.0 | | | Perf : 9201-10497 | PKR Depth : 0.0 | | | | | | |
| Activity at Report Time: FRAC | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 06:00 | 24.0 | SICP 0 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5220 GAL YF120ST+ PAD, 52013 GAL YF120ST+ W/142800# 20/40 SAND @ 1-4 PPG. MTP 8434 PSIG. MTR 50.4 BPM. ATP 6683 PSIG. ATR 48 BPM. ISIP 4400 PSIG. RD SCHLUMBERGER. | | | | | | | | |

RUWL. SET 10K CFP AT 9655'. PERFORATED LPR FROM 9379'-80', 9391'-92', 9417'-18' (MISFIRE), 9427'-28', 9443'-44', 9448'-49', 9505'-06', 9563'-64', 9597'-98', 9620'-21' & 9636'-37' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4150 GAL WF120 LINEAR PAD, 6318 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 25989 GAL YF116ST+ W/87400# 20/40 SAND @ 1-4 PPG. MTP 8413 PSIG. MTR 50. BPM. ATP 6276 PSIG. ATR 39.6 BPM. ISIP 3120 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9350'. PERFORATED LPR FROM 9201'-02', 9207'-08', 9214'-15', 9241'-42', 9275'-75', 9280'-81', 9298'-99', 9302'-03', 9313'-14', 9316'-17', 9328'-29' & 9333'-34' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4155 GAL WF120 LINEAR PAD, 6286 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 21143 GAL YF116ST+ W/73000# 20/40 SAND @ 1-4 PPG. MTP 7648 PSIG. MTR 49.9 BPM. ATP 5160 PSIG. ATR 42 BPM. ISIP 3350 PSIG. RD SCHLUMBERGER. SDFN.

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|------------------------------|-------------|-----------------------|-----------|--------------------------|-------------|-------------|----|------------------------|-----|-------------|-----|
| 02-01-2008 | | Reported By | CARLSON | | | | | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$1,595 | Daily Total | \$1,595 | | | | | | |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$336,770 | Well Total | \$1,518,621 | | | | | | |
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 24 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 10614.0 | | Perf : 8322-10497 | | | | PKR Depth : 0.0 | | | |

Activity at Report Time: FRAC

| Start | End | Hrs | Activity Description |
|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | SICP 2700 PSIG. RUWL. SET 10K CFP AT 9180'. PERFORATED MPR FROM 8985'-86', 8989'-90', 9013'-14', 9030'-31', 9048'-49', 9053'-54', 9072'-73', 9077'-78', 9111'-12', 9148'-49', 9156'-57' & 9159'-60' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5215 GAL WF120 LINEAR PAD, 6410 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 41848 GAL YF116ST+ W/136000# 20/40 SAND @ 1-4 PPG. MTP 8009 PSIG. MTR 50 BPM. ATP 5089 PSIG. ATR 44.7 BPM. ISIP 3430 PSIG. RD SCHLUMBERGER. |

RUWL. SET 10K CFP AT 8950'. PERFORATED MPR FROM 8747'-48', 8773'-74', 8798'-99', 8804'-05', 8814'-15', 8829'-30', 8841'-42', 8858'-59', 8870'-71', 8897'-98', 8904'-05' & 8932'-33' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5190 GAL WF120 LINEAR PAD, 6323 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 49574 GAL YF116ST+ W/163500# 20/40 SAND @ 1-4 PPG. MTP 7377 PSIG. MTR 50.5 BPM. ATP 5236 PSIG. ATR 44.9 BPM. ISIP 3200 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8720'. PERFORATED MPR FROM 8512'-13', 8518'-19', 8526'-27', 8556'-57', 8563'-64', 8600'-01', 8607'-08', 8636'-37', 8644'-45', 8652'-53', 8688'-89' & 8699'-8700' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 8742 GAL WF120 LINEAR PAD, 6325 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 49583 GAL YF116ST+ W/166200# 20/40 SAND @ 1-4 PPG. MTP 8250 PSIG. MTR 51.8 BPM. ATP 5350 PSIG. ATR 42.1 BPM. ISIP 2990 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8480'. PERFORATED UPR/MPR FROM 8322'-23', 8329'-30', 8354'-55', 8364'-65', 8368'-69', 8374'-75', 8411'-12', 8414'-15', 8439'-40', 8447'-48', 8452'-53' & 8462'-63' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4855 GAL WF120 LINEAR PAD, 6442 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 28718 GAL YF116ST+ W/99400# 20/40 SAND @ 1-4 PPG. MTP 7346 PSIG. MTR 50.5 BPM. ATP 4265 PSIG. ATR 46.5 BPM. ISIP 3250 PSIG. RD SCHLUMBERGER. SDFN.

