

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

May 19, 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
WILD HORSE FEDERAL 112-35
SE/SE, SEC. 35, T10S, R19E
UINTAH COUNTY, UTAH
LEASE NO.: U-3405
FEDERAL LANDS

RECEIVED
MAY 23 2005

DIV. OF OIL, GAS & MINING

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

001 APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
U-3405

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.
WILD HORSE FEDERAL 112-35

9. API Well No.
43-047-36748

10. Field and Pool, or Exploratory
NATURAL BUTTES

11. Sec., T., R., M., or Blk. and Survey or Area
**SEC. 35, T10S, R19E,
S.L.B.&M.**

1a. Type of Work: DRILL REENTER

1b. Type of Well: Oil Well Gas Well Other Single Zone Multiple Zone

2. Name of Operator
EOG RESOURCES, INC.

3a. Address **P.O. BOX 1815
VERNAL, UT 84078**

3b. Phone No. (Include area code)
(435)789-0790

4. Location of Well (Report location clearly and in accordance with any State requirements. *)
At surface **661' FSL, 590' FEL 607610X SE/SE 39.898157**
At proposed prod. Zone **441700ZY -109.741253**

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

12. County or Parish
UINTAH

13. State
UTAH

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any)
590'

16. No. of Acres in lease
1600

17. Spacing Unit dedicated to this well
40

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

19. Proposed Depth
8100'

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

DIV. OF OIL, GAS & MINING

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5411.8 FEET GRADED GROUND

22. Approximate date work will start*
UPON APPROVAL

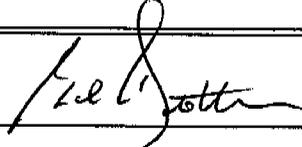
23. Esti mated duration
45 DAYS

24. Attachments

Attachments

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

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

25. Signature  Name (Printed/Typed) **Ed Trotter** Date **May 19, 2005**

Title
Agent

Approved by (Signature)  Name (Printed/Typed) **BRADLEY G. HILL** Date **05-26-05**
Title Office

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

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

*(Instructions on page 2)

**Federal Approval of this
Action is Necessary**

T10S, R19E, S.L.B.&M.

EOG RESOURCES, INC.

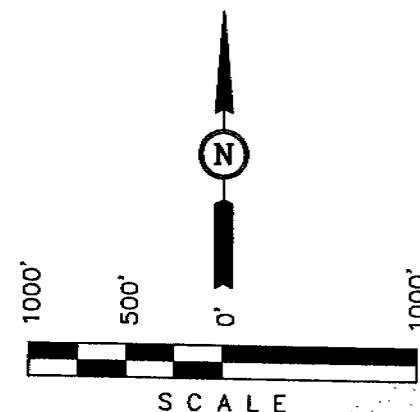
Well location, WILD HORSE FEDERAL #112-35, located as shown in the SE 1/4 SE 1/4 of Section 35, T10S, R19E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT THE SOUTHWEST CORNER OF SECTION 20, T10S, R20E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN. NW QUADRANGLE, UTAH, UTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5251 FEET.

BASIS OF BEARINGS

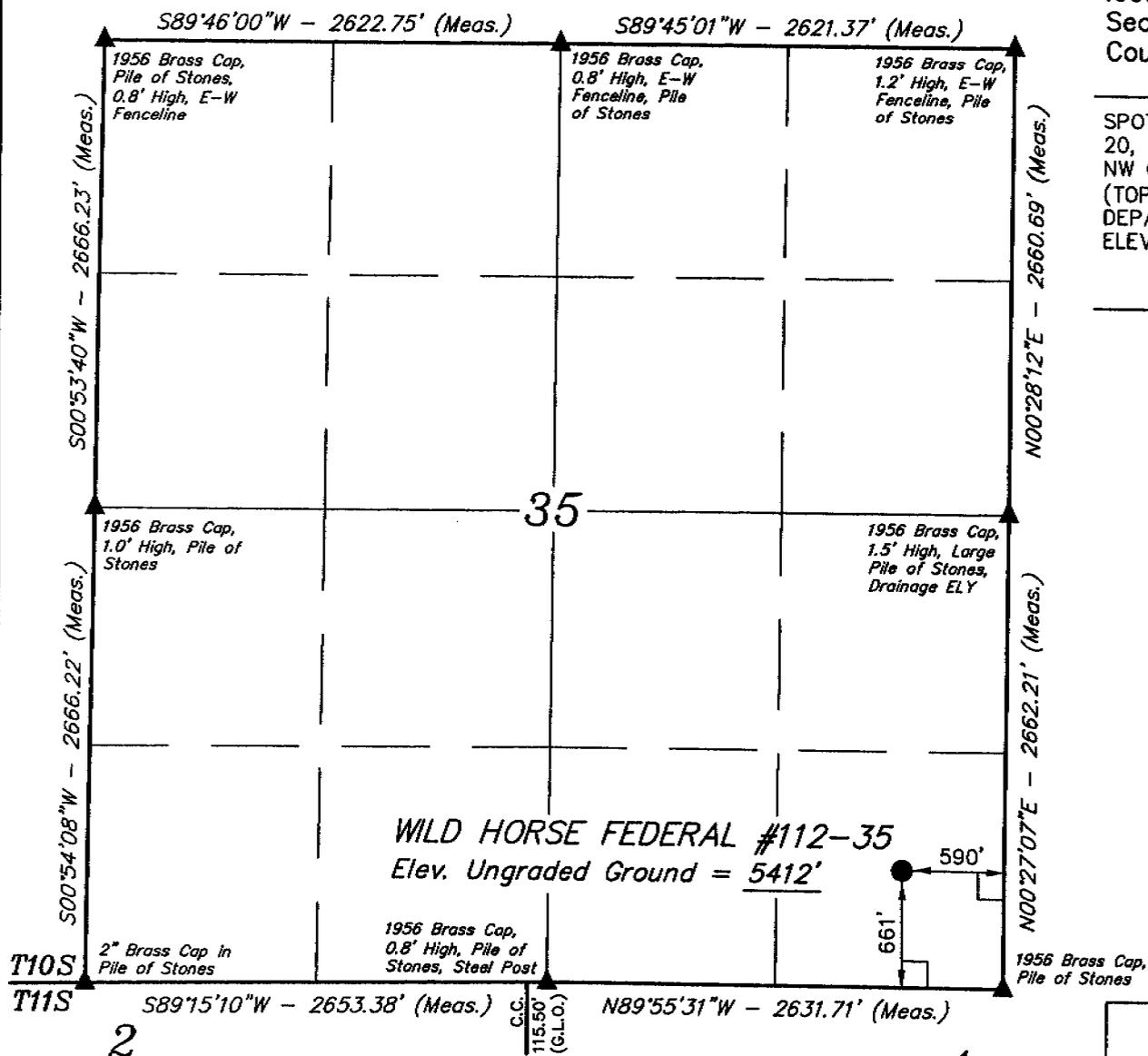
BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

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

Robert J. Key
 REGISTERED LAND SURVEYOR
 REGISTRATION NO. 161319
 STATE OF UTAH



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

(NAD 83)
 LATITUDE = 39°53'53.23" (39.898119)
 LONGITUDE = 109°44'31.99" (109.742219)
 (NAD 27)
 LATITUDE = 39°53'53.36" (39.898156)
 LONGITUDE = 109°44'29.49" (109.741525)

UINTAH ENGINEERING & LAND SURVEYING 85 SOUTH 200 EAST - VERNAL, UTAH 84078 (435) 789-1017		
SCALE 1" = 1000'	DATE SURVEYED: 03-21-05	DATE DRAWN: 03-29-05
PARTY G.S. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

WILD HORSE FEDERAL 112-35
SE/SE, SEC. 35, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River	2,361'
Wasatch	4,291'
Chapita Wells	4,887'
Buck Canyon	5,614'
North Horn	6,515'
KMV Price River	7,935'

EST. TD: 8,100'

Anticipated BHP 3500 PSI

3. PRESSURE CONTROL EQUIPMENT:

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

4. CASING PROGRAM:

HOLE SIZE	INTERVAL	LENGTH	SIZE	WEIGHT	GRADE	THREAD	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
17 ½"	0' – 250'	250'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
12 1/4"	250' - 2300'+/- KB	2300' +/-	9 ⅝"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2300' – TD +/-KB	8,100' +/-	4 ½"	11.6 #	N-80	LT&C	6350 PSI	7780 PSI	223,000#

Note: The 12 ¼" Intermediate hole will be drilled to a total depth of 200' below the base of the Green River lost circulation zone and 9 ⅝" casing will be set to that depth. Actual setting depth of the 9 ⅝" casing may be less than 2300' in this well.

All casing will be new or inspected.

5. Float Equipment:

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

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

Intermediate Hole Procedure (250' - ±2300')

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

EIGHT POINT PLAN

WILD HORSE FEDERAL 112-35 SE/SE, SEC. 35, T10S, R19E, S.L.B.&M. UINTAH COUNTY, UTAH

Float Equipment (Continued):

Production Hole Procedure ($\pm 2300'$ -TD):

FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at $\pm 7,935'$ (**Top of Price River**) and $\pm 3,800'$ (**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 Price River top** (± 30 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'- $\pm 2300'$):

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

Production Hole Procedure ($\pm 2300'$ -TD):

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

While on water, spot either salt water or pre-mixed weighted mud as required to prevent flow during trips after gas influxes have been encountered. Watch cuttings size, shape and quantity to determine if increase in mud weight is required. Increased mud weight is often the key to shale stability in this area. Treat for any CO₂ contamination with Lime and Gyp.

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

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

Run LCM sweeps periodically to seal-off loss zones. Adjust sweep frequency based on observed losses. Maintain water loss 15 cc's or less. Treat CO₂ contamination with Lime and/or Gypsum.

EIGHT POINT PLAN

WILD HORSE FEDERAL 112-35 SE/SE, SEC. 35, T10S, R19E, S.L.B.&M. UINTAH COUNTY, UTAH

7. VARIANCE REQUESTS:

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic igniter 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.

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

WILD HORSE FEDERAL 112-35
SE/SE, SEC. 35, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

CEMENT PROGRAM (Continued):

Production Hole Procedure (\pm 2300' to TD)

Lead: 110 sks 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 ft³/sk., 9.06 gps water

Tail: 190 sks: 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9 gps water.

10. ABNORMAL CONDITIONS:

Intermediate Hole (250' \pm 2300'):

Lost circulation

Production Hole (\pm 2300'-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.

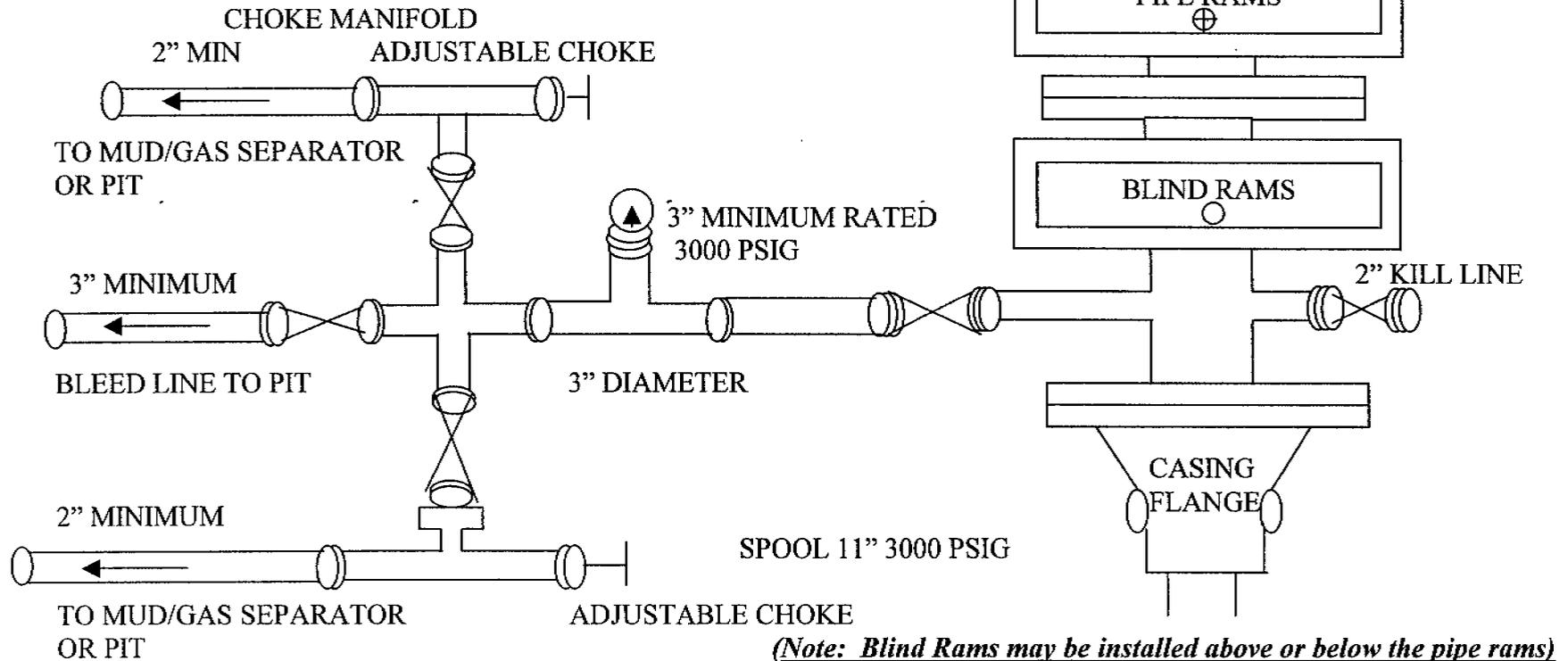
(Attachment: BOP Schematic Diagram)

3000 PSIG DIAGRAM

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

TESTING PROCEDURE:

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



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

Company/Operator: EOG Resources, Inc.
Well Name & Number: Wild Horse Federal 112-35
Lease Number: U-3405
Location: 661' FSL & 590' FEL, SE/SE, Sec. 35,
T10S, R19E, S.L.B.&M., Uintah County, Utah
Surface Ownership: Federal

NOTIFICATION REQUIREMENTS

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

THIRTEEN POINT SURFACE USE PROGRAM

1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 19.4 miles southwest of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.3 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

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

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

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

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

- A. Abandoned wells - 1*
- B. Producing wells - 12*
- C. Shut in wells - 1*

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

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

A. **ON WELL PAD**

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

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 2211' from proposed location to a point in the NE/SE of Section 35, T10S, R19E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands, thus a Right-of-Way grant will be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

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

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

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

The required paint color is Carlsbad Canyon.

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

5. LOCATION & TYPE OF WATER SUPPLY

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

6. SOURCE OF CONSTRUCTION MATERIAL

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

7. METHODS OF HANDLING WASTE DISPOSAL

A. METHODS AND LOCATION

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

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

On BLM administered land:

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

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

8. **ANCILLARY FACILITIES**

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

9. **WELLSITE LAYOUT**

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

The approved seed mixture for this location is:

Gardner Saltbush/Fourwing – 3 pounds per acre
Shadscale – 3 pounds per acre
Indian Rice Grass - 2 pounds per acre
Hi-Crest Crested Wheat Grass – 1 pound per acre

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

The stockpiled pit topsoil will be stored separate from the location topsoil West of Corners B and 5. The stockpiled location topsoil will be stored between Corners #2 and #8. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

The topsoil on the existing Wild Horse Bench 8-35E and Wild Horse Bench 9-35E will be walked down with a Caterpillar tractor and seeded with the approved seed mixture when the access road to the Wild Horse Federal 112-35 is built.

Access to the well pad will be from the East.

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

FENCING REQUIREMENTS:

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

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

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

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

10. PLANS FOR RESTORATION OF SURFACE

A. PRODUCING LOCATION

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

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

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

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

B. DRY HOLE/ABANDONED LOCATION

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

11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

12. OTHER INFORMATION

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

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

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

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

Additional Surface Stipulations

X No construction or drilling activities shall be conducted between April 1 and August 15 due to Burrowing Owl Stipulations.

X No construction of access road or location shall be conducted during wet weather due to critical soils stipulations.

LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION

PERMITTING AGENT

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

DRILLING OPERATIONS

Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
Telephone: (307)276-4865

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully

responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

A copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

Certification

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drillsite and access route; that I am familiar with the conditions that presently exist; that the statements made in the Plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this Plan and the terms and conditions under which it is approved.

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Wild Horse Federal 112-35 Well, located in the SE/SE of Section 35, T10S, R19E, Uintah County, Utah; Lease #U-3405;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

5-19-2005
Date


Agent

EOG RESOURCES, INC.
WILD HORSE FEDERAL #112-35
SECTION 35, T10S, R19E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN RIGHT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN LEFT AND PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; PROCEED IN A WESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 50.4 MILES.

EOG RESOURCES, INC.
WILD HORSE FEDERAL #112-35
 LOCATED IN UTAH COUNTY, UTAH
 SECTION 35, T10S, R19E, S.L.B.&M.