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|------------------------------|-------------|-----------------------|-----------|--------------------------|-------------|-------------|----|------------------------|-----|-------------|-----|
| 02-02-2008 | | Reported By | CARLSON | | | | | | | | |
| Daily Costs: Drilling | \$0 | Completion | \$382,082 | Daily Total | \$382,082 | | | | | | |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$718,852 | Well Total | \$1,900,704 | | | | | | |
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 25 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | PBTD : 10614.0 | | Perf : 7609-10497 | | | | PKR Depth : 0.0 | | | |

Activity at Report Time: PREP TO MIRUSU

| Start | End | Hrs | Activity Description |
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06:00 06:00 24.0 SICP 2594 PSIG. RUWL. SET 10K CFP AT 8240'. PERFORATED UPR FROM 8071'-72', 8093'-94', 8097'-98', 8124'-25', 8129'-30', 8146'-47', 8149'-50', 8154'-55', 8159'-60' (MISFIRE), 8165'-66', 8190'-91' & 8208'-09' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4219 GAL WF120 LINEAR PAD, 6314 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 27190 GAL YF116ST+ W/93900# 20/40 SAND @ 1-4 PPG. MTP 7589 PSIG. MTR 50.9 BPM. ATP 5231 PSIG. ATR 44.1 BPM. ISIP 3150 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7980'. PERFORATED UPR FROM 7822'-23', 7855'-56', 7870'-71', 7873'-74', 7878'-79', 7883'-84', 7888'-89', 7906'-07', 7919'-20', 7927'-28', 7952'-53' & 7960'-61' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4138 GAL WF120 LINEAR PAD, 6321 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 28794 GAL YF116ST+ W/97500# 20/40 SAND @ 1-4 PPG. MTP 6742 PSIG. MTR 51 BPM. ATP 4610 PSIG. ATR 43.9 BPM. ISIP 2850 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7794'. PERFORATED UPR FROM 7609'-10', 7612'-13', 7643'-44', 7651'-52', 7661'-62', 7667'-68', 7672'-73', 7707'-08', 7723'-24', 7763'-64', 7770'-71' & 7777'-78' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4133 GAL WF120 LINEAR PAD, 6326 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 42587 GAL YF116ST+ W/145300# 20/40 SAND @ 1-4 PPG. MTP 6374 PSIG. MTR 51 BPM. ATP 4268 PSIG. ATR 45.2 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7512'. BLED OFF PRESSURE. RDWL. SDFN.

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| 02-05-2008 | | Reported By | | HANSEN | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$9,034 | | Daily Total | | \$9,034 | |
| Cum Costs: Drilling | | \$1,181,851 | | Completion | | \$727,886 | | Well Total | | \$1,909,738 | |
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 26 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | | PBTD : 10614.0 | | | Perf : 7609-10497 | | | PKR Depth : 0.0 | | |
| Activity at Report Time: CLEAN OUT AFTER FRAC | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 06:00 | 15:00 | 9.0 | MIRU ROYAL. SICP 0 PSIG. ND 10M FRAC TREE. NU BOP. RIH W/BIT & PUMP OFF BIT SUB TO 7500'. RU TO DRILL PLUGS. SDFN. | | | | | | | | |

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| 02-06-2008 | | Reported By | | HANSEN | | | | | | | |
| Daily Costs: Drilling | | \$0 | | Completion | | \$111,228 | | Daily Total | | \$111,228 | |
| Cum Costs: Drilling | | \$1,181,851 | | Completion | | \$839,114 | | Well Total | | \$2,020,966 | |
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 27 | MW | 0.0 | Visc | 0.0 |
| Formation : MESAVERDE | | | PBTD : 10614.0 | | | Perf : 7609-10497 | | | PKR Depth : 0.0 | | |
| Activity at Report Time: FLOW TEST | | | | | | | | | | | |
| Start | End | Hrs | Activity Description | | | | | | | | |
| 07:00 | 06:00 | 23.0 | SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7512', 7794', 7980', 8240', 8480', 8720', 8950', 9180', 9350' & 9655'. CLEANED OUT TO 10609'. LANDED TUBING @ 8287' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. | | | | | | | | |

FLOWED 10 HRS. 16/64" CHOKE. FTP 2200 PSIG. CP 2450 PSIG. 44 BFPH. RECOVERED 464 BLW. 12362 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'
 1 JT 2-3/8" 4.7# L-80 TBG 32.84'
 XN NIPPLE 1.30'
 251 JTS 2-3/8" 4.7# L-80 TBG 8234.79'

BELOW KB 17.00'
LANDED @ 8286.84' KB

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|---|-------------|-----------------------|--|--------------------------|-------------|
| 02-07-2008 | | Reported By | | HANSEN | |
| Daily Costs: Drilling | \$0 | Completion | \$9,511 | Daily Total | \$9,511 |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$848,625 | Well Total | \$2,030,477 |
| MD | 10,673 | TVD | 10,673 | Progress | 0 |
| | | Days | 28 | MW | 0.0 |
| | | Visc | | | 0.0 |
| Formation : MESAVERDE | | PBTD : 10614.0 | | Perf : 7609-10497 | |
| PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | RDMOSU. FLOWED 24 HRS. 16/64" CHOKE. FTP 2500 PSIG. CP 2500 PSIG. 36 BFPH. RECOVERED 898 BLW. 11464 BLWTR. | | |

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| 02-08-2008 | | Reported By | | HANSEN | |
| Daily Costs: Drilling | \$0 | Completion | \$14,681 | Daily Total | \$14,681 |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$863,306 | Well Total | \$2,045,158 |
| MD | 10,673 | TVD | 10,673 | Progress | 0 |
| | | Days | 29 | MW | 0.0 |
| | | Visc | | | 0.0 |
| Formation : MESAVERDE | | PBTD : 10614.0 | | Perf : 7609-10497 | |
| PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 16/64" CHOKE. FTP 2300 PSIG. CP 2600 PSIG. 34 BFPH. RECOVERED 804 BLW. 10660 BLWTR. | | |

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|---|-------------|-----------------------|--|--------------------------|-------------|
| 02-09-2008 | | Reported By | | HANSEN | |
| Daily Costs: Drilling | \$0 | Completion | \$5,407 | Daily Total | \$5,407 |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$868,713 | Well Total | \$2,050,565 |
| MD | 10,673 | TVD | 10,673 | Progress | 0 |
| | | Days | 30 | MW | 0.0 |
| | | Visc | | | 0.0 |
| Formation : MESAVERDE | | PBTD : 10614.0 | | Perf : 7609-10497 | |
| PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 24/64" CHOKE. FTP 1600 PSIG. CP 2700 PSIG. 44 BFPH. RECOVERED 1000 BLW. 9660 BLWTR. | | |

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|---|-------------|-----------------------|---|--------------------------|-------------|
| 02-10-2008 | | Reported By | | HANSEN | |
| Daily Costs: Drilling | \$0 | Completion | \$5,035 | Daily Total | \$5,035 |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$873,748 | Well Total | \$2,055,600 |
| MD | 10,673 | TVD | 10,673 | Progress | 0 |
| | | Days | 31 | MW | 0.0 |
| | | Visc | | | 0.0 |
| Formation : MESAVERDE | | PBTD : 10614.0 | | Perf : 7609-10497 | |
| PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | |
| Start | End | Hrs | Activity Description | | |
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 24/64" CHOKE. FTP 1500 PSIG. CP 2450 PSIG. 40 BFPH. RECOVERED 936 BLW. 8724 BLWTR. | | |