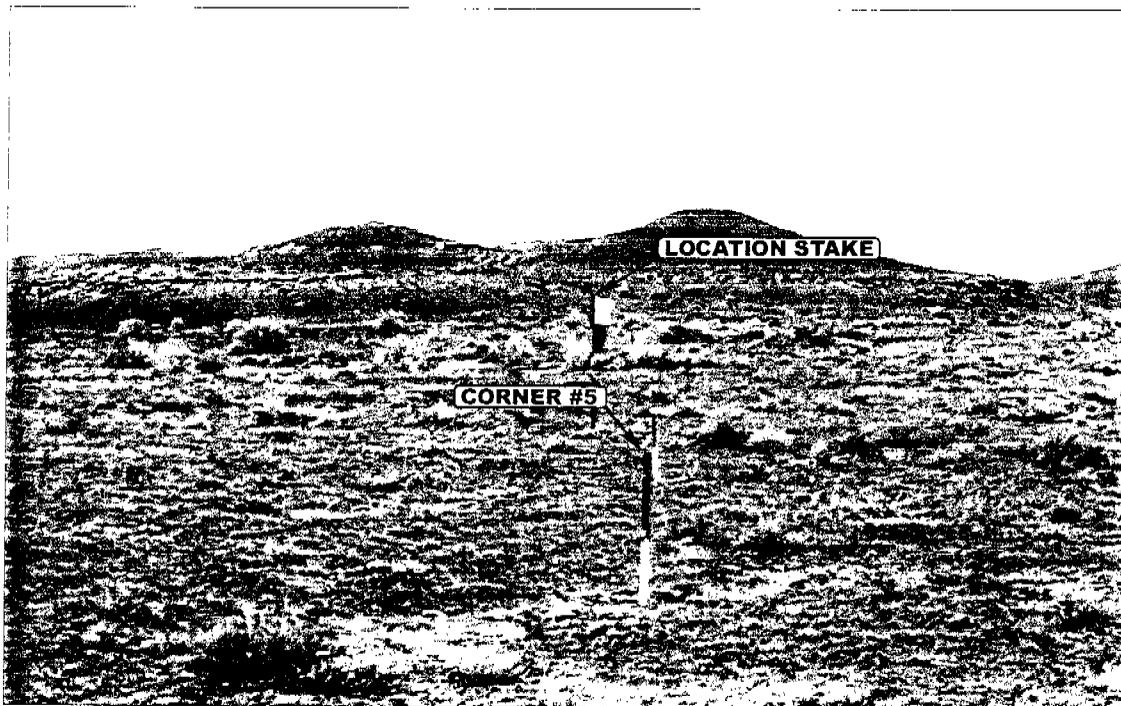


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: SOUTHEASTERLY



Since 1964 -

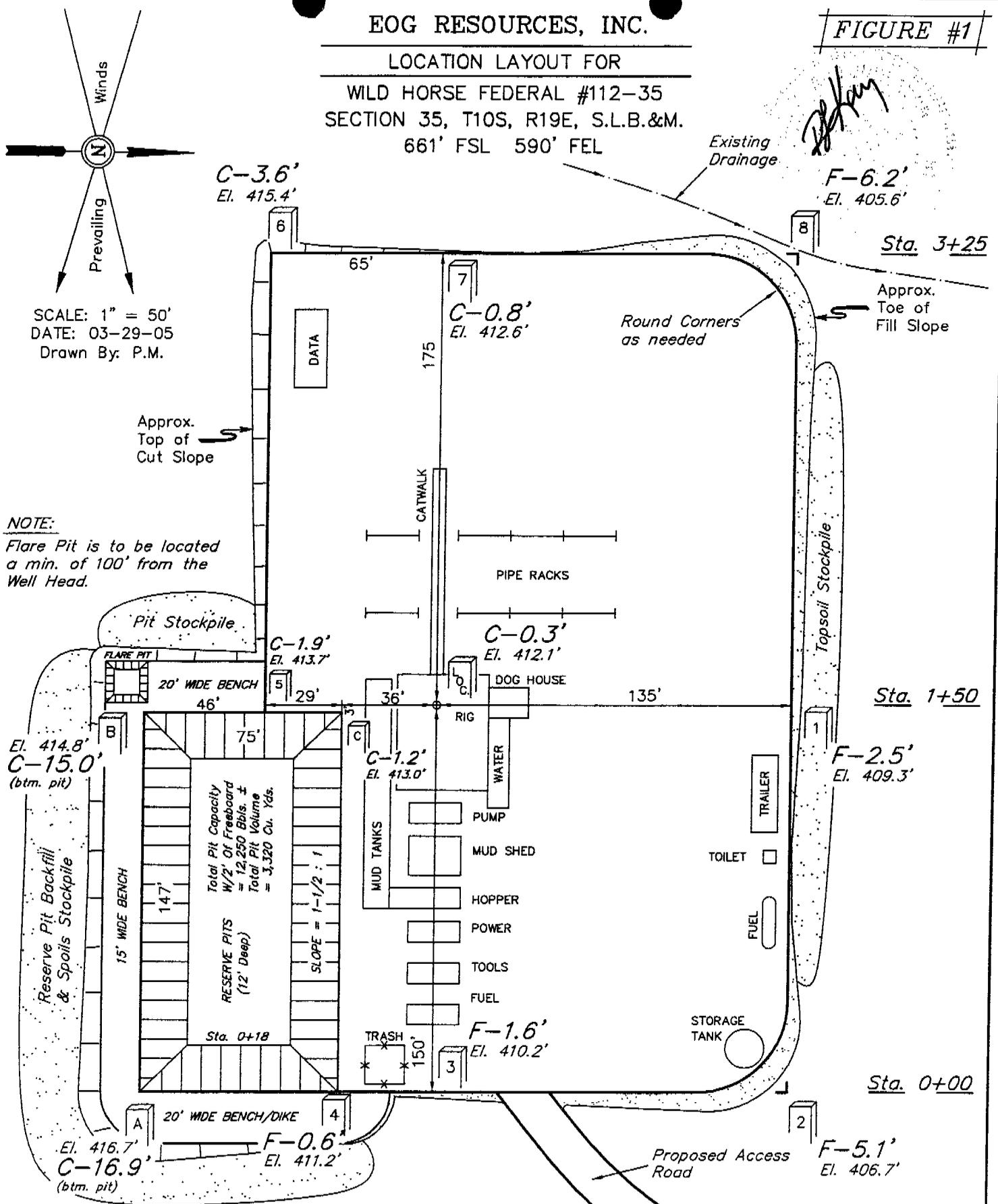
UELS Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 435-789-1017 uelsa@uelsinc.com

LOCATION PHOTOS	03	22	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: G.S.	DRAWN BY: L.K.		REVISED: 00-00-00	

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR
 WILD HORSE FEDERAL #112-35
 SECTION 35, T10S, R19E, S.L.B.&M.
 661' FSL 590' FEL



SCALE: 1" = 50'
 DATE: 03-29-05
 Drawn By: P.M.

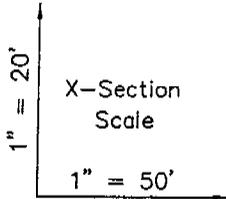
NOTE:
 Flare Pit is to be located
 a min. of 100' from the
 Well Head.

NOTES:
 Elev. Ungraded Ground At Loc. Stake = 5412.1'
 FINISHED GRADE ELEV. AT LOC. STAKE = 5411.8'

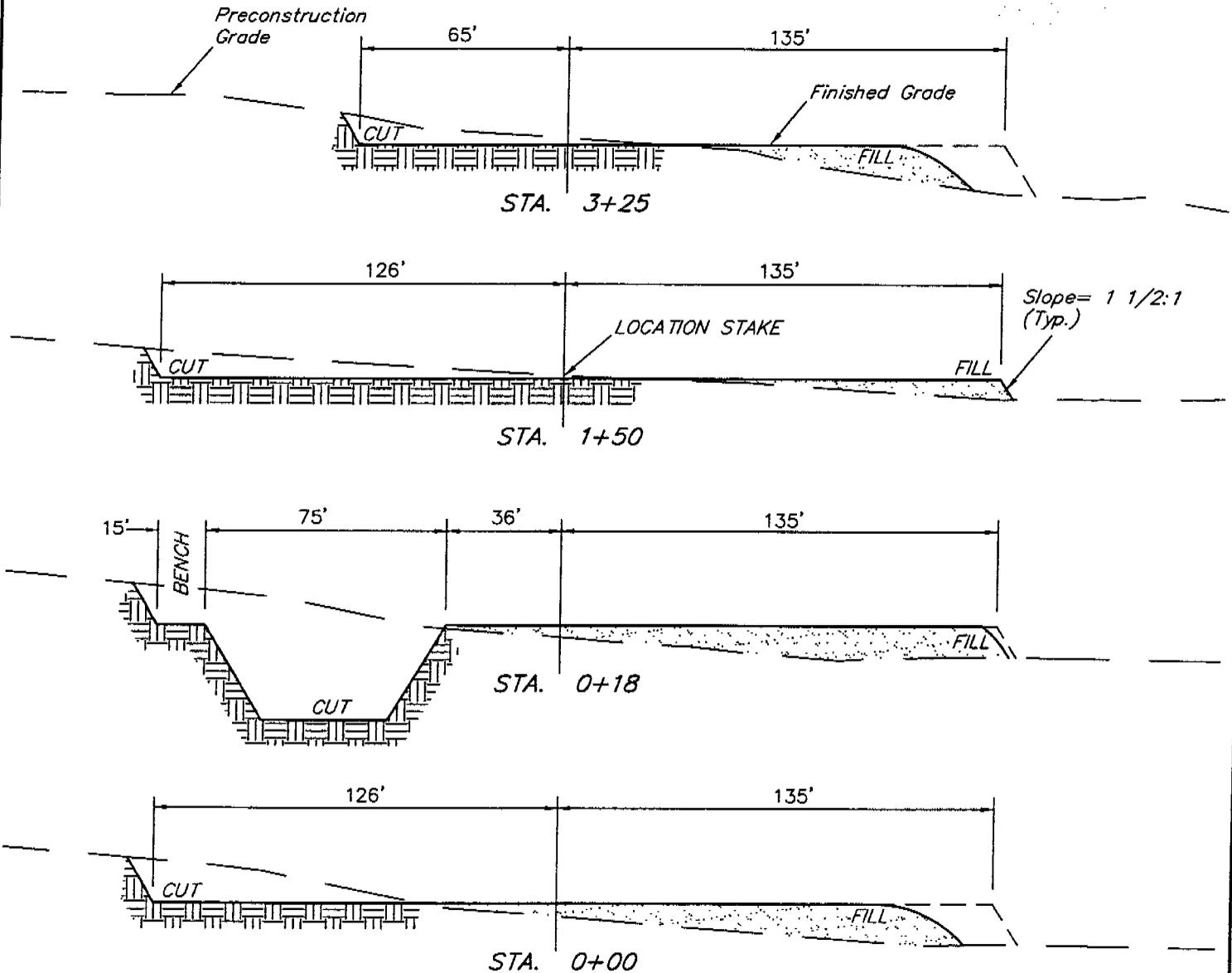
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR
 WILD HORSE FEDERAL #112-35
 SECTION 35, T10S, R19E, S.L.B.&M.
 661' FSL 590' FEL



DATE: 03-29-05
 Drawn By: P.M.



NOTE:

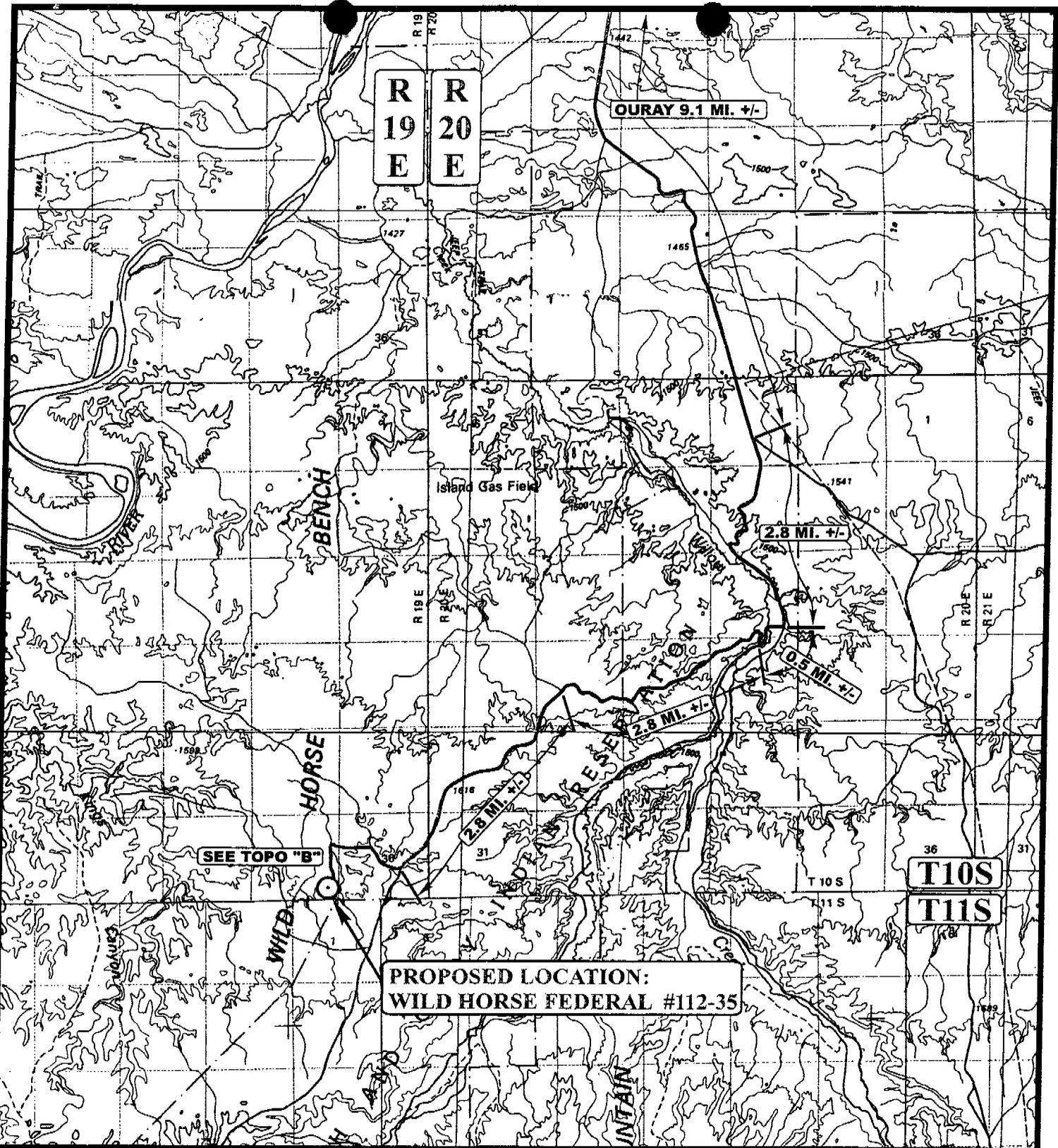
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
 FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,580 Cu. Yds.
Remaining Location	= 5,480 Cu. Yds.
TOTAL CUT	= 7,060 CU.YDS.
FILL	= 3,820 CU.YDS.

EXCESS MATERIAL	= 3,240 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,240 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**PROPOSED LOCATION:
WILD HORSE FEDERAL #112-35**

LEGEND:

○ PROPOSED LOCATION



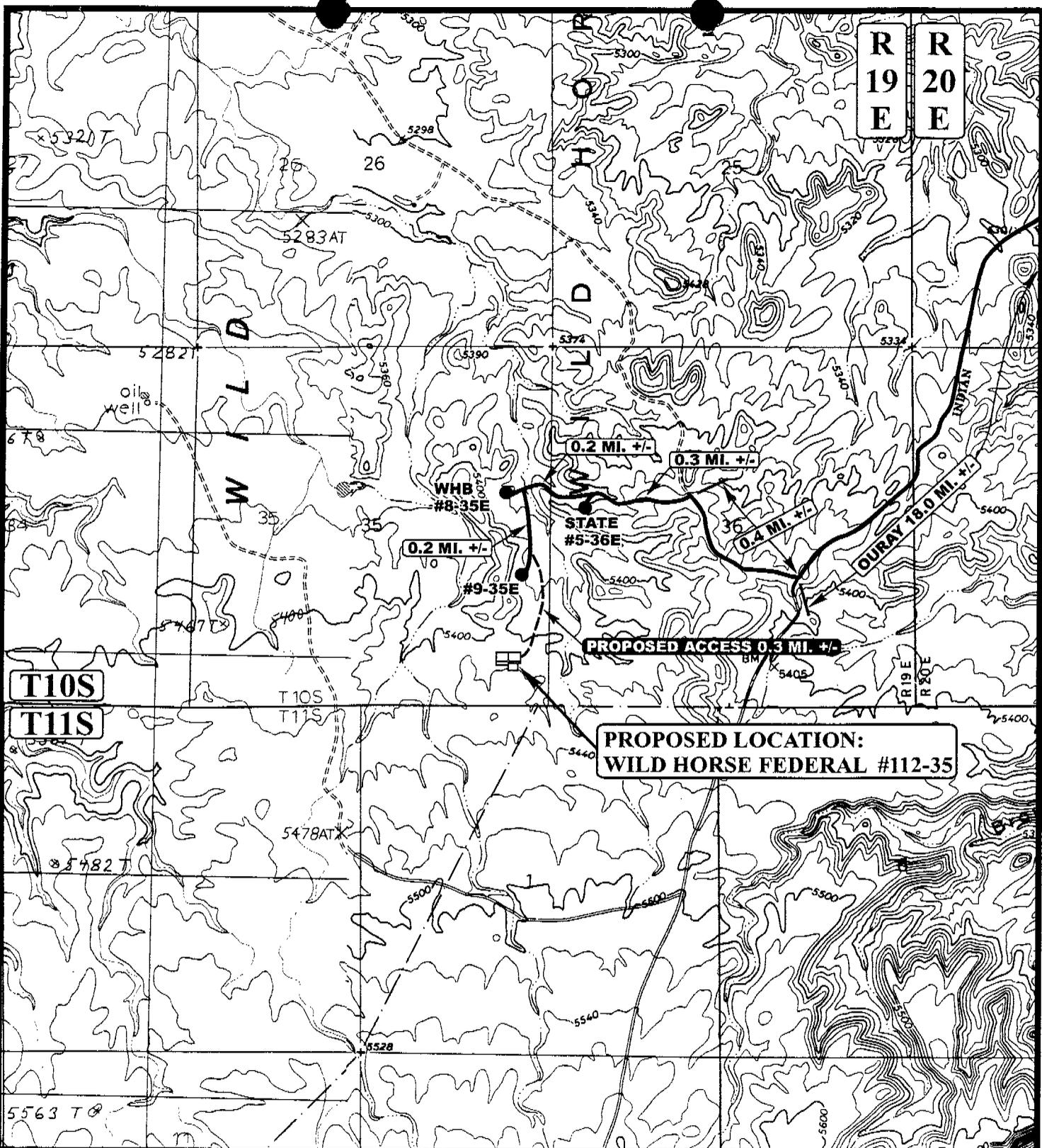
EOG RESOURCES INC.