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|---|-------------|-----------------------|-----------|--------------------------|-------------|
| 02-11-2008 | | Reported By | | HANSEN | |
| Daily Costs: Drilling | \$0 | Completion | \$2,535 | Daily Total | \$2,535 |
| Cum Costs: Drilling | \$1,181,851 | Completion | \$876,283 | Well Total | \$2,058,135 |
| MD | 10,673 | TVD | 10,673 | Progress | 0 |
| | | Days | 32 | MW | 0.0 |
| | | Visc | | | 0.0 |
| Formation : MESAVERDE | | PBTD : 10614.0 | | Perf : 7609-10497 | |
| PKR Depth : 0.0 | | | | | |
| Activity at Report Time: FLOW TEST | | | | | |

| Start | End | Hrs | Activity Description |
|-------|-------|------|---|
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 24/64" CHOKE. FTP 1300 PSIG. CP 2100 PSIG. 28 BFPH. RECOVERED 732 BLW. 7992 BLWTR. |

02-12-2008 Reported By HANSEN

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| Daily Costs: Drilling | \$0 | Completion | \$3,785 | Daily Total | \$3,785 |
|------------------------------|-----|-------------------|---------|--------------------|---------|

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|----------------------------|-------------|-------------------|-----------|-------------------|-------------|
| Cum Costs: Drilling | \$1,181,851 | Completion | \$880,068 | Well Total | \$2,061,920 |
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|-----------|--------|------------|--------|-----------------|---|-------------|----|-----------|-----|-------------|-----|
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 33 | MW | 0.0 | Visc | 0.0 |
|-----------|--------|------------|--------|-----------------|---|-------------|----|-----------|-----|-------------|-----|

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|------------------------------|-----------------------|--------------------------|------------------------|
| Formation : MESAVERDE | PBTD : 10614.0 | Perf : 7609-10497 | PKR Depth : 0.0 |
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Activity at Report Time: FLOW TEST

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
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|-------|-------|------|--|
| 06:00 | 06:00 | 24.0 | FLOWED 24 HRS. 24/64" CHOKE. FTP 1100 PSIG. CP 1950 PSIG. 20 BFPH. RECOVERED 554 BLW. 7438 BLWTR. SI. WO FACILITIES. |
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FINAL COMPLETION DATE: 2/11/08

02-19-2008 Reported By DUANE COOK

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| Daily Costs: Drilling | \$0 | Completion | \$0 | Daily Total | \$0 |
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|----------------------------|-------------|-------------------|-----------|-------------------|-------------|
| Cum Costs: Drilling | \$1,181,851 | Completion | \$880,068 | Well Total | \$2,061,920 |
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|-----------|--------|------------|--------|-----------------|---|-------------|----|-----------|-----|-------------|-----|
| MD | 10,673 | TVD | 10,673 | Progress | 0 | Days | 34 | MW | 0.0 | Visc | 0.0 |
|-----------|--------|------------|--------|-----------------|---|-------------|----|-----------|-----|-------------|-----|

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|------------------------------|-----------------------|--------------------------|------------------------|
| Formation : MESAVERDE | PBTD : 10614.0 | Perf : 7609-10497 | PKR Depth : 0.0 |
|------------------------------|-----------------------|--------------------------|------------------------|

Activity at Report Time: INITIAL PRODUCTION-FIRST GAS SALES

| Start | End | Hrs | Activity Description |
|-------|-----|-----|----------------------|
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| 06:00 | 06:00 | 24.0 | INITIAL PRODUCTION. FIRST GAS SALES: OPENING PRESSURE: TP 2450 & CP 3100 PSI. TURNED WELL TO QUESTAR SALES AT 10:00 AM, 02/18/08. FLOWED 1058 MCFD RATE ON 10/64" POS CHOKE. STATIC 187. |
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STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT FORM 8
(highlight changes)

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. TYPE OF WELL: OIL WELL GAS WELL DRY OTHER _____

b. TYPE OF WORK: NEW WELL HORIZ. LATS. DEEP-EN RE-ENTRY DIFF. RESVR. OTHER _____

2. NAME OF OPERATOR: **EOG Resources, Inc.**

3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY **Denver** STATE **CO** ZIP **80229** PHONE NUMBER: **(303) 824-5526**

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: **1590' FSL & 2409' FWL 40.047639 LAT 109.445828 LON**
AT TOP PRODUCING INTERVAL REPORTED BELOW: **Same**
AT TOTAL DEPTH: **Same**

5. LEASE DESIGNATION AND SERIAL NUMBER: **Fee**

6. IF INDIAN, ALLOTTEE OR TRIBE NAME: _____

7. UNIT or CA AGREEMENT NAME: **Chapita Wells Unit**

8. WELL NAME and NUMBER: **Chapita Wells Unit 984-09**

9. API NUMBER: **43-047-36240**

10. FIELD AND POOL, OR WILDCAT: **Natural Buttes/Mesaverde**

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: **NESW 9 9S 22E S**

12. COUNTY: **Uintah** 13. STATE: **UTAH**

14. DATE SPUDDED: **10/19/2007** 15. DATE T.D. REACHED: **11/29/2007** 16. DATE COMPLETED: **2/18/2008** ABANDONED READY TO PRODUCE

17. ELEVATIONS (DF, RKB, RT, GL): **4736' NAT GL**

18. TOTAL DEPTH: MD **10,673** TVD _____ 19. PLUG BACK T.D.: MD **10,614** TVD _____

20. IF MULTIPLE COMPLETIONS, HOW MANY? * _____

21. DEPTH BRIDGE MD _____ PLUG SET: TVD _____

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each): **RST/CBL/CCL/VOL/GR**

23. WAS WELL CORED? NO YES (Submit analysis)
WAS DST RUN? NO YES (Submit report)
DIRECTIONAL SURVEY? NO YES (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

| HOLE SIZE | SIZE/GRADE | WEIGHT (#/ft.) | TOP (MD) | BOTTOM (MD) | STAGE CEMENTER DEPTH | CEMENT TYPE & NO. OF SACKS | SLURRY VOLUME (BBL) | CEMENT TOP ** | AMOUNT PULLED |
|-----------|-------------|----------------|----------|-------------|----------------------|----------------------------|---------------------|---------------|---------------|
| 12-1/4 | 9-5/8 J-55 | 36.0 | 0 | 2,562 | | 665 | | | |
| 7-7/8 | 4-1/2 P-110 | 11.6 | 0 | 10,659 | | 2345 | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |

25. TUBING RECORD

| SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) | SIZE | DEPTH SET (MD) | PACKER SET (MD) |
|-------|----------------|-----------------|------|----------------|-----------------|------|----------------|-----------------|
| 2-3/8 | 8,287 | | | | | | | |

26. PRODUCING INTERVALS

| FORMATION NAME | TOP (MD) | BOTTOM (MD) | TOP (TVD) | BOTTOM (TVD) | INTERVAL (Top/Bot - MD) | SIZE | NO. HOLES | PERFORATION STATUS |
|----------------|----------|-------------|-----------|--------------|-------------------------|------|-----------|---|
| (A) Mesaverde | 7,609 | 10,497 | | | 10,333 10,497 | | 3 | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |
| (B) | | | | | 9,379 9,637 | | 3 | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |
| (C) | | | | | 9,201 9,334 | | 3 | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |
| (D) | | | | | 8,985 9,160 | | 3 | Open <input type="checkbox"/> Squeezed <input type="checkbox"/> |

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

| DEPTH INTERVAL | AMOUNT AND TYPE OF MATERIAL |
|----------------|--|
| 10,333-10,497 | 57,398 GALS GELLED WATER & 142,800# 20/40 SAND |
| 9379-9637 | 36,622 GALS GELLED WATER & 87,400# 20/40 SAND |
| 9201-9334 | 31,749 GALS GELLED WATER & 73,000# 20/40 SAND |

29. ENCLOSED ATTACHMENTS: ELECTRICAL/MECHANICAL LOGS GEOLOGIC REPORT DST REPORT DIRECTIONAL SURVEY
 SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION CORE ANALYSIS OTHER: _____