**WILD HORSE FEDERAL #112-35
SECTION 35, T10S, R19E, S.L.B.&M.
661' FSL 590' FEL**

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

TOPOGRAPHIC MAP 03 22 05
MONTH DAY YEAR
SCALE: 1:100,000 DRAWN BY: L.K. REVISED: 00-00-00





LEGEND:

- EXISTING ROAD
- - - - - PROPOSED ACCESS ROAD

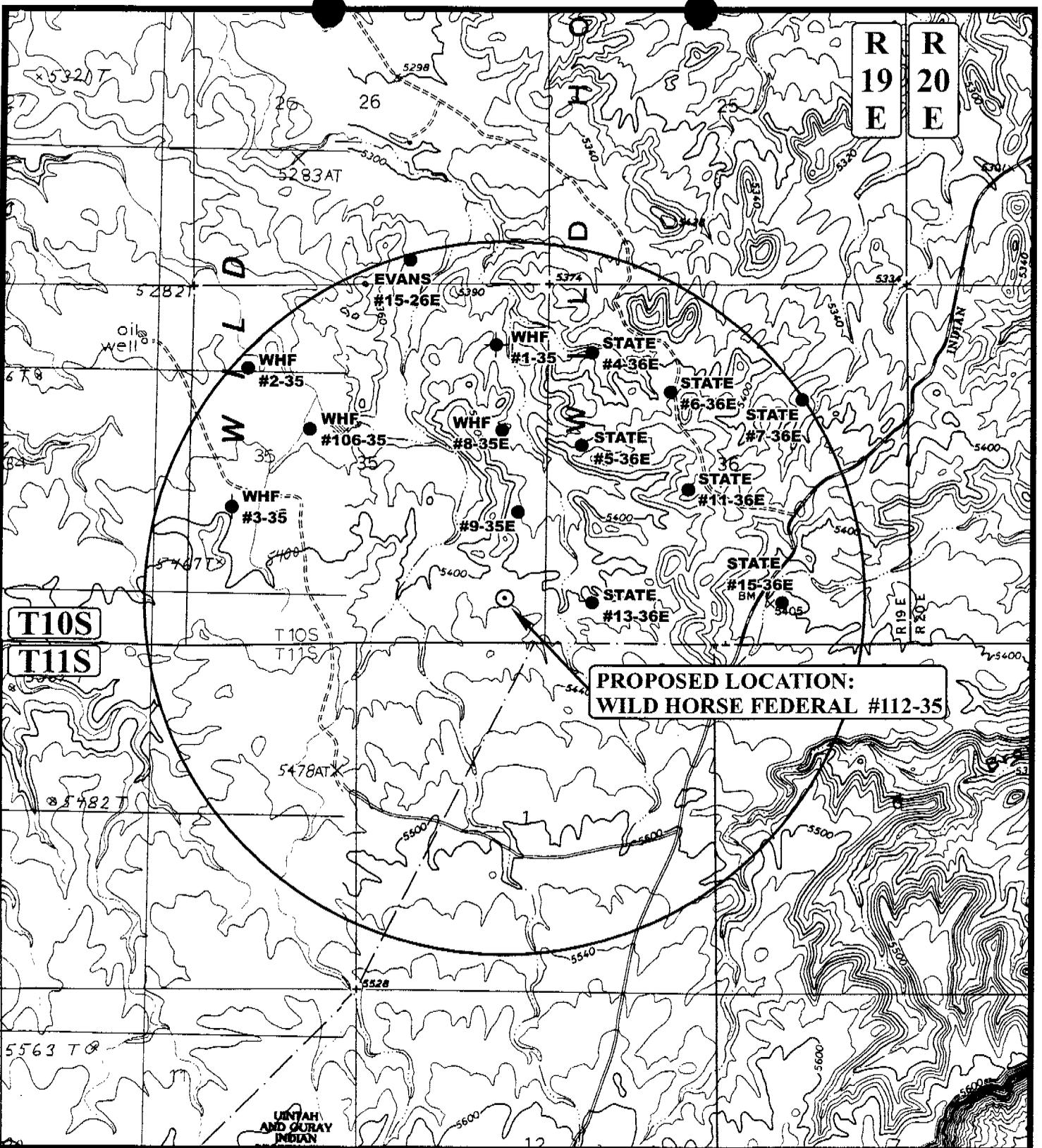


EOG RESOURCES INC.

**WILD HORSE FEDERAL #112-35
SECTION 35, T10S, R19E, S.L.B.&M.
661' FSL 590' FEL**

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

TOPOGRAPHIC **03 22 05**
MAP MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00 **B**
TOPO



LEGEND:

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

EOG RESOURCES INC.

WILD HORSE FEDERAL #112-35
SECTION 35, T10S, R19E, S.L.B.&M.
661' FSL 590' FEL



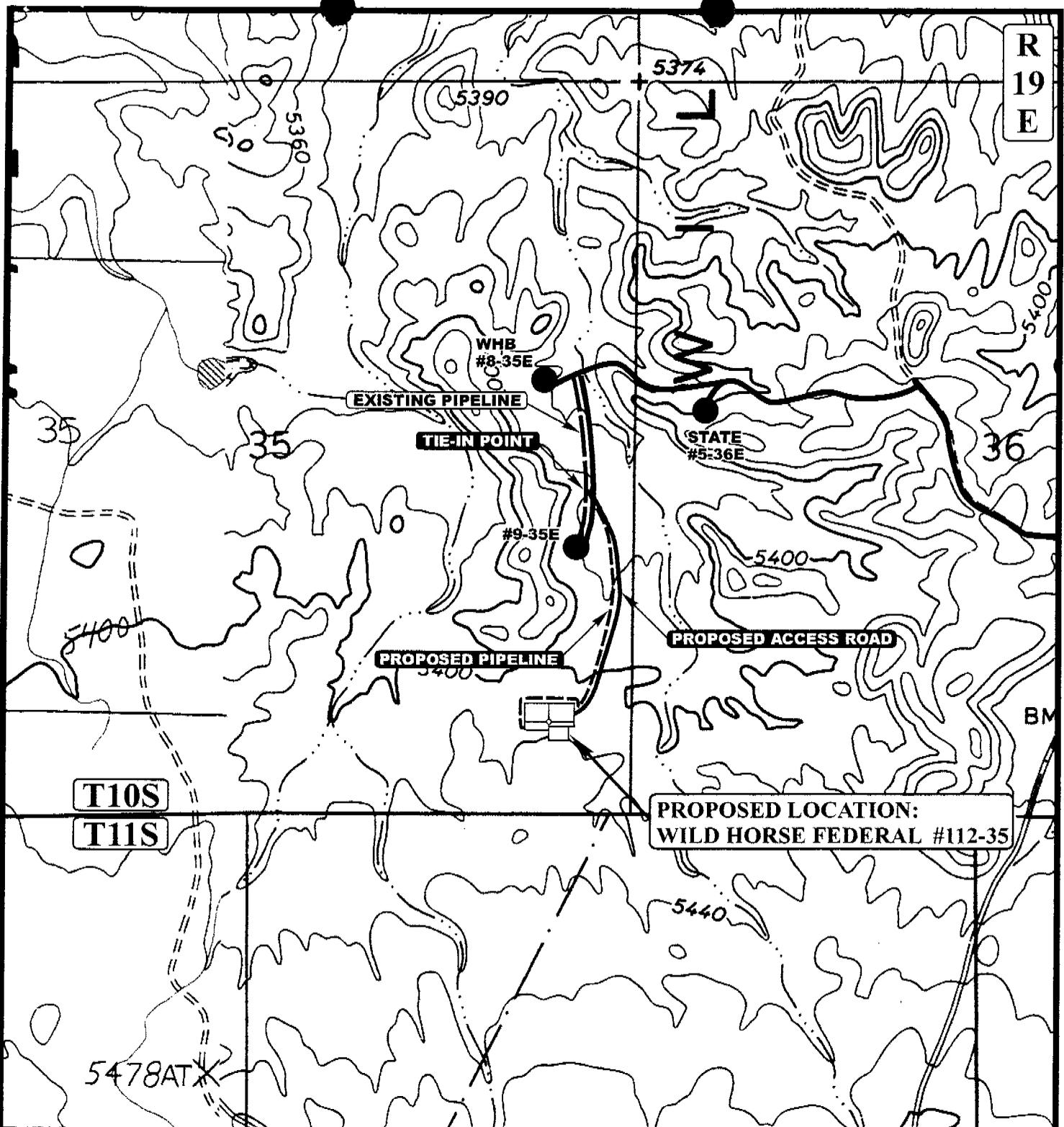
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



TOPOGRAPHIC
MAP

03 22 05
 MONTH DAY YEAR
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 2211' +/-

LEGEND:

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE

EOG RESOURCES INC.

WILD HORSE FEDERAL #112-35
 SECTION 35, T10S, R19E, S.L.B.&M.
 661' FSL 590' FEL



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



TOPOGRAPHIC
 MAP

03	22	05
MONTH	DAY	YEAR



SCALE: 1" = 1000' DRAWN BY: L.K. REVISED: 00-00-00

APD RECEIVED: 05/23/2005

API NO. ASSIGNED: 43-047-36748

WELL NAME: WH FED 112-35

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SESE 35 100S 190E

SURFACE: 0661 FSL 0590 FEL

BOTTOM: 0661 FSL 0590 FEL

UINTAH

NATURAL BUTTES (630)

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-3405

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.89816

LONGITUDE: -109.7413

RECEIVED AND/OR REVIEWED:

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

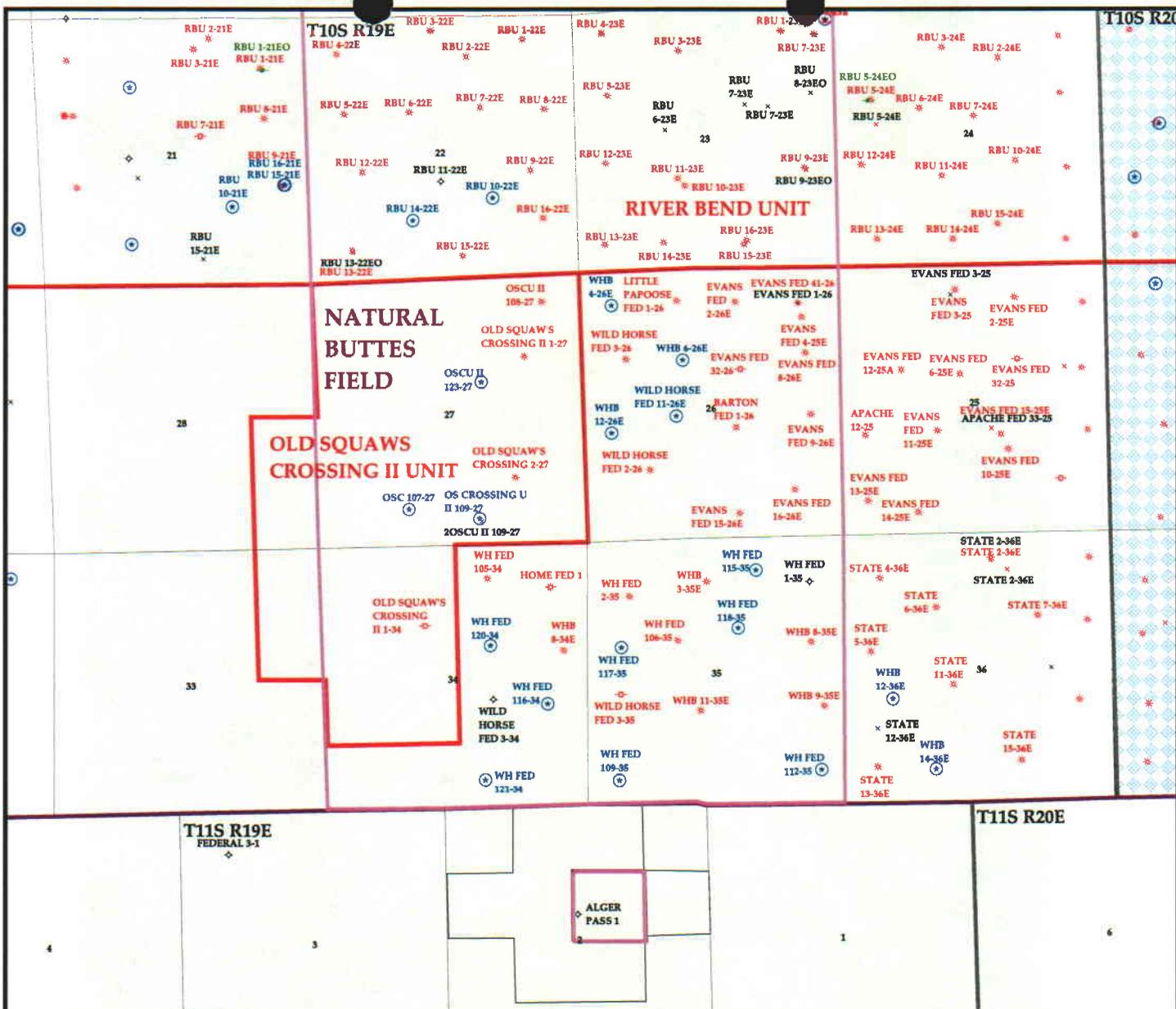
LOCATION AND SITING:

- R649-2-3.
Unit
- R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit
Board Cause No: _____
Eff Date: _____
Siting: _____
- R649-3-11. Directional Drill

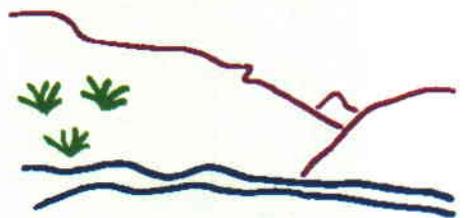
COMMENTS:

STIPULATIONS:

1- Federal Approval
2- Spacing Strip



OPERATOR: EOG RESOURCES INC (N9550)
SEC: 35 T.10S R.19E
FIELD: NATUREAL BUTTES (630)
COUNTY: UINTAH
SPACING: R649-3-2 / GENERAL SITING



Utah Oil Gas and Mining

Wells	Units.shp	Fields.shp
* GAS INJECTION	EXPLORATORY	ABANDONED
o GAS STORAGE	GAS STORAGE	ACTIVE
x LOCATION ABANDONED	NF PP OIL	COMBINED
o NEW LOCATION	NF SECONDARY	INACTIVE
o PLUGGED & ABANDONED	PENDING	PROPOSED
* PRODUCING GAS	PI OIL	STORAGE
o PRODUCING OIL	PP GAS	TERMINATED
o SHUT-IN GAS	PP GEOTHERML	
o SHUT-IN OIL	PP OIL	
x TEMP. ABANDONED	SECONDARY	
o TEST WELL	TERMINATED	
o WATER INJECTION		
o WATER SUPPLY		
o WATER DISPOSAL		



PREPARED BY: DIANA WHITNEY
 DATE: 26-MAY-2005

**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

May 26, 2005

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

Re: Wild Horse Federal 112-35 Well, 661' FSL, 590' FEL, SE SE, Sec. 35,
T. 10 South, R. 19 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36748.

Sincerely,

A handwritten signature in cursive script, appearing to read "Gil Hunt".

Gil Hunt
Acting Associate Director

pab
Enclosures

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

Operator: EOG Resources, Inc.

Well Name & Number Wild Horse Federal 112-35

API Number: 43-047-36748

Lease: U-3405

Location: SE SE Sec. 35 T. 10 South R. 19 East

Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

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

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
MAY 20 2005

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-3405
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No.
3a. Address P.O. BOX 1815 VERNAL, UT 84078		8. Lease Name and Well No. WILD HORSE FEDERAL 112-35
3b. Phone No. (Include area code) (435)789-0790		9. API Well No. 43,047, 36748
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface 661' FSL, 590' FEL SE/SE At proposed prod. Zone		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 19.4 MILES SOUTHWEST OF OURAY, UTAH		11. Sec., T., R., M., or Blk. and Survey or Area SEC. 35, T10S, R19E, S.L.B.&M.
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any) 590'	16. No. of Acres in lease 1600	12. County or Parish UINTAH
17. Spacing Unit dedicated to this well 40	13. State UTAH	
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C 8100'	19. Proposed Depth 8100'	20. BLM/BIA Bond No. on file NM-2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5411.8 FEET GRADED GROUND	22. Approximate date work will start* UPON APPROVAL	23. Esti mated duration 45 DAYS
24. Attachments		

Attachments

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

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

25. Signature 	Name (Printed/Typed) Ed Trotter	Date May 19, 2005
Title Agent		

RECEIVED

Approved by (Signature) 	Name (Printed/Typed) DEC 16 2005	Date 12/08/2005
Title Assistant Field Manager Mineral Resources	Office DIV. OF OIL, GAS & MINING	

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

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

*(Instructions on page 2)

UDOGM

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

**PLEASE REFER TO THE 13 POINT SURFACE USE PROGRAM IN THE
APPLICATION FOR PERMIT TO DRILL.**

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

1. Proposed production casing cementing volumes are inadequate and do not circulate cement to a high enough fill-up. Additional cement beyond the proposed levels indicated in the operators application will need to be pumped. The cement volumes pumped shall include appropriate excess factors. For the cementing program of the production casing string, the circulation or top of cement on the production string is to be at a minimum two hundred feet (200') above the base of usable water. Per BLM estimates, the base of usable water is estimated to be at 4312'. Production casing string circulation or top of cement is to be at or above depth feet 4112 to include BsWtrUs.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

1. There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
2. The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
3. **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
4. Blowout prevention equipment (BOPE) will remain in use until the well is completed or abandoned. Closing unit controls must remain unobstructed and readily accessible at all times. Choke manifolds must be located outside of the rig substructure.

All BOPE components will be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests must be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test must be reported in the driller's log.

BOP drills must be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.

Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

No aggressive/fresh hard-banded drill pipe shall be used within casing.

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.
7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

Any change in the program must be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) must be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, will require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.

In accordance with 43 CFR 3162.4-3, this well must be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

8. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.

Please submit an electronic copy of all logs run on this well in LAS format to UT_VN_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).

9. All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the BLM, Vernal Field Office.

All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
- a. Operator name, address, and telephone number.
 - b. Well name and number.
 - c. Well location (1/4¹/₄, Sec., Twn, Rng, and P.M.).
 - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
 - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

- g. Unit agreement and / or participating area name and number, if applicable.
 - h. Communitization agreement number, if applicable.
- 13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- 14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production
- 15. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- 16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS		5. LEASE DESIGNATION AND SERIAL NUMBER: U-3405
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME:
2. NAME OF OPERATOR: EOG RESOURCES, INC.		8. WELL NAME and NUMBER: WILD HORSE FEDERAL 112-35
3. ADDRESS OF OPERATOR: P.O. BOX 1815 VERNAL UT 84078		9. API NUMBER: 43-047-367408
PHONE NUMBER: (435) 789-0790		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 661 FSL 590 FEL 39.898119 LAT 109.742219 LON		COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SESE 35 10S 19E S.L.B. & M		STATE: UTAH

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

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

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

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

Approved by the
Utah Division of
Oil, Gas and Mining
Date: 05-19-06
By: [Signature]

6-21-06
CHD

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/11/2006</u>

(This space for State use only)

RECEIVED
MAY 12 2006

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

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

API: 43-047-36748
Well Name: WILD HORSE FEDERAL 112-35
Location: 661 FSL 590 FEL (SESE), SECTION 35, T10S, R19E S.L.B.&M
Company Permit Issued to: EOG RESOURCES, INC.
Date Original Permit Issued: 5/26/2005

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision.

Following is a checklist of some items related to the application, which should be verified.

If located on private land, has the ownership changed, if so, has the surface agreement been updated? Yes No

Have any wells been drilled in the vicinity of the proposed well which would affect the spacing or siting requirements for this location? Yes No

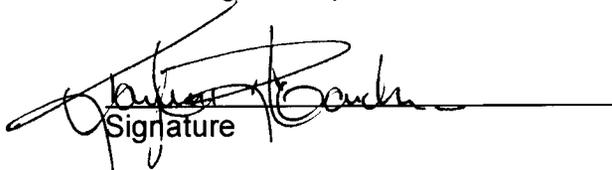
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes No

Have there been any changes to the access route including ownership, or right-of-way, which could affect the proposed location? Yes No

Has the approved source of water for drilling changed? Yes No

Have there been any physical changes to the surface location or access route which will require a change in plans from what was discussed at the onsite evaluation? Yes No

Is bonding still in place, which covers this proposed well? Yes No


Signature

5/11/2006
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED

MAY 12 2006

DIV. OF OIL, GAS & MINING

ENTITY ACTION FORM

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

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36954	Chapita Wells Unit 1037-13		NESE	13	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15612	8/25/2006		9/7/06		
Comments: <u>PRRU = MVRD</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36748	Wild Horse Federal 112-35		SESE	35	10S	19E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15613	8/31/2006		9/7/06		
Comments: <u>PRRU = MVRD</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36755	Chapita Wells Unit 1051-22		SWNW	22	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15614	9/1/2006		9/7/06		
Comments: <u>PRRU = MVRD</u>							

ACTION CODES:

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

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

9/6/2006

Date

RECEIVED

SEP 06 2006

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**661' FSL & 590' FEL (SE/SE)
 Sec. 35-T10S-R19E 39.898119 LAT 109.742219 LON**

5. Lease Serial No.
U-3405

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Wild Horse Federal 112-35

9. API Well No.
43-047-36748

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

11. County or Parish, State
Uintah County, UT

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

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

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

The referenced well spud on 8/31/2006.

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

Mary A. Maestas

Title **Regulatory Assistant**

Signature

Mary A. Maestas

Date

09/06/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Title

Date

Office

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

(Instructions on page 2)

RECEIVED

SEP 08 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.		5. Lease Serial No. U-3405
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG Resources, Inc.		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-824-5526	8. Well Name and No. Wild Horse Federal 112-35
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 661' FSL & 590' FEL (SE/SE) Sec. 35-T10S-R19E 39.898119 LAT 109.742219 LON		9. API Well No. 43-047-36748
		10. Field and Pool, or Exploratory Area Natural Buttes/Mesaverde
		11. County or Parish, State Uintah County, UT

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

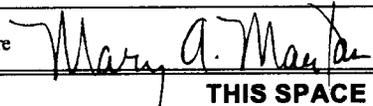
TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

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

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

- 1. Natural Buttes Unit 21-20B SWD
- 2. Ace Disposal
- 3. RN Industries

Accepted by the
Utah Department of
Oil, Gas and Mining
FOR RECORD

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Mary A. Maestas		Title Regulatory Assistant
Signature 	Date 09/06/2006	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

(Instructions on page 2)

RECEIVED

SEP 08 2006

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

3a. Address
P.O. BOX 1815 VERNAL, UT 84078

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**661 FSL 590 FEL (SE/SE) S.L.B.&M
 SECTION 35, T10S, R19E 39.898119 LAT 109.742219 LON**

5. Lease Serial No.
U-3405

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
WILD HORSE FEDERAL 112-35

9. API Well No.
43-047-36748

10. Field and Pool, or Exploratory Area
NATURAL BUTTES

11. County or Parish, State
UINTAH COUNTY, UT

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

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

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

EOG Resources, Inc. respectfully requests permission to change the TD, originally approved 12/8/2005, on the referenced well:

From: 8100'

To: 10,080

A revised Drilling Plan is attached.

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

Date: 06-29-06
 By: [Signature]

COPY SENT TO OPERATOR
 Date: 10/2/06
 Initials: RM

*Federal Approval of this
Action is Necessary*

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

KAYLENE R. GARDNER

Title **REGULATORY ASSISTANT**

Signature

[Signature]

Date

06/16/2006

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

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

Title

Date

Office

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

RECEIVED

(Instructions on page 2)

JUN 19 2006

DIV. OF OIL, GAS & MINING

EIGHT POINT PLAN

WILD HORSE FEDERAL 112-35
SE/SE, SEC. 35, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River	1,489'
Wasatch	4,296'
Chapita Wells	4,887'
Buck Canyon	5,615'
North Horn	6,519'
KMV Price River	7,803'
KMV Price River Middle	8,812'
KMV Price River Lower	9,542'
Sego	9,885'

Estimated TD: **10,080' or 200'± below Price River top**

Anticipated BHP: 5,505 Psig

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

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

	<u>HOLE SIZE</u>	<u>INTERVAL</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>
Conductor:	17 1/2"	0' – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

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

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

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

EIGHT POINT PLAN
WILD HORSE FEDERAL 112-35
SE/SE, SEC. 35, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.0 ppg depending on actual wellbore conditions encountered while drilling.

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

7. VARIANCE REQUESTS:

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

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

8. EVALUATION PROGRAM:

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

EIGHT POINT PLAN

WILD HORSE FEDERAL 112-35
SE/SE, SEC. 35, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

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

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

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

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

Production Hole Procedure (2300'± - TD)

Lead: **115 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), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft³/sk., 9.19 gps water.

Tail: **1095 sks:** 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

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

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

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

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

EIGHT POINT PLAN

WILD HORSE FEDERAL 112-35
SE/SE, SEC. 35, T10S, R19E, S.L.B.&M.
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

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

12. HAZARDOUS CHEMICALS:

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

(Attachment: BOP Schematic Diagram)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
 Oil Well Gas Well Other

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

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

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

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

**661' FSL & 590' FEL (SE/SE)
 Sec. 35-T10S-R19E 39.898119 LAT 109.742219 LON**

5. Lease Serial No.
U-3405

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.
Wild Horse Federal 112-35

9. API Well No.
43-047-36748

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

11. County or Parish, State
Uintah County, UT

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

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

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

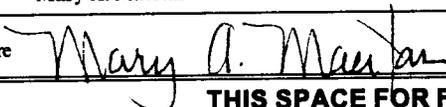
The referenced well was turned to sales on 3/19/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

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

Mary A. Maestas

Title **Regulatory Assistant**

Signature



Date

03/20/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by _____

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

Title

Date

Office

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

(Instructions on page 2)

RECEIVED

MAR 21 2007

DIV. OF OIL, GAS & MINING

**WELL CHRONOLOGY
REPORT**
Report Generated On: 03-20-2007

Well Name	WHF 112-35	Well Type	DEVG	Division	DENVER
Field	OLD SQUAW'S CROSSING	API #	43-047-36748	Well Class	COMP
County, State	UINTAH, UT	Spud Date	02-12-2007	Class Date	03-19-2007
Tax Credit	N	TVD / MD	10,080/ 10,080	Property #	056117
Water Depth	0	Last CSG	0.0	Shoe TVD / MD	0/0
KB / GL Elev	5,431/ 5,412				
Location	Section 35, T10S, R19E, SE/SE, 661 FSL & 590 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	50.0	NRI %	40.75

AFE No	303294	AFE Total	2,233,400	DHC / CWC	1,058,900/ 1,174,500
Rig Contr	PIONEER	Rig Name	PIONEER #59	Start Date	05-24-2005
				Release Date	02-27-2007
05-24-2005		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 :	PBTBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA: 661' FSL & 590' FEL (SE/SE) SECTION 35, T10S, R19E UINTAH COUNTY, UTAH
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LAT 39.898156, LONG 109.741525 (NAD 27)

RIG: PIONEER #59
OBJECTIVE: 10,080' TD, MESAVERDE
DW/GAS
OLD SQUAWS CROSSING PROSPECT
DD&A: OLD SQUAWS CROSSING AREA
NATURAL BUTTES FIELD

LEASE: U-3405

ELEVATION: 5412.1' GL, 5411.8' PREP GL (DUE TO ROUNDING THE PREP GL IS 5412'), 5431' KB (19')

EOG WI 50%, NRI 40.75%

08-17-2006	Reported By	TROTTER		
Daily Costs: Drilling		Completion	\$0	Daily Total

Cum Costs: Drilling				Completion	\$0	Well Total					
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: BUILDING LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	BEGAN CONSTRUCTION OF LOCATION, 10% COMPLETE.								
<hr/>											
08-18-2006		Reported By		TROTTER							
Daily Costs: Drilling				\$0	Completion		\$0	Daily Total		\$0	
Cum Costs: Drilling				Completion		\$0		Well Total			
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: BUILDING LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION IS 15% COMPLETE.								
<hr/>											
08-22-2006		Reported By		TROTTER							
Daily Costs: Drilling				\$0	Completion		\$0	Daily Total		\$0	
Cum Costs: Drilling				Completion		\$0		Well Total			
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: BUILDING LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION IS 40% COMPLETE.								
<hr/>											
08-23-2006		Reported By		TROTTER							
Daily Costs: Drilling				\$0	Completion		\$0	Daily Total		\$0	
Cum Costs: Drilling				Completion		\$0		Well Total			
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: BUILDING LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION IS 50% COMPLETE.								
<hr/>											
08-24-2006		Reported By		TROTTER							
Daily Costs: Drilling				\$0	Completion		\$0	Daily Total		\$0	
Cum Costs: Drilling				Completion		\$0		Well Total			
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: BUILDING LOCATION											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	LOCATION IS 55% COMPLETE.								
<hr/>											
08-25-2006		Reported By		TROTTER							
Daily Costs: Drilling				\$0	Completion		\$0	Daily Total		\$0	

TOP JOB #3: 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 FILLED AND STOOD FULL. RD BIG 4 CEMENTERS.

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

MIRU SLICK LINE UNIT & SURVEY TOOL. RAN IN HOLE & TAGGED @ 2276' PICK UP TO 2265'. SURVEY. 2 DEGREE.

JOHN HELCO NOTIFIED JAMIE SPARGER W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 10/31/2006 @ 1:40 PM.

02-09-2007		Reported By		RICH DEMBOWSKI							
Daily Costs: Drilling				Completion		\$0		Daily Total			
Cum Costs: Drilling				Completion		\$0		Well Total			
MD	2,469	TVD	2,469	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :		PBTD : 0.0				Perf :		PKR Depth : 0.0			

Activity at Report Time: WORK ON EQUIPMENT TO PREPARE FOR RU - CONTINUE TO MOVE IN RIG

Start	End	Hrs	Activity Description
06:00	15:00	9.0	CONTINUE TO RD RIG. TRUCKS ARRIVED AND BEGAN MOVING TO NEW LOCATION. SCOPED DOWN DERRICK. LOWERED DERRICK. DROPPED SUBSTRUCTURE. PROBLEMS WITH PTO HYDRAULICS (REPEATED PROBLEM/ISSUE). ATTEMPTING TO REPAIR HYDRAULICS. ALL RIG EQUIPMENT MOVED WITH EXCEPTION OF CARRIER, MUD BOAT, PONY SUB AND SUB. ALL OTHER MAJOR PIECES OF EQUIPMENT ON NEW LOCATION. RECEIVED NEW HEATER ASSEMBLY PURCHASED BY EOG FOR USE ON RIG. DELIVERED TO NEW LOCATION.
15:00	18:30	3.5	GFP, THE HYRAULIC SERVICE COMPANY USED BY PIONEER WAS CALLED TO REPLACE THE RELIEF VALVE ON ONE SIDE OF THE SYSTEM. SYSTEM FAILED TO WORK AFTER REPAIR AND TECH INDICATED THAT JACK FOR THE OFF DRILLER SIDE, REAR OF CARRIER WAS LEAKING. MADE TEMPORARY REPAIR TO GET RIG MOVED. SERVICE TECH LEFT TO SECURE NEW JACK. REPAIRED/PATCHED HYDRAULIC SYSTEM DID NOT FUNCTION PROPERLY AND WAS UNABLE TO LIFT CARRIER OFF OF JACKS. COULD NOT MOVE CARRIER. CALLED OUT GFP SERVICE TECH A SECOND TIME AND REQUESTED HE COME TO LOCATION AND REPAIR SYSTEM. SERVICE TECH WAS TO BRING NEW JACK WITH HIM. SERVICE TECH CALLED AT 1830 AND INDICATED THAT HE COULD NOT COME TO LOCATION UNTIL 0530 TOMORROW. AT REPORT TIME, WAITING ON SERVICE TECH.
18:30	06:00	11.5	CREW MEMBERS WORKING ON NEW LOCATION REPAIRING WATER LINE CONNECTIONS.

SAFETY MEETING: PUMP-LINER MAINTENANCE/MOVE WITH TRUCKING COMPANY AND RIG HAND
 NO ACCIDENTS REPORTED THE LAST 24 HOURS
 BOILER 12 HOURS, SHUT DOWN FOR MOVE
 FULL CREWS ON BOTH TOURS PLUS THREE EXTRA HANDS FOR MOVE
 FUEL ON HAND 1108 GALS, USED PAST 24 HOURS 0 GALS

NOTIFIED JAMIE SPARGER W/VBLM IN VERNAL AT 14:30 HRS, 2/8/07 OF SPUD, BOP TEST AND FIT. NOTIFIED STATE OF UTAH AT 14:40 HRS, 2/8/07 OF BOP TEST.

ESTIMATED SPUD DATE IS SATURDAY, 2/10/06.

02-10-2007		Reported By		RICH DEMBOWSKI							
Daily Costs: Drilling				Completion		\$0		Daily Total			
Cum Costs: Drilling				Completion		\$0		Well Total			

MD 2,469 TVD 2,469 Progress 0 Days 0 MW 0.0 Visc 0.0
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RU

Start	End	Hrs	Activity Description
06:00	06:30	0.5	WAITING ON HYDRAULIC SYSTEM SERVICE TECH.
06:30	08:00	1.5	REPAIR HYDRAULIC SYSTEM/TEMPORARY FIX TO HYDRAULIC SYSTEM TO ALLOW RIG TO MOVE.
08:00	09:00	1.0	TEST HYDRAULICS AND VERIFY FUNCTION. REPLACE HYDRAULIC CYLINDER ON CARRIER JACK. TEST FUNCTION.
09:00	15:00	6.0	FINISH MOVING ALL EQUIPMENT OFF OLD LOCATION AND SPOTTING ON NEW LOCATION. SPOT SUBSTRUCTURE, PONY SUB AND MUD PITS. CONTINUE WITH RU. FINISHED MI TO NEW LOCATION AT 15:00 HRS.
15:00	18:00	3.0	RAISE SUBSTRUCTURE AND PIN. RU DRIVE TRAIN. RAISE DERRICK. WILL SCOPE IN MORNING. CONTINUE RU. TOOK ON 4500 GALLONS FUEL. TRUCKS RELEASED AT 15:00 HRS.
18:00	06:00	12.0	CONTINUE WITH RU. RU WATER LINES, STEAM LINES AND ELECTRICAL. SWITCH CAMP FROM AUX POWER TO RIG POWER. INSPECT DRILL COLLARS, KELLY, KELLY COCKS, BIT SUB AND SWIVEL. NEW HWDP DUE IN FROM WEATHERFORD IN AM. RECEIVED MUD PRODUCTS AND STORED ON LOCATION. RU GAS BUSTER AND FLARE LINES. RU TRUCKS RELEASED AT 15:00 HRS.

SAFETY MEETING: RU

NO ACCIDENTS REPORTED THE LAST 24 HOURS

BOILER HOURS, SHUT DOWN FOR MOVE

FULL CREWS ON BOTH TOURS PLUS TWO EXTRA HANDS FOR RIG MOVE

FUEL ON HAND 5384 GALS, USED PAST 24 HOURS 224 GALS

ESTIMATED SPUD DATE IS SATURDAY, 2/10/06 (LATE AFTERNOON, EARLY EVENING)

02-11-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD 2,469 TVD 2,469 Progress 0 Days 0 MW 8.33 Visc 26.0			
Formation : PBT D : 0.0 Perf :			PKR Depth : 0.0

Activity at Report Time: PU BHA

Start	End	Hrs	Activity Description
06:00	16:00	10.0	CONTINUE TO RU RIG. RU FLOOR, MOUSE HOLE, RAT HOLE, SWIVEL, KELLY, ETC. FIRE BOILER AT 11:00 HRS AND CHECK FOR STEAM LEAKS. FILL WATER SYSTEM AND CHECK FOR LEAKS. FILL RIG PITS AND PREPARE TO MIX MUD. CLEAN SUBSTRUCTURE AND PREPARE TO NU. TOTAL WATER MOVED IN TODAY IS 1040 BBLs. FINISH HAULING WATER TOMORROW.
16:00	21:00	5.0	RIG ON DAYWORK AT 16:00 HOURS, 2/10/07. NU BOPS AND MUD CROSS. NU CHOKE LINE AND KILL LINE, HCR VALVE, CHOKE MANIFOLD AND ROTATING HEAD. TEST FMC QUICK CONNECT TO 5000 PSIG FOR 15 MIN. CONTINUE NU OF CHOKE AND KILL LINE.
21:00	04:30	7.5	TEST BOPS. TORQUE AND CHECK ALL CONNECTIONS. TEST UPPER AND LOWER KELLY VALVES TO 250 PSIG LOW AND 5000 PSIG HIGH PRESSURE. TEST SAFETY VALVE AND INSIDE BOP TO 250/5000 PSIG HIGH/LOW PRESSURE. TEST PIPE RAMS AND INSIDE VALVES TO 250 PSIG LOW AND 5000 PSIG HIGH PRESSURE. TEST PIPE RAMS, OUTSIDE KILL LINE VALVE AND HCR VALVE TO 250 PSIG LOW AND 5000 PSIG HIGH PRESSURE. TEST PIPE RAMS, CHOKE LINE, CHECK VALVE, UPRIGHT GAUGE VALVE AND INSIDE MANIFOLD VALVES TO 250 PSIG LOW AND 5000 PSIG HIGH PRESSURE. TEST ANNULAR TO 250 PSIG LOW AND 2500 PSIG HIGH PRESSURE. TEST BLIND RAMS, CHOKE LINE AND MIDDLE MANIFOLD VALVES TO 250 PSIG LOW AND 5000 PSIG HIGH. TEST PIPE RAMS, CHOKE LINE, SUPER CHOKE AND CASING PRESSURE GAUGE TO 250 PSIG LOW AND 5000 PSIG HIGH PRESSURE. ALL TESTS WERE FOR 5 MINUTES LOW PRESSURE AND 10 MIN HIGH PRESSURE AND WERE CHARTED. TEST SURFACE CASING TO 1500 PSIG FOR 30 MINUTES. SPOTTED PIPE RACKS AND MOVE BHA AND PIPE WHILE TESTING.