30. WELL STATUS: **Producing**

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

| | | | | | | | | | | | |
|-----------------------------------|----------------------|-------------------------|-------------|---------------------|---------------|---------------------------|------------------|-------------------|--------------------|--------------------|------------------------|
| DATE FIRST PRODUCED: 2/18/2008 | | TEST DATE: 2/28/2008 | | HOURS TESTED: 24 | | TEST PRODUCTION RATES: → | | OIL - BBL: 60 | GAS - MCF: 617 | WATER - BBL: 80 | PROD. METHOD: Flows |
| CHOKE SIZE: 10/64" | TBG. PRESS. 2,400 | CSG. PRESS. 3,000 | API GRAVITY | BTU - GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL - BBL: 60 | GAS - MCF: 617 | WATER - BBL: 80 | INTERVAL STATUS: | |

INTERVAL B (As shown in item #26)

| | | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|---------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | | OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU - GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL - BBL: | GAS - MCF: | WATER - BBL: | INTERVAL STATUS: | |

INTERVAL C (As shown in item #26)

| | | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|---------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | | OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU - GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL - BBL: | GAS - MCF: | WATER - BBL: | INTERVAL STATUS: | |

INTERVAL D (As shown in item #26)

| | | | | | | | | | | | |
|----------------------|-------------|-------------|-------------|---------------|---------------|---------------------------|------------|------------|--------------|------------------|---------------|
| DATE FIRST PRODUCED: | | TEST DATE: | | HOURS TESTED: | | TEST PRODUCTION RATES: → | | OIL - BBL: | GAS - MCF: | WATER - BBL: | PROD. METHOD: |
| CHOKE SIZE: | TBG. PRESS. | CSG. PRESS. | API GRAVITY | BTU - GAS | GAS/OIL RATIO | 24 HR PRODUCTION RATES: → | OIL - BBL: | GAS - MCF: | WATER - BBL: | INTERVAL STATUS: | |

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. 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.

34. FORMATION (Log) MARKERS:

| Formation | Top (MD) | Bottom (MD) | Descriptions, Contents, etc. | Name | Top (Measured Depth) |
|-----------|----------|-------------|------------------------------|--------------------|----------------------|
| Mesaverde | 7,609 | 10,497 | | Green River | 1,896 |
| | | | | Mahogany | 2,517 |
| | | | | Wasatch | 4,934 |
| | | | | Chapita Wells | 5,526 |
| | | | | Buck Canyon | 6,213 |
| | | | | Price River | 7,592 |
| | | | | Middle Price River | 8,408 |
| | | | | Lower Price River | 9,191 |
| | | | | Sego | 9,691 |
| | | | | Castlegate | 9,793 |

35. ADDITIONAL REMARKS (Include plugging procedure)

Please see attached page for detailed perforation and additional formation marker information.

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant
 SIGNATURE Mary A. Maestas DATE 3/12/2008

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top - Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801

Phone: 801-538-5340
 Fax: 801-359-3940

Chapita Wells Unit 984-09 - ADDITIONAL REMARKS (CONTINUED):

27. PERFORATION RECORD

| | |
|-----------|-------|
| 8747-8933 | 3/spf |
| 8512-8700 | 3/spf |
| 8322-8463 | 3/spf |
| 8071-8209 | 3/spf |
| 7822-7961 | 3/spf |
| 7609-7778 | 3/spf |

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

| | |
|-----------|--|
| 8985-9160 | 53,638 GALS GELLED WATER & 136,000# 20/40 SAND |
| 8747-8933 | 61,252 GALS GELLED WATER & 163,500# 20/40 SAND |
| 8512-8700 | 64,815 GALS GELLED WATER & 166,200# 20/40 SAND |
| 8322-8463 | 40,180 GALS GELLED WATER & 99,400# 20/40 SAND |
| 8071-8209 | 37,888 GALS GELLED WATER & 93,900# 20/40 SAND |
| 7822-7961 | 39,418 GALS GELLED WATER & 97,500# 20/40 SAND |
| 7609-7778 | 53,211 GALS GELLED WATER & 145,300# 20/40 SAND |

Perforated the Blackhawk from 10333-35', 10357-59', 10369-71', 10384-86', 10421-23', 10484-85' & 10496-97' w/ 3 spf.

Perforated the Lower Price River from 9379-80', 9391-92', 9427-28', 9443-44', 9448-49', 9505-06', 9563-64', 9597-98', 9620-21' & 9636-37' w/ 3 spf.