04:30 06:00 1.5 TALLY BHA AND DRILL PIPE. CONDUCT PRE SPUD SAFETY INSPECTION AND WALK AROUND WITH TOOL PUSHER AND DRILLER. ALL RIG SYSTEMS WORKING. BOILER WORKING FINE. PU BIT AND HUNTING MUD MOTOR (.16 POWER SECTION). MAKEUP SAME.

SAFETY MEETING: NU PROCEDURES/PRESSURE TESTING
 NO ACCIDENTS REPORTED THE LAST 24 HOURS
 BOILER 19 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 4989 GALS, USED PAST 24 HOURS 395 GALS

NU AND BOP TESTING COMPLETE AT 04:20 HRS, 2/11/06
 ESTIMATE SPUD AT 08:00 HRS, 2/11/06

02-12-2007		Reported By		RICH DEMBOWSKI							
Daily Costs: Drilling				Completion	\$0	Daily Total					
Cum Costs: Drilling				Completion	\$0	Well Total					
MD	2,836	TVD	2,836	Progress	367	Days	1	MW	8.4	Visc	26.0
Formation :		PBTD : 0.0		Perf :		PKR Depth : 0.0					
Activity at Report Time: DRILLING AT 6482'											

Start	End	Hrs	Activity Description
06:00	16:00	10.0	PU RUNNING JOINT AND SET WEAR BUSHING. RUN MOTOR AND BIT. PU REMAINDER OF BHA AND RIH. HAD TO COME OUT OF HOLE ON THIRD COLLAR. DRILLER FORGOT TO RUN REAMERS (ON FLOOR). PU REAMERS. RUN BACK IN HOLE WITH PU COLLARS. CONTINUE TO PU BHA AND DRILL PIPE. TAG CEMENT AT 2284'.
16:00	17:00	1.0	SLIP AND CUT 111' OF DRILL LINE.
17:00	23:00	6.0	TORQUE KELLY, SET ROTATING HEAD RUBBER. BREAK CIRCULATION AND DRILL CEMENT/FLOAT EQUIPMENT. DRILLING HARD. BECAME EXTREMELY HARD AT 2438'. DRILL THRU SHOE AT 2443' AND TO OLD TD OF 2469'. DRILL 10' OF NEW FORMATION.
23:00	01:00	2.0	CONDUCT FIT. CIRCULATE OUT. PUMP 15 BBL PILL OF 60 SEC VIS FLUID, WEIGHT 8.8+ PPG. PRESSURE UP ON FORMATION. SLOW BLEED OFF. PRESSURE SEVERAL TIMES AND SQUEEZE GEL INTO FORMATION. FINAL TEST HELD 500+ PSIG FOR 15 MINUTES FOR A 12.5 PPGE TEST.
01:00	06:00	5.0	DRILL FROM 2479' TO 2836'.

SAFETY MEETING: ON CONNECTIONS
 NO ACCIDENTS REPORTED THE LAST 24 HOURS
 BOILER 24 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 3960 GALS, FUEL USED PAST 24 HOURS 1029 GALS

06:00 18.0 SPUD 7 7/8" HOLE AT 01:00 HRS, 2/12/07.

02-13-2007		Reported By		RICH DEMBOWSKI							
Daily Costs: Drilling				Completion	\$0	Daily Total					
Cum Costs: Drilling				Completion	\$0	Well Total					
MD	4,130	TVD	4,130	Progress	1,294	Days	2	MW	8.5	Visc	27.0
Formation :		PBTD : 0.0		Perf :		PKR Depth : 0.0					

Activity at Report Time: DRILLING - PREP TO RUN SURVEY

Start	End	Hrs	Activity Description
06:00	14:00	8.0	DRILL 2836' TO 3242', MW IN 8.5+ PPG, 32 VIS. MW OUT 8.6 PPG, 32 VIS. PUMPING GEL SWEEPS EVERY CONNECTION. CONDUCTED BOP DRILL.
14:00	14:45	0.75	RUN SURVEY 2.24 DEGREES AT 3167'.
14:45	18:00	3.25	DRILL 3242' TO 3443'. RUNNING 16 - 25K ON BIT WITH 400-450 GPM, 50-60 ROTARY (65 - 70 ROTARY AT MOTOR) 115 - 130 TOTAL ROTARY AT BIT. MW IN 35 VIS, 8.6 PPG. MW OUT 36 VIS, 8.6 + PPG.
18:00	06:00	12.0	DRILL 3443' TO 4130'. AT REPORT TIME: MW IN 37 VIS, 9.1 PPG. MW OUT 37 VIS, 9.0 + PPG. REPLACED SHAKERS SCREENS WITH SAME SIZE (140 MESH). FUNCTION TEST CROWN-O-MATIC.

SAFETY MEETING: RIG SERVICE/ELECTRICAL FIRES
 CONDUCTED SAFETY CHECK OF BRAKES AND LINKAGE
 NO ACCIDENTS REPORTED THE LAST 24 HOURS
 BOILER 24 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 2930 GALS, USED PAST 24 HOURS 1030 GALS

02-14-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD 5.325 TVD 5.325	Progress 1.195	Days 3	MW 9.1 Visc 33.0
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:45	1.75	DRILL 4130' TO 4223', MW IN 9.0+ PPG, 38 VIS. MW OUT 9.0+ PPG, 38 VIS.
07:45	08:15	0.5	SERVICE RIG. INSTALL KELLY HOSE CLAMP. LUB SWIVEL.
08:15	09:00	0.75	DRILL FROM 4223' TO 4255'.
09:00	09:30	0.5	SURVEY AT 4181', 1.97 DEGREES.
09:30	18:00	8.5	DRILL 4255' TO 4793'. MUD WEIGHT IN 9.2+, 35 VIS. MUD WEIGHT OUT 9.2+, 35 VIS. ALL SOLID CONTROL EQUIPMENT RUNNING.
18:00	00:00	6.0	DRILL 4793' TO 5071'. MUD WEIGHT IN 9.2+ PPG, 37 VIS. MUD WEIGHT OUT 9.3 PPG, 36 VIS.
00:00	01:00	1.0	DRILLED 5071' TO 5142'. TIGHT SPOT ON CONNECTION. PULLED 180,000#.
01:00	01:30	0.5	WORK PIPE. REAM DOWN. BACK REAM SEVERAL TIMES. PU. PUMP HI VIS SWEEP. WORK PIPE. BACK REAM. HOLE CLEAR, NO TORQUE OR DRAG.
01:30	03:00	1.5	WATCH DRAG AND TORQUE. DRILL FROM 5142' TO 5244'.
03:00	04:00	1.0	SURVEY AT 5170', 2.37 DEGREES.
04:00	04:45	0.75	PUMP HIGH VIS SWEEP. DRILL FROM 5244' TO 5275'. MUD WEIGHT IN 37 VIS, 9.4 PPG. MUD WEIGHT OUT 39 VIS, 9.4+ PPG.
04:45	05:00	0.25	SERVICE RIG. CHANGE OUT DRIVE BUSHINGS.
05:00	06:00	1.0	DRILL 5275' TO 5325'. MUD WEIGHT IN 37 VIS, 9.3+ PPG. MUD WEIGHT OUT 36 VIS, 9.4 PPG. PUMPING SWEEPS EVERY OTHER CONNECTION.

SAFETY MEETING: WIRELINE SURVEYS/MAKING CONNECTIONS/SLIP HAZARDS
 NO ACCIDENTS REPORTED THE LAST 24 HOURS
 BOILER 24 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 5702 GALS, USED PAST 24 HOURS 1728 GALS

FUNCTION TEST CROWN-O-MATIC
INSPECT BRAKE LINKAGE AND CONNECTIONS

02-15-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD 6.482 TVD 6.482 Progress 1.159 Days 4 MW 9.4 Visc 34.0			
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:45	5.75	DRILL 5325' TO 5652', MUD WEIGHT IN 9.4+ PPG, 36 VIS. MUD WEIGHT OUT 9.4+ PPG, 36 VIS. NO TORQUE OR DRAG.
11:45	12:30	0.75	SERVICE RIG. REPLACE SEVERAL HYDRAULIC HOSES WITH NEW HOSES. BLEED SYSTEM.
12:30	18:00	5.5	DRILL 5652' TO 5981'. NO TORQUE, NO DRAG. MUD WEIGHT IN AND OUT 9.5 + PPG, 34 VIS. TRICOUNTY HEALTH INSPECTOR CONDUCTED INSPECTION OF WASTE DISPOSAL/HOLDING SYSTEM IN CAMP. ALL SYSTEMS WORKING PROPERLY.
18:00	23:45	5.75	DRILL 5981' TO 6251', MUD WEIGHT IN 9.7 PPG, 35 VIS. MUD WEIGHT OUT 9.8 PPG, 34 VIS. PUMP SWEEP EVERY 2-3 JOINTS TO INSURE HOLE IS CLEAN.
23:45	00:45	1.0	SURVEY AT 6175', 2.37 DEGREES.
00:45	03:30	2.75	DRILL 6251' TO 6355', MUD WEIGHT IN 9.7+ PPG, 37 VIS. MUD WEIGHT OUT 9.8 PPG, 36 VIS. CONTINUE TO PUMP SWEEPS EVERY 2-3 JOINTS DOWN TO CLEAN HOLE.
03:30	04:00	0.5	SERVICE RIG. TONG LINE CHAIN BROKE, REPAIRED.
04:00	06:00	2.0	DRILL 6355' TO 6482', MUD WEIGHT IN 9.7+ PPG, 37 VIS. MUD WEIGHT OUT 9.8 PPG, 36 VIS. CONTINUE TO PUMP SWEEPS EVERY 2-3 JOINTS DOWN TO CLEAN HOLE.

SAFETY MEETING: EYE PROTECTION AND WASHING RIG WHILE DRILLING
NO ACCIDENTS REPORTED THE LAST 24 HOURS
BOILER 24 HOURS
FULL CREWS ON BOTH TOURS
FUEL ON HAND 4118 GALS, USED PAST 24 HOURS 1584 GALS
FUNCTION TEST CROWN-O-MATIC
INSPECT BRAKE LINKAGE AND CONNECTIONS
FUNCTION TEST ANNULAR PREVENTER

BACKGROUND GAS 90-300U. ONE MAJOR SHOW AT 5702' WITH 7767U. NO OTHER SIGNIFICANT GAS

02-16-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total
Cum Costs: Drilling	Completion	\$0	Well Total
MD 7.305 TVD 7.305 Progress 823 Days 5 MW 9.8 Visc 32.0			
Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:45	4.75	DRILL 6482' TO 6696'. MUD WEIGHT IN 9.8 PPG, 37 VIS. MUD WEIGHT OUT 9.8 PPG, 33 VIS.
10:45	11:30	0.75	SERVICE RIG. PUMP SUCTIONS PLUGGED WITH SWEEP MATERIALS. CLEAN AND PUT PUMPS BACK ON LINE.
11:30	13:00	1.5	DRILLING 6696' TO 6757'.

13:00 13:30 0.5 CHANGE OUT TONG LINES.
 13:30 14:30 1.0 ATTEMPTED TO GO BACK TO DRILLING. SHUT DOWN LIGHT PLANT FOR SCHEDULED REPAIR TO ALTERNATOR. SECOND LIGHT PLANT OVERHEATED. WORK ON LIGHT PLANT AND GET IT RUNNING AND POWER RESTORED. RESET ALL SYSTEMS. WORK ON BACKUP PLANT AND CLEANED RADIATOR, BOTH PLANTS RUNNING OK.
 14:30 18:00 3.5 DRILL 6757' TO 6874'. MUD WEIGHT IN 9.7+, 35 VIS. MUD WEIGHT OUT 9.7+, 35 VIS.
 18:00 00:00 6.0 DRILL 6874' TO 7103'. MUD WEIGHT IN 9.8 PPG, 35 VIS. MUD WEIGHT OUT 9.8+ PPG, 35 VIS.
 00:00 04:45 4.75 DRILL 7103' TO 7296'. MUD WEIGHT IN 9.8+ PPG, 35 VIS. MUD WEIGHT OUT 9.9+, 35 VIS. HOLE HAS NO DRAG. CHARGED BATTERY ON SURVEY TOOL WHILE DRILLING & ADD 6 SACKS OF NUT PLUG TO SWEEPS.
 04:45 05:45 1.0 SURVEY AT 7200', 2.37 DEGREES.
 05:45 06:00 0.25 DRILL 7296' TO 7305'. INSPECT BRAKE LINKAGE AND CONNECTIONS.

SAFETY MEETING: MIXING CHEMICALS/MAKING CONNECTIONS
 NO ACCIDENTS
 BOILER 24 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 2455 GALS, FUEL USED 1663 GALS
 FUNCTION TEST CROWN-O-MATIC

02-17-2007 Reported By RICH DEMBOWSKI
 Daily Costs: Drilling Completion \$0 Daily Total
 Cum Costs: Drilling Completion \$0 Well Total
 MD 7,869 TVD 7,869 Progress 564 Days 6 MW 9.9 Visc 34.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TRIPPING FOR BIT

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL FROM 7305' TO 7595'. MUD WEIGHT IN: 9.9 PPG, 35 VIS. MUD WEIGHT OUT: 9.9 PPG, 35 VIS.
12:00	15:15	3.25	DRILL FROM 7595 TO 7735'. MUD WEIGHT IN: 10.0 PPG, 34 VIS. MUD WEIGHT OUT: 10.0 PPG, 41 VIS.
15:15	15:45	0.5	SERVICE RIG. GREASE BLOCK AND SWIVEL.
15:45	18:00	2.25	DRILL FROM 7735' TO 7799'. MUD WEIGHT IN: 10.0 PPG, 34 VIS. MUD WEIGHT OUT: 10.0 PPG, 37 VIS.
18:00	21:00	3.0	DRILL FROM 7799' TO 7869. BIT STOPPED DRILLING. VARIED WEIGHT ON BIT, MOTOR AND ROTARY SPEED AND PUMP RATE. COULD NOT GET BIT TO DRILL. TORQUE RUNNING HIGH AND ERRATIC.
21:00	05:00	8.0	PU OFF BOTTOM, CIRCULATE BOTTOMS UP. RU TO CIRCULATE ACROSS WELLHEAD WITH TRIP TANK. BUILD SLUG. DROP SURVEY. SLUG PIPE AND TOOH FOR BIT CHANGE. PULL SLOWLY FROM 4000' TO SHOE. DRAG FROM 3653' TO SHOE. PULLED BETWEEN 5000# AND 35000# WHILE POOH. HEAVIEST DRAG WAS FROM 3653' TO 3621'. PULLED 35000# OVER. STEADY DRAG FROM 3052' TO SHOE AT 2569'. FIRST TWO STANDS INSIDE OF SHOE PULLED 5-10000# OVER. REMAINDER PULLED WITHOUT DRAG. IN ALL CASES, THERE WAS NO SQUAT. WHEN THE STAND WAS SLACKED OFF INTO HOLE AND THEN PULLED BACK UP, THERE WAS LITTLE OR NO DRAG. CONTINUE OUT OF HOLE. RETRIEVE SURVEY TOOL. SURVEY WAS 1.89 DEGREES AT 7869'. LD BOTH ROLLER REAMERS AND MUD MOTOR WITH BIT. BIT WORN COMPLETELY. MUD MOTOR DRAINING.
05:00	06:00	1.0	PU NEW BIT, NEW MUD MOTOR TIH WITH SLICK BHA. HAVE COLLARS IN HOLE AT REPORT TIME.

SAFETY MEETING: LIFTING AND MIXING CHEMICALS
 NO ACCIDENTS
 BOILER 24 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 5385 GALS, FUEL USED 1570 GALS
 FUNCTION TEST CROWN-O-MATIC

INSPECT BRAKE LINKAGE AND CONNECTIONS

02-18-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total								
Cum Costs: Drilling	Completion	\$0	Well Total	\$							
MD	8,335	TVD	8,335	Progress	466	Days	7	MW	10.0	Visc	34.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	TRIP IN HOLE WITH REMAINDER OF BHA AND DRILL PIPE. STOP AT CASING SHOE.
07:30	08:30	1.0	SLIP & CUT 85' OF DRILL LINE.
08:30	10:00	1.5	SERVICE RIG. REPAIR HYDRUALIC LEAK IN HPU. REPAIR CUTOUT 4" VALVE IN PUMP #2 DISCHARGE LINE.
10:00	14:30	4.5	FILL DRILL PIPE. CONTINUE IN HOLE WITH DRILL STRING. MUD WEIGHT: 10.0 PPG, 34 VIS. FINISH IN HOLE. MIX SWEEP AND CIRC BOTTOMS UP. TRIP GAS 819 UNITS. 5' FILL ON BOTTOM. WASH TO BOTTOM.
14:30	18:00	3.5	DRILL FROM 7869' TO 7912'. MUD WEIGHT IN: 10.2 PPG, 40 VIS. MUD WEIGHT OUT: 10.2 PPG, 41 VIS.
18:00	06:00	12.0	DRILL FROM 7812' TO 8335'. MUD WEIGHT IN: 10.0 PPG, 39 VIS. MUD WEIGHT OUT: 10.0+ PPG, 40 VIS.

SAFETY MEETING: TRIPPING IN HOLE/EMERGENCY EVACUATIONS

NO ACCIDENTS

BOILER 16 HOURS, SHUT DOWN FOR REPAIRS ON TANK

FULL CREWS ON BOTH TOURS

FUEL ON HAND 4276 GALS, FUEL USED 1109 GALS

FUNCTION TEST CROWN-O-MATIC

INSPECT BRAKE LINKAGE AND CONNECTIONS

MAX GAS 724 UNITS AT 8209'.

BG GAS: 90-300 U, CONN: 200-400 U, TRIP GAS: 819 U

02-19-2007 Reported By RICH DEMBOWSKI

Daily Costs: Drilling	Completion	\$0	Daily Total	\$							
Cum Costs: Drilling	Completion	\$0	Well Total	\$							
MD	8,895	TVD	8,895	Progress	650	Days	8	MW	10.0	Visc	34.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0							

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL FROM 8335' TO 8585'. CONDUCTED BOP DRILL. MUD WEIGHT IN: 9.9 PPG, 39 VIS. MUD WEIGHT OUT: 9.9 PPG, 39 VIS. PUMP SWEEP AND DUMP SANDTRAP.
12:00	12:30	0.5	RIG SERVICE. LUBRICATE RIG.
12:30	18:00	5.5	DRILL FROM 8585' TO 8688. MUD WEIGHT IN 9.9 PPG, 38 VIS. MUD WEIGHT OUT: 9.9+, 37 VIS. VERY HARD DRILLING FROM 8594'. ROP VARYING BETWEEN 7.5 FPH 20 FPH. SOME STRINGERS ARE DRILLING AT SIGNIFICANTLY HIGHER RATES (60 + FPH), BUT THEY ARE THINLY BEDDED.
18:00	00:00	6.0	DRILL FROM 8688 TO 8808'. MUD LOGGING SAMPLES INDICATE MIDDLE PRICE RIVER TYPED SHALE. MUD LOGGER INDICATES THAT MIDDLE PRICE RIVER WAS ENTERED APPROXIMATELY 100' HIGHER THAN ANTICIPATED. MUD WEIGHT IN: 9.9 PPG, 41 VIS. MUD WEIGHT OUT: 10.0 PPG, 40 VIS.
00:00	06:00	6.0	DRILL FROM 8808' TO 8895'. MUD WEIGHT IN: 10.0 PPG, 40 VIS. MUD WEIGHT OUT: 10.0 PPG, 41 VIS. SLOW DRILLING IN MIDDLE PRICE RIVER.

SAFETY MEETING: HAND PLACEMENT (TONGS) AND OIL CHANGES
 NO ACCIDENTS
 BOILER 18 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 2851 GALS, FUEL USED 1425 GALS
 FUNCTION TEST CROWN-O-MATIC
 INSPECT BRAKE LINKAGE AND CONNECTIONS
 BOP DRILLS CONDUCTED EACH TOUR
 FUNCTION TESTED RAMS

MAXIMUM GAS: 2528 UNITS AT 8497'
 BG GAS: 120 - 600 U, CONN GAS: 200 - 2000 U, TRIP GAS: N/A
 DRILLING 70% CARB SHALE, 20% SANDSTONE AND 10% RED SHALE

02-20-2007		Reported By		RICH DEMBOWSKI							
Daily Costs: Drilling				Completion		50		Daily Total			
Cum Costs: Drilling				Completion				Well Total			
MD	9.035	TVD	9.035	Progress	140	Days	9	MW	9.85	Visc	37.0
Formation :			PBTD : 0.0			Perf :			PKR Depth : 0.0		

Activity at Report Time: PU AND TIH WITH NEW BIT

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILL FROM 8895' TO 8978'. MUD WEIGHT IN 9.8 + PPG, 38 VIS. MUD WEIGHT OUT: 9.9 PPG, 38 VIS.
12:00	18:00	6.0	DRILL FROM 8978' TO 9025'. MUD WEIGHT IN: 9.7+ PPG, 38 VIS. MUD WEIGHT OUT: 9.7+ PPG, 38 VIS. HARD DRILLING.
18:00	19:00	1.0	DRILL FROM 9025' TO 9035'. BIT TORQUED UP. PU OFF BOTTOM AND PREPARE TO MAKE BIT TRIP.
19:00	21:00	2.0	CIRCULATE BOTTOMS UP. BUILD SLUG. PREPARE AND DROP SURVEY. PREPARE CIRCULATING HEAD TO CIRCULATE HOLE W/O PU KELLY. SET BACK AND BLOW KELLY. RU TRIP TANK TO CIRCULATE ACROSS WELLHEAD. PUMP SLUG.
21:00	02:00	5.0	POOH WITH DRILL STRING. 10-20000 # DRAG COMING OFF OF BOTTOM FOR 13 STANDS. DRAG DISAPPEARED AFTER 13TH STAND (DRAG FROM 9035' TO APPROXIMATELY 8200'). THIS IS THE APPROXIMATE INTERVAL THAT DESCO HAD BEEN ADDED TO THE MUD. NO DRAG FROM 8200' TO APPROXIMATELY 3830'. INTERMITTENT DRAG 10-20000# AT 3830', 3578' AND 3167'. 25000 # DRAG AT 2977'. 5000# DRAG THE LAST STAND ENTERING THE SHOE. A SLIGHT BOBBLE (1-3000#) ENTERING THE SHOE. NO DRAG INSIDE CASING.
02:00	03:00	1.0	TOTCO INDICATED APPARENT GAIN IN PIT VOLUME WITH BIT AT 1839'. SHUT IN WELL. NO CASING PRESSURE. CHECK PITS. FLOAT STUCK WHILE EQUALIZING TANKS. OPEN WELL THRU CHOKE TO GAS BUSTER. NO FLOW. CLOSE HCR VALVE AND OPEN PIPE RAMS. NO FLOW. CHECK TO INSURE THAT HOLE IS FULL. HOLE IS FULL.
03:00	06:00	3.0	FINISH OUT OF HOLE WITH DRILL STRING AND BHA. LD MUD MOTOR AND BIT. JOINT COUNT DOES NOT MATCH PIPE TALLY. JOINT COUNT IS APPROXIMATELY 93' MORE THAN PIPE TALLY. BHA AND HWDP MATCH. WILL SLM IN HOLE TO VERIFY DEPTH.

SAFETY MEETING: RIG SERVICE/TRIPPING PIPE
 NO ACCIDENTS
 BOILER 24 HOURS
 FULL CREWS ON BOTH TOURS
 FUEL ON HAND 5623 GALS, FUEL USED 1228 GALS
 FUNCTION TEST CROWN-O-MATIC
 BOP DRILLS CONDUCTED EACH TOUR

FUNCTION TESTED RAMS
INSPECT BRAKE LINKAGE AND CONNECTIONS

MAXIMUM GAS: 7149 UNITS AT 8925'
BG GAS: 200-700 U, CONN GAS: 200-700 U, TRIP GAS: N/A

LAST SAMPLES OF DRILLED INTERVAL:
60% CARB SHALE, 30% SANDSTONE, 10% SILTSTONE

02-21-2007 Reported By DEMBOWSKI / HATFIELD

Daily Costs: Drilling Completion \$0 Daily Total

Cum Costs: Drilling Completion Well Total

MD 9,241 TVD 9,241 Progress 116 Days 10 MW 10.0 Visc 35.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING @ 9241'.

Start	End	Hrs	Activity Description
06:00	12:00	6.0	PU NEW BIT AND TIH. SLM PIPE WHILE TIH. 75 STANDS IN THE HOLE. PIPE TAKING WEIGHT EVERY FEW STANDS. PU CIRCULATING HEAD AND CIRC HOLE AT 4700'.
12:00	14:30	2.5	CONTINUE IN HOLE, TALLYING PIPE. FLOAT STICKING OPEN. RU AND REVERSE CIRC TO ATTEMPT TO CLEAN FLOAT. REVERSED OUT. FLOAT CLOSED AND WORKING. CONTINUE IN HOLE. TAG UP ON SOLID FILL AT 8940' DPM. COULD NOT BREAK THRU BRIDGE.
14:30	20:30	6.0	WASH & REAM 8940 - 9125'. RUN 5-8K WOB & 55 RPM. NO REAL TOUGH SPOTS, JUST STEADY REAMING. MAINLY JUST FINE CUTTINGS COMING OVER SHAKER. SOME RANDOM CAVINGS, NOTHING NOTEWORTHY.
20:30	06:00	9.5	DRILLING: 9125 - 9241' (116') AVG 12.2 FPH. 15-20K WOB, 55-60 RPM. NO MOTOR. 130 SPM / 1200 PSI / 384 GPM. MW = 10.0, RAISING TO 10.4 ON THIS TOUR.

NOTE: MADE STRAP CORRECTION FROM 9035' TO CORRECTED TD OF 9125' (90'). ON BOTTOM DRILLING @ TD OF 9125' W/ 129 STDS DP + BHA + 20' KD.

MUD LOGGER: 50% SH, 35%SS, 15% SLTST. BGG = 1600, CG = 4000, TG= 3700

SAFETY MEETING: CHANGING OIL. FULL CREWS. BOILER 24 HRS.
FUEL = 4435 GAL / USED 1188 GAL.

NOTE: PASON DATA FOR DEPTH AND ROP INCORRECT FOR PAST SEVERAL HOURS.

02-22-2007 Reported By HATFIELD

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

Cum Costs: Drilling Completion Well Total \$

MD 9,358 TVD 9,358 Progress 117 Days 11 MW 10.4 Visc 36.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TRIP FOR BIT

Start	End	Hrs	Activity Description
06:00	15:00	9.0	DRILLING 9241' - 9305', 64', AVG 7 FPH, 15-25K WOB, 55-85 RPM, NO MOTOR, 130 SPM, 1400 PSI, 384 GPM. MW 10.7.
15:00	15:30	0.5	RIG SERVICE.

15:30 03:00 11.5 DRILLING 9305-9358', 53', AVG 5 FPH. PERIMETERS AS ABOVE. COULDN'T GET BIT TO DRILL, RAISE MUD WEIGHT TO 10.9 PPG TO TRIP.
 03:00 06:00 3.0 PUMP SLUG & TRIP OUT FOR BIT.

MUD LOGGER: 50% SH, 35%SS, 15% SLTST
 BGG 3000U, CG 6000U

SAFETY MEETING: HOUSEKEEPING/RIG INSPECTION
 FULL CREWS
 BOILER 24 HRS
 FUEL 3326 GALS, USED 1109 GALS
 CHECK CROWN-O-MATIC BEFORE TRIP
 FUNCTION TEST PIPE RAMS

02-23-2007 Reported By HATFIELD

DailyCosts: Drilling Completion 50 Daily Total
 Cum Costs: Drilling Completion Well Total
 MD 9,526 TVD 9,526 Progress 168 Days 12 MW 11.0 Visc 35.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	17:00	11.0	CONTINUE TRIP FOR BIT. CHANGE OUT BIT & TRIP BACK IN HOLE. HOLE IN GOOD SHAPE. WASH LAST 45' TO BTM, SOFT FILL.
17:00	06:00	13.0	DRILLING 9358' - 9526', 168', AVG 13 FPH, 18K WOB, 75-80 RPM, ROP BETTER AT LIGHTER WT/HIGH RPM.

MUD LOGGER: 45% SH, 45%SS, 10% SLTST
 BGG 1500U, CG 6200U, TG 2400U

SAFETY MEETING: TRIPPING/100% TIE OFF
 FULL CREWS
 BOILER 24 HRS
 FUEL 6256 GAL
 CHECK CROWN-O-MATIC
 FUNCTION TEST PIPE RAMS, BLIND RAMS AND BAG

02-24-2007 Reported By KIT HATFIELD

DailyCosts: Drilling Completion 50 Daily Total 7
 Cum Costs: Drilling Completion Well Total
 MD 9,800 TVD 9,800 Progress 274 Days 13 MW 11.1 Visc 38.0
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILLING 9526'-9590', 64', AVG 14 FPH, WOB 18-22K, 50-85 RPM.
10:30	11:00	0.5	RIG SERVICE.
11:00	01:30	14.5	DRILLING 9590'-9731', 141', AVG 10 FPH, PERIMETERS AS ABOVE. LOWER PRICE RIVER TOP @ 9631' (ML PICK).

01:30 02:00 0.5 RIG REPAIR, REPLACE GASKET ON VIBRATING LINE.
 02:00 06:00 4.0 DRILLING 9731'-9800', 69', AVG 17 FPH. NOW GETTING BEST ROP W/55 RPM & 22K WOB.

MUD LOGGER: 40% SH, 45%SS, 15% SLTST
 BGG 1500U, CG 2500U
 LOWER PRICE RIVER TOP @ 9631'

SAFETY MEETING: USING PRESSURE WASHER/WET-SLICK SURFACES
 FULL CREWS
 BOILER 24 HRS
 FUEL 4672 GAL, USED 1584 GAL
 CHECK CROWN-O-MATIC

02-25-2007 Reported By KIT HATFIELD

Daily Costs: Drilling : Completion \$0 Daily Total
 Cum Costs: Drilling : Completion Well Total
 MD 10.011 TVD 10.011 Progress 211 Days 14 MW 11.1 Visc 38.0
 Formation : PBTd : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLING 9800'-9874', 74', AVG 12 FPH, 55 RPM & 22K WOB.
12:30	13:00	0.5	SERVICE RIG.
13:00	06:00	17.0	DRILLING 9874'-10011', 137', AVG 8 FPH. SEGO TOP @ 9968'. AFTER SEGO, P-RATE FELL 3-5 FPH.

MUD LOGGER: 45% SH, 50%SS, 5% SLTST
 BGG 1200U, CG 5000U

SAFETY MEETING: FIRE SAFETY/BOP DRILLS
 FULL CREWS
 BOILER 24 HRS
 FUEL 3168 GALS, USED 1504 GALS
 CHECK CROWN-O-MATIC

02-26-2007 Reported By KIT HATFIELD

Daily Costs: Drilling : Completion \$0 Daily Total
 Cum Costs: Drilling : Completion Well Total
 MD 10.065 TVD 10.065 Progress 54 Days 15 MW 0.0 Visc 0.0
 Formation : PBTd : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TRIP OUT LAYING DOWN

Start	End	Hrs	Activity Description
06:00	17:00	11.0	DRILLING 10,011'-10,065' TD, 55', AVG 5 FPH, 27K WOB, 50 RPM. BGG @ TD 1000U W/11.4 PPG MUD. REACHED TD AT 17:00 HRS, 2/25/07.
17:00	19:30	2.5	PUMP HI VIS SWEEP & CIRCULATE OUT.
19:30	21:30	2.0	SHORT TRIP 20 STANDS WO PROBLEM.
21:30	23:00	1.5	CIRCULATE & RIG UP LAY DOWN MACHINE.
23:00	06:00	7.0	TRIP OUT LAYING DOWN DRILL PIPE.

MUD LOGGER: 45% SH, 50%SS, 5% SLTST
 BGG 1200U, CG 5000U

SAFETY MEETING: LAYING DOWN DRILL PIPE/KICK DETECTION
 FULL CREWS
 BOILER 24 HRS
 FUEL 1584 GALS, USED 1584 GALS
 CHECK CROWN-O-MATIC

02-27-2007 Reported By KIT HATFIELD

DailyCosts: Drilling		Completion		Daily Total
Cum Costs: Drilling		Completion		Well Total
MD	10,065	TVD	10,065	Progress
				0
			Days	16
			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	11:30	5.5	CONTINUE TRIP OUT. LD DP & BHA.
11:30	13:00	1.5	PULL WEAR RING. CLEAR FLOOR. RIG UP CASING CREW.
13:00	20:00	7.0	RUN CASING: RUN 250 JT (248 JTS FULL JTS + 2 MARKER JTS) OF 4 1/2", 11.6#, HC P-110, LTC CASING. RAN AS FOLLOWS: FLOAT SHOE AT 10,049' KB, 1 JT CASING, FLOAT SHOE AT 10,005', 55 JT CASING, MARKER JT AT 7780'-7801', 98 JTS CASING, MARKER JT AT 3819'-3840', 94 JTS CASING. TAG ON JT #249 @ 10065' TD/LAY DOWN #249). CASING RAN RIGHT TO BOTTOM W/NO PROBLEMS.
20:00	22:00	2.0	CIRCULATE CASING. LAY DOWN TAGGING JOINT. MAKE UP HANGER AND LANDING JOINT. RUN IN TO 2' ABOVE CASING HEAD. RIG DOWN CASING CREW AND LAY DOWN MACHINE. HOLD JOB DISCUSSION - SAFETY MEETING W/DOWELL CEMENTERS. RIG UP TO CEMENT.
22:00	00:00	2.0	CEMENT CASING: TEST TO 5000 PSI. PUMP 20 BBLS CHEMICAL WASH, 20 BW. LEAD IN W/270 SX 35/65 POZ W/6% D20 + 2% D174 + .125 #/SX D-130 + .2% D46 + .75% D112 + .3% D13 + 0.2% D65 MIXED AT 12 PPG. TAIL IN W/1870 SX 50/50 POZ W/2% D20+ .2% D65+ .2% D167+ .1% D46+ .1% D13 MIXED AT 14.1 PPG. DROP PLUG & DISPLACE W/155 BBLS WATER W/2% CLAY STABILIZER AT 8 BPM. BUMPED PLUG W/500 PSI OVER. FLOATS HELD. HAD FULL RETURNS THROUGH OUT JOB. NO CEMENT TO SURFACE. CEMENT IN PLACE @ 00:00 HRS (MIDNIGHT).
00:00	00:30	0.5	LAND CASING IN HEAD. BACK OFF LANDING JOINT. TEST HANGER W/ 5000 PSI. OK. RIG DOWN CEMENTERS.
00:30	06:00	5.5	NIPPLE DOWN STACK. INSTALL DRY HOLE CAP. CLEAN PITS.