Perforated the Lower Price River from 9201-02', 9207-08', 9214-15', 9241-42', 9275-76', 9280-81', 9298-99', 9302-03', 9313-14', 9316-17', 9328-29' & 9333-34' w/ 3 spf.

Perforated the Middle Price River from 8985-86', 8989-90', 9013-14', 9030-31', 9048-49', 9053-54', 9072-73', 9077-78', 9111-12', 9148-49', 9156-57' & 9159-60' w/ 3 spf.

Perforated the Middle Price River from 8747-48', 8773-74', 8798-99', 8804-05', 8814-15', 8829-30', 8841-42', 8858-59', 8870-71', 8897-98', 8904-05' & 8932-33' w/ 3 spf.

Perforated the Middle Price River from 8512-13', 8518-19', 8526-27', 8556-57', 8563-64', 8600-01', 8607-08', 8636-37', 8644-45', 8652-53', 8688-89' & 8699-8700' w/ 3 spf.

Perforated the Upper/Middle Price River from 8322-23', 8329-30', 8354-55', 8364-65', 8368-69', 8374-75', 8411-12', 8414-15', 8439-40', 8447-48', 8452-53' & 8462-63' w/ 3 spf.

Perforated the Upper Price River from 8071-72', 8093-94', 8097-98', 8124-25', 8129-30', 8146-47', 8149-50', 8154-55', 8165-66', 8190-91' & 8208-09' w/ 3 spf.

Perforated the Upper Price River from 7822-23', 7855-56', 7870-71', 7873-74', 7878-79', 7883-84', 7888-89', 7906-07', 7919-20', 7927-28', 7952-53' & 7960-61' w/ 3 spf.

Perforated the Upper Price River from 7609-10', 7612-13', 7643-44', 7651-52', 7661-62', 7667-68', 7672-73', 7707-08', 7723-24', 7763-64', 7770-71' & 7777-78' w/ 3 spf.

52. FORMATION (LOG) MARKERS

| | |
|-----------|--------|
| Blackhawk | 10,084 |
|-----------|--------|

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

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 984-09

API number: 4304736240

Well Location: QQ NESW Section 9 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035

Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

| DEPTH | | VOLUME (FLOW RATE OR HEAD) | QUALITY (FRESH OR SALTY) |
|-------|----|-------------------------------|-----------------------------|
| FROM | TO | | |
| | | NO WATER | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |

Formation tops: 1 _____ 2 _____ 3 _____
 (Top to Bottom) 4 _____ 5 _____ 6 _____
 7 _____ 8 _____ 9 _____
 10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A Maestas

DATE 3/12/2008

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: Fee |
| Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals. | | 6. IF INDIAN, ALLOTTEE OR TRIBE NAME: |
| | | 7. UNIT or CA AGREEMENT NAME: Chapita Wells Unit |
| 1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____ | | 8. WELL NAME and NUMBER: Chapita Wells Unit 984-9 |
| 2. NAME OF OPERATOR: EOG Resources, Inc. | | 9. API NUMBER: 43-047-36240 |
| 3. ADDRESS OF OPERATOR: 600 17th St., Suite 1000N CITY Denver STATE CO ZIP 80202 | PHONE NUMBER: (303) 824-5526 | 10. FIELD AND POOL, OR WILDCAT: Natural Buttes/Mesaverde |
| 4. LOCATION OF WELL FOOTAGES AT SURFACE: 1,590' FSL & 2,409' FWL 40.047639 LAT 109.445828 LON | | COUNTY: UINTAH |
| QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NESW 9 9S 22E S.L.B. & M. | | STATE: UTAH |

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

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

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

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat. Interim reclamation was completed on 7/10/2008.

| | |
|--|-----------------------------------|
| NAME (PLEASE PRINT) <u>Mary A. Maestas</u> | TITLE <u>Regulatory Assistant</u> |
| SIGNATURE <u><i>Mary A. Maestas</i></u> | DATE <u>1/15/2009</u> |

(This space for State use only)

RECEIVED
JAN 21 2009
DIV. OF OIL, GAS & MINING