SAFETY MEETING: RUNNING CASING/CEMENTING
 FULL CREWS
 BOILER 24 HRS
 FUEL 3247 GAL
 CHECK CROWN-O-MATIC

RIG RELEASED 2/27/07 @ 06:00 HRS.
 CASING POINT COST: \$1,021,090

03-03-2007 Reported By SEARLE

DailyCosts: Drilling	\$0	Completion	Daily Total
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Cum Costs: Drilling				Completion				Well Total			
MD	10,065	TVD	10,065	Progress	0	Days	20	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 10005.0			Perf : 7975-9908			PKR Depth : 0.0		

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
07:00	16:00	9.0	RUWL. SET 10K CFP AT 8830'. PERFORATED MPR FROM 8710'-11', 8718'-19', 8742'-43', 8748'-49', 8757'-58', 8762'-63', 8768'-69', 8797'-98', 8801'-02', 8807'-08' & 8816'-17' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4951 GAL YF125ST+ PAD & 50727 GAL YF125ST+ & YF118ST+ WITH 168800# 20/40 SAND @ 1-6 PPG. MTP 7732 PSIG. MTR 49.6 BPM. ATP 5952 PSIG. ATR 47.5 BPM. ISIP 3500 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8680'. PERFORATED UP/MPR FROM 8575'-77', 8585'-87', 8596'-98', 8616'-17', 8628'-29', 8635'-36', 8640'-41', 8650'-51' & 8662'-63' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4945 GAL YF125ST+ PAD & 50414 GAL YF125ST+ & YF118ST+ WITH 167600# 20/40 SAND @ 1-6 PPG. MTP 7446 PSIG. MTR 49.5 BPM. ATP 5744 PSIG. ATR 46.7 BPM. ISIP 3480 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8510'. PERFORATED UP/MPR FROM 8301'-02', 8306'-07', 8329'-30', 8338'-39', 8363'-64', 8368'-69', 8437'-38', 8443'-44', 8450'-8451', 8459'-60', 8481'-82' & 8487'-88' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4935 GAL YF125ST+ PAD & 50484 GAL YF125ST+ & YF118ST+ WITH 169300# 20/40 SAND @ 1-6 PPG. MTP 8152 PSIG. MTR 49.7 BPM. ATP 5988 PSIG. ATR 45.9 BPM. ISIP 3700 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 8275'. PERFORATED UP/MPR FROM 7975'-76' (MISFIRE), 7984'-85', 8005'-06', 8015'-16', 8042'-43', 8078'-79', 8122'-23', 8136'-37', 8150'-51', 8170'-71', 8252'-53' (MISFIRE) & 8259'-60' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4948 GAL YF125ST+ PAD, 49774 GAL YF125ST+ & YF118ST+ WITH 166060# 20/40 SAND @ 1-6 PPG. MTP 8402 PSIG. MTR 49.5 BPM. ATP 6548 PSIG. ATR 41.8 BPM. ISIP 3150 PSIG. RD SCHLUMBERGER. RUWL.
			RUWL. SET 10K CBP @ 7800'. BLEED OFF PRESSURE. RDWL. SDFN.

03-15-2007	Reported By		MCCAMENT								
Daily Costs: Drilling	\$0	Completion				Daily Total					
Cum Costs: Drilling		Completion				Well Total					
MD	10,065	TVD	10,065	Progress	0	Days	21	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 10005.0			Perf : 7975-9908			PKR Depth : 0.0		

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
12:30	17:30	5.0	MIRUSU. RIH W/3-7/8" TRI CONE BIT & PUMP OFF BIT SUB TO CBP @ 7800'. LD 1 JT TBG. SDFN.

03-16-2007	Reported By		MCCAMENT								
Daily Costs: Drilling	\$0	Completion				Daily Total					
Cum Costs: Drilling	\$	Completion				Well Total					
MD	10,065	TVD	10,065	Progress	0	Days	22	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 10005.0			Perf : 7975-9908			PKR Depth : 0.0		

Activity at Report Time: POH

Start	End	Hrs	Activity Description
06:00	17:30	11.5	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7800', 8275', 8510' & 8610'. UNABLE TO DRILL 5TH PLUG @ 8830'. BIT TORQUE W/4-6K WOB. POH ABOVE PERFS. SDFN.

03-17-2007 Reported By MCCAMENT

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

Cum Costs: Drilling Completion Well Total

MD 10.065 TVD 10.065 Progress 0 Days 23 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 10005.0 Perf : 7975-9908 PKR Depth : 0.0

Activity at Report Time: PREP TO SET TBG PLUG

Start End Hrs Activity Description

06:00 13:00 7.0 SICP 2000 PSIG. RIH TO PLUG @ 8830'. UNABLE TO DRILL. FLOAT VALVE LEAKING. SDFN. PREP TO RU SLICKLINE TO SET TBG PLUG.

03-18-2007 Reported By MCCAMENT

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

Cum Costs: Drilling Completion Well Total

MD 10.065 TVD 10.065 Progress 0 Days 24 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 10005.0 Perf : 7975-9908 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description

06:00 15:00 9.0 SITP 2200 PSIG, SICP 2200 PSIG. BLEW WELL DOWN. MIRU DELSCO SLICKLINE. SET TBG PLUG IN XN NIPPLE @ 8792'. BLEW TBG DOWN. POH. LD 27 JTS. LANDED TBG @ 7927' KB. ND BOPE. NU TREE. RETRIEVED TBG PLUG. RDWL. WEATHERFORD TRI CONE BIT & PUMP OFF BIT SUB ON END OF TBG. FLOAT VALVE NOT HOLDING.

TUBING DETAIL: LENGTH:

PUMP OFF SUB & BIT 1.91'

1 JT 2 3/8" 4.7#, 8RD, N-80 32.58'

XN NIPPLE 1.10'

242 JTS 2 3/8" 4.7#, 8RD, N-80 7872.32'

BELOW KB 19.00'

LANDED @ 7926.91' KB

FLOW 14 HRS. 16/64" CHOKE. FTP 1400 PSIG. CP 1800 PSIG. 43 BPH. RECOVERED 714 BLW. 9040 BLWTR.

03-19-2007 Reported By MCCAMENT

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

Cum Costs: Drilling Completion Well Total

MD 10.065 TVD 10.065 Progress 0 Days 25 MW 0.0 Visc 0.0

Formation : MESAVERDE PBTB : 10005.0 Perf : 7975-9908 PKR Depth : 0.0

Activity at Report Time: FLOW TEST TO SALES

Start End Hrs Activity Description

06:00 06:00 24.0 FLOW 24 HRS. 16/64 CHOKE. FTP 1300 PSIG. CP 2250 PSIG. 34 BPH. RECOVERED 754 BLW. 8286 BLWTR.

03-20-2007 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion		Daily Total
Cum Costs: Drilling	10,065	Completion	0	Well Total
MD	10,065	TVD	10,065	Progress
				Days
				26
Formation : MESAVERDE		PBTD : 10005.0		Perf : 7975-9908
				MW
				0.0
				Visc
				0.0
				PKR Depth : 0.0

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS ON 16/64" CHOKE THROUGH TEST UNIT TO SALES. FTP 1050 PSIG. CP 2300 PSIG. 34 BPH. RECOVERED 857 BLW. 7429 BLWTR. 547 MCFD RATE.

INITIAL PRODUCTION. OPENING PRESSURE: TP 1250 & CP 2350 PSI. TURNED WELL TO QUESTAR SALES AT 8:30 AM. 3/19/07. FLOWED 420 MCFD RATE ON 20/64" POS CHOKE.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-3405
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-824-5526	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 661' FSL & 590' FEL (SE/SE) Sec. 35-T10S-R19E 39.898119 LAT 109.742219 LON		8. Well Name and No. Wild Horse Federal 112-35
		9. API Well No. 43-047-36748
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/Mesaverde
		11. County or Parish, State Uintah County, UT

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

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

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

EOG Resources, Inc. requests authorization for commingling of production from the Wasatch and Mesaverde formations in the referenced wellbore. In the event allocation of production is necessary, the allocation will be based on proportionate net pay as calculated from open hole logs. Production from the Wasatch and Mesaverde formations will be commingled in the wellbore and produced through open ended 2-3/8" tubing landed below all perforations in the 4-1/2" production casing.

Attached is a map showing the location of all wells on contiguous oil and gas leases or drilling units and an affidavit showing that this application has been provided to owners of all contiguous oil and gas leases or drilling units overlying the pool.

Accepted by the
Utah Division of
Oil, Gas and Mining

Federal Approval Of This
Action Is Necessary

Mary A. Maestas
DATE: 3/30/07
COPY SENT TO OPERATOR

Date: 3/30/07
By: [Signature]

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Mary A. Maestas		Title Regulatory Assistant
Signature <i>Mary A. Maestas</i>	Date 03/07/2007	

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

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

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

(Instructions on page 2)

RECEIVED

MAR 08 2007

DIV. OF OIL, GAS & MINING

STATE OF COLORADO)

) ss

COUNTY OF DENVER)

VERIFICATION

Mary A. Maestas, of lawful age, being first duly sworn upon oath, deposes and says:

She is a Regulatory Assistant for EOG Resources, Inc. EOG Resources, Inc. is the operator of the following described well:

**Wild Horse Federal 112-35
661' FSL – 590' FEL (SESE)
SECTION 35, T10S, R19E
UINTAH COUNTY, UTAH**

EOG Resources, Inc., Dominion Exploration & Production, Inc., GASCO Production Company, and Brek Petroleum, Inc. are the only owners in the well and/or of all contiguous oil and gas leases or drilling units overlying the pool.

On the 7th day of March, 2007 she placed in the United States mail, with postage prepaid, a copy of the attached Application for Commingling in one wellbore for the subject well.

Said envelope, which contained these instruments, was addressed to the Utah Division of Oil, Gas & Mining, Bureau of Land Management, Dominion Exploration & Production, Inc., GASCO Production Company, and Brek Petroleum, Inc.

Further affiant saith not.



Mary A. Maestas
Regulatory Assistant

Subscribed and sworn before me this 7th day of March 2007.





Notary Public
My Commission Expires 10/2010

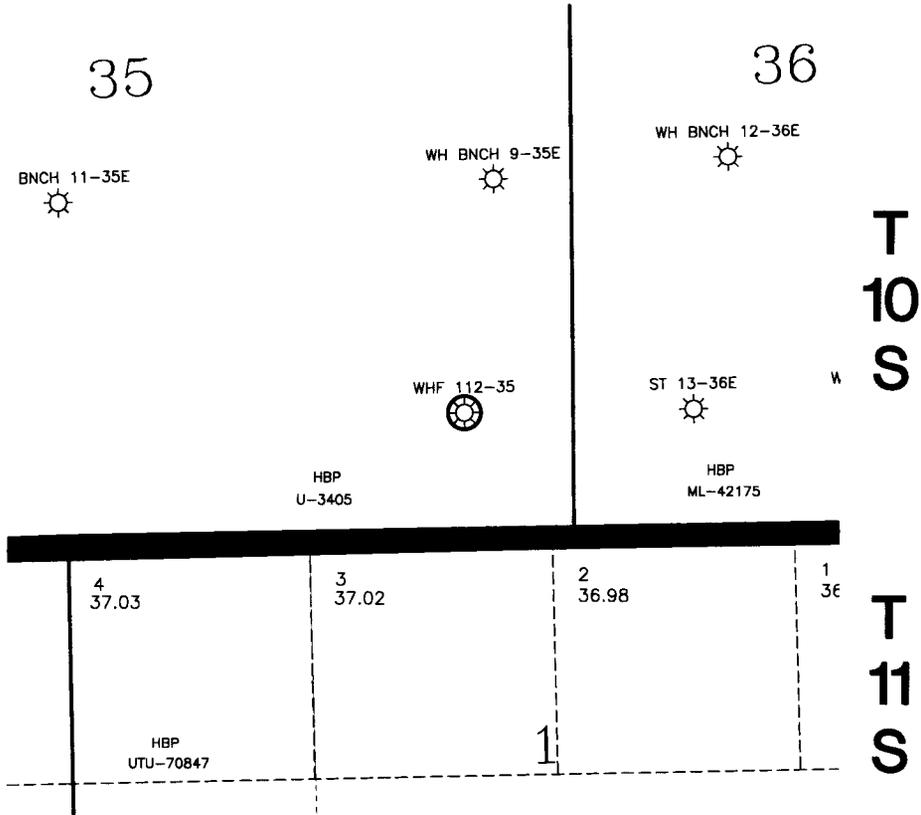
**Exhibit "A" to Affidavit
Wild Horse Federal 112-35 Application to Commingle**

**Dominion Exploration & Production, Inc.
14000 Quail Springs Parkway, Suite 600
Oklahoma City, Oklahoma 73134-2600
Attention: Mr. Rusty Waters**

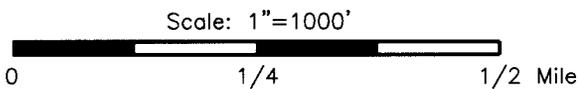
**GASCO Production Company
8 Inverness Drive East, Suite 100
Englewood, Colorado 80112
Attention: Mark Shoury**

**Brek Petroleum, Inc.
1100 Melville Street, Suite 600
Vancouver, B.C. CANADA V6E 4A6
Attention: Anne McFadden**

R 19 E



○ WILD HORSE FEDERAL 112-35



Denver Division

EXHIBIT "A"

WILD HORSE FEDERAL 112-35
Commingling Application
Uintah County, Utah

Scale: 1" = 1000'	D:\utah\Commingled\ page_WHF112-36_commingled.dwg WELL	Author TLM	Mar 06, 2007 - 2:53pm
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UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

5. Lease Serial No. **U-3405**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No. **Wild Horse Federal 112-35**

9. AFI Well No. **43-047-36748**

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

11. Sec., T., R., M., on Block and Survey or Area **Sec. 35-T10S-R19E**

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

17. Elevations (DF, RKB, RT, GL)* **5412' NAT GL**

14. Date Spudded **08/31/2006** 15. Date T.D. Reached **02/25/2007** 16. Date Completed **03/19/2007**
 D & A Ready to Prod.

18. Total Depth: MD **10,065** TVD **10,065** 19. Plug Back T.D.: MD **10,005** TVD **10,005** 20. Depth Bridge Plug Set: MD **10,005** TVD **10,005**

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

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2443		745 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-10,049		2140 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	7927							

25. Producing Intervals

Formation	Top	Bottom	Perforation Record	Size	No. Holes	Perf. Status
A) Mesaverde	7984	9908	9639-9908		3/spf	
B)			9339-9582		2/spf	
C)			9080-9283		2/spf	
D)			8855-9037		3/spf	

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

Depth Interval	Amount and Type of Material
9639-9908	56,647 GALS GELLED WATER & 169,800# 20/40 SAND
9339-9582	56,240 GALS GELLED WATER & 169,000# 20/40 SAND
9080-9283	60,107 GALS GELLED WATER & 191,200# 20/40 SAND
8855-9037	55,761 GALS GELLED WATER & 168,000# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
03/19/2007	03/24/2007	24	→	38	578	500			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
2-1/2"	600	1400	→	38	578	500			PRODUCING GAS WELL

28a. Production - Interval B

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

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

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APR 06 2007

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

SOLD

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Mesaverde	7984	9908		Wasatch	4289
				Chapita Wells	4885
				Buck Canyon	5592
				Bf	6000
				North Horn	6451
				Mesaverde	7841
				Middle Price River	8607
Lower Price River	9487				
				Sego	9921

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

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

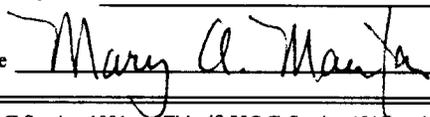
- Electrical/Mechanical Logs (1 full set req'd.)
 Geologic Report
 DST Report
 Directional Survey
 Sundry Notice for plugging and cement verification
 Core Analysis
 Other:

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

Name (please print) **Mary A. Maestas**

Title **Regulatory Assistant**

Signature



Date **04/05/2007**

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

Wild Horse Federal 112-35 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8710-8817	3/spf
8575-8663	3/spf
8301-8488	3/spf
7984-8260	3/spf

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

8710-8817	55,843 GALS GELLED WATER & 168,800# 20/40 SAND
8575-8663	55,524 GALS GELLED WATER & 167,600# 20/40 SAND
8301-8488	55,584 GALS GELLED WATER & 169,300# 20/40 SAND
7984-8260	54,887 GALS GELLED WATER & 166,060# 20/40 SAND

Perforated the Lower Price River from 9639-9640', 9645-9646', 9688-9689', 9716-9717', 9729-9730', 9782-9783', 9803-9804', 9818-9819', 9843-9844', 9853-9854', 9881-9882', 9898-9899' & 9907-9908' w/ 3 spf.

Perforated the Middle/Lower Price River from 9339-9340', 9351-9352', 9362-9363', 9374-9375', 9401-9402', 9421-9422', 9430-9431', 9450-9451', 9468-9469', 9508-9509', 9515-9516', 9530-9531', 9558-9559' & 9581-9582' w/ 2 spf.

Perforated the Middle Price River from 9080-9081', 9099-9100', 9107-9108', 9117-9118', 9136-9137', 9172-9173', 9178-9179', 9192-9193', 9213-9214', 9222-9223', 9235-9236', 9249-9250', 9275-9276' & 9282-9283' w/ 2 spf.

Perforated the Middle Price River from 8855-8856', 8861-8862', 8872-8873', 8920-8921', 8939-8940', 8947-8948', 8954-8955', 8970-8971', 8993-8994', 9022-9023', 9026-9027' & 9036-9037' w/ 3 spf.

Perforated the Middle Price River from 8710-8711', 8718-8719', 8742-8743', 8748-8749', 8757-8758', 8762-8763', 8768-8769', 8797-8798', 8801-8802', 8807-8808' & 8816-8817' w/ 3 spf.

Perforated the Upper/Middle Price River from 8575-8577', 8585-8587', 8596-8598', 8616-8617', 8628-8629', 8635-8636', 8640-8641', 8650-8651' & 8662-8663' w/ 3 spf.

Perforated the Upper Price River from 8301-8302', 8306-8307', 8329-8330', 8338-8339', 8363-8364', 8368-8369', 8437-8438', 8443-8444', 8450-8451', 8459-8460', 8481-8482' & 8487-8488' w/ 3 spf.

Perforated the Upper Price River from 7984-7985', 8005-8006', 8015-8016', 8042-8043', 8078-8079', 8122-8123', 8136-8137', 8150-8151', 8170-8171', & 8259-8260' w/ 3 spf.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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

SUNDRY NOTICES AND REPORTS ON WELLS

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

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-3405
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-824-5526	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 661' FSL & 590' FEL (SE/SE) Sec. 35-T10S-R19E 39.898119 LAT 109.742219 LON		8. Well Name and No. Wild Horse Federal 112-35
		9. API Well No. 43-047-36748
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/Mesaverde
		11. County or Parish, State Uintah County, UT

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

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

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

EOG Resources, Inc. continued completion on the referenced well as follows, commingling production from the Wasatch and Mesaverde formations:

1. Perforated the North Horn from 7806-7807', 7811-7812', 7823-7824', 7828-7829', 7833-7834', 7838-7839', 7860-7861', 7869-7870', 7879-7880', 7912-7913', 7915-7916' & 7921-7922' w/ 3 spf. Fracture stimulated with 57,476 gals gelled water & 168,300# 20/40 sand.
 2. Perforated the North Horn from 7622-7623', 7629-7630', 7634-7635', 7642-7643', 7650-7651', 7662-7663', 7669-7670', 7726-7727', 7735-7736', 7744-7745', 7760-7761' & 7763-7764' w/ 3 spf. Fracture stimulated with 55,040 gals gelled water & 167,500# 20/40 sand.
 3. Perforated the North Horn from 6996-6997', 7015-7016', 7063-7064', 7080-7081', 7088-7089', 7143-7144', 7159-7160', 7196-7197', 7212-7213', 7229-7230', 7242-7243' & 7262-7263' w/ 3 spf. Fracture stimulated with 36,854 gals gelled water & 88,800# 20/40 sand.
 4. Perforated the North Horn from 6515-6516', 6521-6522', 6545-6546', 6549-6550', 6574-6575', 6636-6637', 6703-6704', 6732-6733', 6739-6740', 6756-6757', 6782-6783' & 6813-6814' w/ 3 spf. Fracture stimulated with 35,678 gals gelled water & 29,700# 20/40 sand.
 5. Perforated the Buck Canyon from 6182-6183', 6237-6238', 6267-6268', 6295-6296', 6334-6335', 6343-6345', 6353-6354', 6365-6367', 6389-6390' & 6399-6400' w/ 3 spf. Fracture stimulated with 250 gals HCL; 28,302 gals gelled water & 75,300# 20/40 sand.
 6. Perforated the Buck Canyon from 5788-5790', 5800-5802', 5810-5812', 5861-5862', 5878-5879', 5887-5888', 5897-5898', 5931-5932' & 5947-5948' w/ 3 spf. Fracture stimulated with 250 gals HCL; 34,460 gals gelled water & 102,500# 20/40 sand.
- See additional sheet.

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

Mary A. Maestas

Title **Regulatory Assistant**

Signature



Date

07/10/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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

Title

Date

Office

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

(Instructions on page 2)

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JUL 12 2007
DIV. OF OIL, GAS & MINING

Wild Horse Federal 112-35 – Additional Remarks

7. Perforated the Buck Canyon from 5672-5673', 5677-5678', 5682-5684', 5718-5719', 5728-5730', 5735-5737' & 5744-5745' w/ 3 spf. Fracture stimulated with 250 gals HCL; 33,956 gals gelled water & 100,100# 20/40 sand.

8. Perforated the Chapita Wells from 5286-5287', 5303-5304', 5313-5315', 5403-5404', 5443-5444', 5456-5457', 5503-5504', 5512-5514', 5548-5549' & 5576-5577' w/ 3 spf. Fracture stimulated with 250 gals HCL; 33,032 gals gelled water & 28,600# 20/40 sand.

9. Perforated the Chapita Wells from 5122-5125', 5140-5142', 5152-5154', 5162-5164', 5178-5180' & 5213-5214' w/ 3 spf. Fracture stimulated with 250 gals HCL; 39,500 gals gelled water & 122,600# 20/40 sand.

10. Perforated the Chapita Wells from 5034-5035', 5043-5044', 5048-5050', 5057-5059', 5065-5068', 5076-5077' & 5081-5082' w/ 3 spf. Fracture stimulated with 250 gals HCL; 34,166 gals gelled water & 105,000# 20/40 sand.

Returned well to sales on 7/8/2007, commingling production from the Wasatch and Mesaverde formations.

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET (for state use only)

ROUTING
 CDW

X - Change of Operator (Well Sold)

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

10/1/2011

FROM: (Old Operator): N9550-EOG Resources, Inc. 1060 E Highway 40 Vernal, UT 84078 Phone: 1 (435) 781-9145	TO: (New Operator): N3755-Koch Exploration Company, LLC. 9777 Pyramid Court, Suite 210 Englewood, CO 80112 Phone: 1 (303) 325-2561
---	--

CA No.

Unit:

WELL NAME	SEC	TWN	RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
SEE ATTACHED LIST - 28 WELLS								

OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 11/9/2011
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 11/9/2011
3. The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 6/29/2011
- 4a. Is the new operator registered in the State of Utah: Business Number: 5078823-0161
- 5a. (R649-9-2)Waste Management Plan has been received on: Requested 12/19/2011
- 5b. Inspections of LA PA state/fee well sites complete on: n/a
- 5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 11/2/2011 BIA
7. **Federal and Indian Units:**
 The BLM or BIA has approved the successor of unit operator for wells listed on: 10/24/2011
8. **Federal and Indian Communization Agreements ("CA"):**
 The BLM or BIA has approved the operator for all wells listed within a CA on: not yet
9. **Underground Injection Control ("UIC")** Division has approved UIC Form 5 Transfer of Authority to **Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: n/a

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 12/19/2011
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 12/19/2011
3. Bond information entered in RBDMS on: n/a
4. Fee/State wells attached to bond in RBDMS on: n/a
5. Injection Projects to new operator in RBDMS on: n/a
6. Receipt of Acceptance of Drilling Procedures for APD/New on: n/a

BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: COB000296
2. Indian well(s) covered by Bond Number: n/a
- 3a. (R649-3-1) The **NEW** operator of any state/fee well(s) listed covered by Bond Number n/a
- 3b. The **FORMER** operator has requested a release of liability from their bond on: n/a

LEASE INTEREST OWNER NOTIFICATION:

4. (R649-2-10) The **NEW** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS: Five undrilled APDs are not being transferred at this time and may be rescinded in the future.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

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

5. Lease Serial No.
Multiple Leases

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG Resources, Inc **N9550**

3a. Address
1060 EAST HIGHWAY 40, VERNAL, UT 84078

3b. Phone No. (include area code)
435-781-9145

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

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

8. Well Name and No.
Multiple Wells

9. API Well No.
See Attached

10. Field and Pool or Exploratory Area
Natural Buttes

11. Country or Parish, State
Uintah, Utah

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

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

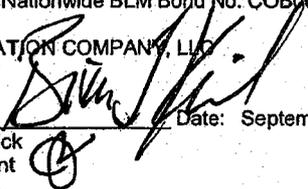
13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths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

EOG Resources, Inc. has assigned all of its right, title and interest in the wells described in the attached list (the "Subject Wells") to Koch Exploration Company, LLC and will relinquish and transfer operatorship of all of the Subject Wells to Koch Exploration Company, LLC on October 1, 2011.

As of October 1, 2011, Koch Exploration Company, LLC will be considered to be the operator of each of the Subject Wells and will be responsible under the terms and conditions of the applicable lease for the operations conducted upon the leased lands. Bond coverage is provided under Koch Exploration Company, LLC's Nationwide BLM Bond No. COB00296.

KOCH EXPLORATION COMPANY, LLC

N3755

By:  Date: September 1, 2011
Brian J. Kissick
Vice President

RECEIVED

NOV 09 2011

Address: 9777 Pyramid Court, Suite 210
Englewood, Colorado 80112

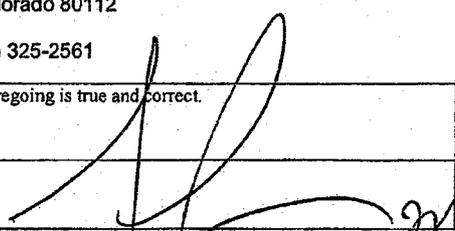
Telephone Number: (303) 325-2561

DIV. OF OIL, GAS & MINING

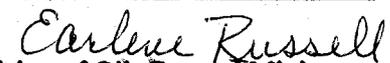
14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
J. Michael Schween

Title Agent and Attorney-in-Fact

Signature  Date 09/01/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE APPROVED 12/19/2011

Approved by 
Earlene Russell
Division of Oil, Gas and Mining
Earlene Russell, Engineering Technician

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

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



Change of Operator from EOG Resources, Inc (N9555)
to Koch Exploration Company, LLC (N3755)

HOME FED 1	34	100S	190E	4304730223	10	Federal	GW	S
LITTLE PAPOOSE FED 1-26	26	100S	190E	4304731779	10715	Federal	GW	P
WH FED 2-26	26	100S	190E	4304731882	11051	Federal	GW	P
WH FED 2-35	35	100S	190E	4304731901	11254	Federal	GW	P
WH FED 3-26	26	100S	190E	4304732377	11439	Federal	GW	P
WH FED 3-35	35	100S	190E	4304732389	11444	Federal	GW	P
WILDHORSE FED 105-34	34	100S	190E	4304733419	12689	Federal	GW	S
WILDHORSE FED 106-35	35	100S	190E	4304733420	12688	Federal	GW	P
WHB 8-35E	35	100S	190E	4304735038	14118	Federal	GW	S
WHB 8-34E	34	100S	190E	4304735044	14404	Federal	GW	P
WHB 11-35E	35	100S	190E	4304735053	14426	Federal	GW	P
WHB 3-35E	35	100S	190E	4304735066	14403	Federal	GW	P
WHB 9-35E	35	100S	190E	4304735067	14405	Federal	GW	P
WH FED 120-34	34	100S	190E	4304736744	15224	Federal	GW	P
WH FED 121-34	34	100S	190E	4304736745	15602	Federal	GW	S
WH FED 116-34	34	100S	190E	4304736746	15616	Federal	GW	P
WH FED 109-35	35	100S	190E	4304736747	15252	Federal	GW	P
WH FED 112-35	35	100S	190E	4304736748	15613	Federal	GW	S
WH FED 115-35	35	100S	190E	4304736749	15221	Federal	GW	P
WH FED 118-35	35	100S	190E	4304736750	15222	Federal	GW	S
WH FED 117-35	35	100S	190E	4304736751	15251	Federal	GW	P
WH FED 108-34	34	100S	190E	4304737668	16115	Federal	GW	P
WH FED 110-35	35	100S	190E	4304737669	16081	Federal	GW	P
WH FED 107-34	34	100S	190E	4304737681	15958	Federal	GW	P
WH FED 111-35	35	100S	190E	4304737682	16001	Federal	GW	P
WH FED 119-35	35	100S	190E	4304737683	16047	Federal	GW	P
WH FED 122-34	34	100S	190E	4304739436	16900	Federal	GW	P
WH FED 123-35	35	100S	190E	4304739437	16960	Federal	GW	P

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SEP 22 2011

SUNDRY NOTICES AND REPORTS ON WELLS

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

5. Lease Serial No.
Multiple Leases

6. If Indian, Allottee or Tribe Name

SUBMIT IN TRIPLICATE - Other instructions on page 2.

1. Type of Well
 Oil Well Gas Well Other

2. Name of Operator
EOG Resources, Inc

3a. Address
1060 EAST HIGHWAY 40, VERNAL, UT 84078

3b. Phone No. (include area code)
435-781-9145

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

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

8. Well Name and No.
Multiple Wells

9. API Well No.
See Attached

10. Field and Pool or Exploratory Area
Natural Buttes

11. Country or Parish, State
Uintah, Utah

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

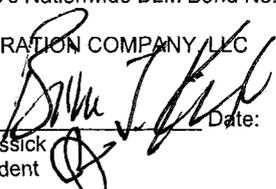
TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/>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

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KOCH EXPLORATION COMPANY, LLC

By:  Date: September 1, 2011
Brian J. Kissick
Vice President

Address: 9777 Pyramid Court, Suite 210
Englewood, Colorado 80112

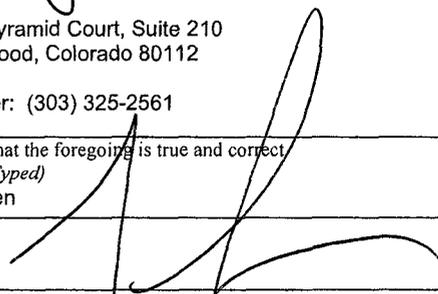
Telephone Number: (303) 325-2561

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DIV. OF OIL, GAS & MINING

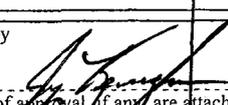
14. I hereby certify that the foregoing is true and correct.

Name (Printed/Typed)
J. Michael Schween

Title Agent and Attorney-in-Fact

Signature  Date 09/01/2011

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by  Assistant Field Manager
Lands & Mineral Resources

Date NOV 02 2011

Office **VERNAL FIELD OFFICE**

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

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(Instructions on page 2)

UDOGM



EXHIBIT A

API #	Well Name	Lease #	Unit Name	Unit #	Legal Description
4304730223	HOME FEDERAL 1-34	UTU3405	N/A	N/A	10S-19E-34-NENE
4304731722	OSCU II 1-27	UTU49518	North Alger	UTU063094X	10S-19E-27-SENE
4304731898	OSCU II 2-27	UTU49518	North Alger	UTU063094X	10S-19E-27-NWSE
4304733463	OSCU II 108-27	UTU49518	North Alger	UTU063094X	10S-19E-27-NENE
4304736269	OSCU II 109-27	UTU49518	North Alger	UTU063094X	10S-19E-27-SWSE
4304737680	OSCU II 116-27	UTU49518	North Alger	UTU063094X	10S-19E-27-NESE
4304737678	OSCU II 122-27	UTU49518	North Alger	UTU063094X	10S-19E-27-NWNE
4304736743	OSCU II 123-27	UTU49518	North Alger	UTU063094X	10S-19E-27-SWNE
4304737679	OSCU II 124-27	UTU49518	North Alger	UTU063094X	10S-19E-27-SESE
4304738902	OSCU II 125-34	UTU49523	North Alger	UTU063094X	10S-19E-34-NENNW
4304738901	OSCU II 126-34	UTU49523	North Alger	UTU063094X	10S-19E-34-NESW
4304735066	WHB 3-35E	UTU3405	N/A	N/A	10S-19E-35-NENNW
4304735044	WHB 8-34E	UTU3405	N/A	N/A	10S-19E-34-SENE
4304735038	WHB 8-35E	UTU3405	N/A	N/A	10S-19E-35-SENE
4304735067	WHB 9-35E	UTU3405	N/A	N/A	10S-19E-35-NESE
4304735053	WHB 11-35E	UTU3405	N/A	N/A	10S-19E-35-NESW
4304731901	WILD HORSE FED 2-35	UTU3405	N/A	N/A	10S-19E-35-NWNW
4304732389	WILD HORSE FED 3-35	UTU3405	N/A	N/A	10S-19E-35-NWSW
4304733419	WILD HORSE FED 105-34	UTU3405	N/A	N/A	10S-19E-34-NWNE
4304733420	WILD HORSE FED 106-35	UTU3405	N/A	N/A	10S-19E-35-SENW
4304737681	WILD HORSE FED 107-34	UTU49523	N/A	N/A	10S-19E-34-SESW
4304737668	WILD HORSE FED 108-34	UTU3405	N/A	N/A	10S-19E-34-SESE
4304736747	WILD HORSE FED 109-35	UTU3405	N/A	N/A	10S-19E-35-SWSW
4304737669	WILD HORSE FED 110-35	UTU3405	N/A	N/A	10S-19E-35-SWSE
4304737682	WILD HORSE FED 111-35	UTU3405	N/A	N/A	10S-19E-35-SESW
4304736748	WILD HORSE FED 112-35	UTU3405	N/A	N/A	10S-19E-35-SESE
4304736749	WILD HORSE FED 115-35	UTU3405	N/A	N/A	10S-19E-35-NWNE
4304736746	WILD HORSE FED 116-34	UTU3405	N/A	N/A	10S-19E-34-NESE
4304736751	WILD HORSE FED 117-35	UTU3405	N/A	N/A	10S-19E-35-SWNW
4304736750	WILD HORSE FED 118-35	UTU3405	N/A	N/A	10S-19E-35-SWNE
4304737683	WILD HORSE FED 119-35	UTU3405	N/A	N/A	10S-19E-35-NWSE
4304736744	WILD HORSE FED 120-34	UTU3405	N/A	N/A	10S-19E-34-SWNE
4304736745	WILD HORSE FED 121-34	UTU3405	N/A	N/A	10S-19E-34-SWSE
4304739436	WILD HORSE FED 122-34	UTU3405	N/A	N/A	10S-19E-34-NWSE
4304739437	WILD HORSE FED 123-35	UTU3405	N/A	N/A	10S-19E-35-NENE

United States Department of the Interior



BUREAU OF LAND MANAGEMENT
Green River District-Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410
<http://www.blm.gov/ut/st/en/fo/vernal.html>



43-047-36748

IN REPLY REFER TO:
3162.3 (UTG011)

NOV 02 2011

Brian J. Kissick
Koch Exploration Company, LLC
9777 Pyramid Court, Suite 210
Englewood, CO 80112

Re: Change of Operator
Well No. Wild Horse Federal 112-35
SESE, Sec. 35, T10S, R19E
Uintah County, Utah
Lease No. UTU-3405

Dear Mr. Kissick:

This correspondence is in regard to the self-certification statement submitted requesting a change of operator for the above referenced well. After a review by this office, the change of operator request is approved. Effective October 1, 2011, Koch Exploration Company, LLC is responsible for all operations performed on the referenced well. All liability will now fall under your bond, BLM Bond No. COB000296, for all operations conducted on the referenced well on the leased land.

If you have any questions regarding this matter, please contact Cindy Severson of this office at (435) 781-4455.

Sincerely,

/s/ Jerry Kenczka

Jerry Kenczka
Assistant Field Manager
Lands & Mineral Resources

Enclosure

cc: UDOGM
XTO Energy, Inc.
EOG Resources, Inc.

bcc: Well File
Reading File

RECEIVED
NOV 04 2011
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: UTU-3405
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well	8. WELL NAME and NUMBER: WH FED 112-35	
2. NAME OF OPERATOR: KOCH EXPLORATION COMPANY LLC	9. API NUMBER: 43047367480000	
3. ADDRESS OF OPERATOR: 9777 Pyramid Court Ste 210 , Englewood, CO, 80112	PHONE NUMBER: 303 325-2562 Ext	9. FIELD and POOL or WILDCAT: NATURAL BUTTES
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0661 FSL 0590 FEL QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: SESE Section: 35 Township: 10.0S Range: 19.0E Meridian: S	COUNTY: UINTAH	
	STATE: UTAH	
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA		
TYPE OF SUBMISSION	TYPE OF ACTION	
<input type="checkbox"/> NOTICE OF INTENT Approximate date work will start: <input checked="" type="checkbox"/> SUBSEQUENT REPORT Date of Work Completion: 3/21/2012 <input type="checkbox"/> SPUD REPORT Date of Spud: <input type="checkbox"/> DRILLING REPORT Report Date:	<input type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input checked="" type="checkbox"/> PRODUCTION START OR RESUME <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER SHUTOFF <input type="checkbox"/> SI TA STATUS EXTENSION <input type="checkbox"/> WILDCAT WELL DETERMINATION <input type="checkbox"/> OTHER	
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc. Wellbore cleaned out to PBD @ 10,0005', spotted 30gal biocide in rathole, relanded tubing @ 5165', and well returned to production. Last production was 05/2011.		
Accepted by the Utah Division of Oil, Gas and Mining FOR RECORD ONLY May 14, 2012		OTHER: <input style="width: 100px;" type="text"/>
NAME (PLEASE PRINT) Natalie Naeve	PHONE NUMBER 303 325-2565	TITLE Operations Engineer
SIGNATURE N/A	DATE 5/11/2012	

