

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

May 24, 2005

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

**RE: APPLICATION FOR PERMIT TO DRILL  
CHAPITA WELLS UNIT 305-18  
NW/SW (Lot 3), SEC. 18, T9S, R23E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-0337  
FEDERAL LANDS**

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

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

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

Sincerely,



Ed Trotter  
Agent  
EOG Resources, Inc.

Attachments

RECEIVED  
MAY 27 2005  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**001 APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work:  DRILL  REENTER  
1b. Type of Well:  Oil Well  Gas Well  Other  Single Zone  Multiple Zone

5. Lease Serial No.  
**U-0337**  
6. If Indian, Allottee or Tribe Name  
7. If Unit or CA Agreement, Name and No.  
**CHAPITA WELLS UNIT**

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

8. Lease Name and Well No.  
**CHAPITA WELLS UNIT 305-18**

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

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

9. API Well No.  
**43-047-36759**

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface **1650' FSL, 750' FWL** *638594X 40.033350*  
At proposed prod. Zone *44325135 NW/SW (Lot 3)*  
*-109.375640*

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**  
11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 18, T9S, R23E,  
S.L.B.&M.**

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

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

15. Distance from proposed\* location to nearest property or lease line, ft. **750'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**2344**

17. Spacing Unit dedicated to this well

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

19. Proposed Depth  
**9375'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4907.5 FEET GRADED GROUND**

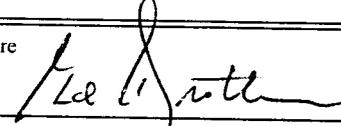
22. Approximate date work will start\*  
**UPON APPROVAL**

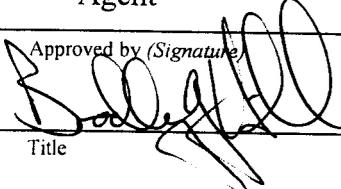
23. Estimated duration  
**45 DAYS**

24. Attachments

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

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

25. Signature  Name (Printed/Typed) **Ed Trotter** Date **May 24, 2005**

Approved by (Signature)  Name (Printed/Typed) **BRADLEY G. HILL** Date **06-09-05**  
Title **Agent** Office **ENVIRONMENTAL SCIENTIST III**

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**

**RECEIVED**  
**MAY 27 2005**  
DIV. OF OIL, GAS & MINING

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

## EOG RESOURCES, INC.

Well location, CWU #305-18, located as shown in the NW 1/4 SW 1/4 (LOT 3) of Section 18, T9S, R23E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

BENCH MARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, 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 5132 FEET.

### BASIS OF BEARINGS

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



SCALE

### 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 H. Gray*

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH

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

SCALE 1" = 1000'	DATE SURVEYED: 03-29-05	DATE DRAWN: 04-05-05
PARTY J.F. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

R  
22  
E

R  
23  
E

N00°02'W - 2701.38' (G.L.O.)

N00°01'37"E - 2635.07' (Meas.)

N88°54'W - 2579.94' (G.L.O.)

N89°49'04"W - 2653.56' (Meas.)

N00°08'33"W - 2645.29' (Meas.)

N00°05'50"E - 2633.31' (Meas.)

LOT 1

LOT 2

LOT 3

LOT 4

18

**CWU #305-18**

Elev. Ungraded Ground = 4909'

750'

1650'

1977 Brass Cap,  
0.4' High, Pile of  
Stones

1977 Brass Cap,  
0.4' Above 1.5'  
High Pile of Stones

1977 Brass Cap,  
0.6' High

N89°52'48"W - 2592.63' (Meas.)

S89°52'09"W - 2642.32' (Meas.)

### LEGEND:

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

(NAD 83)  
LATITUDE = 40°01'59.79" (40.033275)  
LONGITUDE = 109°22'34.57" (109.376269)  
(NAD 27)  
LATITUDE = 40°01'59.91" (40.033308)  
LONGITUDE = 109°22'32.12" (109.375589)

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 305-18**  
**NW/SW, SEC. 18, T9S, R23E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Wasatch	4,722'
North Horn	6,716'
Island	6,992'
KMV Price River	7,214'
KMV Price River Middle	7,884'
KMV Price River Lower	8,700'
Sego	9,167'

EST. TD: 9,375'

Anticipated BHP 4100 PSI

**3. PRESSURE CONTROL EQUIPMENT:**

5000 PSIG

BOP Schematic Diagram attached.

**4. CASING PROGRAM:**

<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>LENGTH</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
17 1/2"	0' - 45'	45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
12 1/4"	45' - 2,300' +/- KB	2,300' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2300' - TD +/-KB	9,375' +/-	4 1/2"	11.6 #	N-80	LT&C	6350 PSI	7780 PSI	223,000#

**Note:** The 12 1/4" Intermediate hole will be drilled to a total depth of 200' below the base of the Green River lost circulation zone and 9 5/8" casing will be set to that depth. Actual setting depth of the 9 5/8" casing may be less than 2300' in this well.

All casing will be new or inspected.

**5. Float Equipment:**

**Surface Hole Procedure (0-45' Below GL):**

None

**Intermediate Hole Procedure (45' -±2300')**

Guide Shoe

Insert Float Collar (PDC drillable)

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

## EIGHT POINT PLAN

### CHAPITA WELLS UNIT 305-18 NW/SW, SEC. 18, T9S, R23E, S.L.B.&M.

#### UINTAH COUNTY, UTAH

##### Float Equipment (Continued):

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

FS, 1 joint of casing, FC, and balance of casing to surface. Run 11.6#, N-80 burst rating or equivalent marker collars or short casing joints at  $\pm 7,214'$  (**Top of Price River**) and  $\pm 4,300'$  (**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** (50 total). Thread lock FS, top and bottom of FC, and top of 2<sup>nd</sup> joint.

#### 6. MUD PROGRAM

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

Air – Air Water Mist

##### Intermediate Hole Procedure (45' $\pm$ 2300'):

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

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

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

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

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

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

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

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 305-18**  
**NW/SW, SEC. 18, T9S, R23E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

**7. VARIANCE REQUESTS:**

- A. EOG Resources, Inc. requests a variance to regulations requiring a straight run blooie line (Where possible, a straight run blooie line will be used).
- B. EOG Resources, Inc. requests a variance to regulations requiring an automatic 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 (0-45' Below GL)**  
**Redi Mix Cement**

**Intermediate Hole Procedure (45'-± 2300'):**  
**Option #1**

**Lead: 85 sks:** (50% excess volume) Class 'G' lead cement (coverage from 1700-1000') with 5% D44 (Salt), 12% D20 (Bentonite), 1% D79% (Extender), 0.25% D112 (Fluid Loss Additive), 0.2% D46 (Anti-Foamer) & 0.25 pps D29 (Cellophane flakes) mixed at 11.0 ppg, 3.91 ft<sup>3</sup>/sk., 24.5 gps water.

**Tail: 290 sks:** (50% excess volume) Class 'G' cement (coverage from 2700-1700') with 10% D53 (Gypsum), 2% S1 (CaCl<sub>2</sub>) & 0.25 pps D29 (Cellophane flakes) mixed at 14.2 ppg, 1.61 ft<sup>3</sup>/sk., 7.9 gps water.

**Option 2:**

**Lead: 210 sks:** (60% excess volume) Class 'G' lead cement (coverage from 2300-1800') with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Tail: 720 sks:** (60% excess volume) Class 'G' cement (coverage from 1800'-Surface) with 2% BWOC (Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**EIGHT POINT PLAN**

**CHAPITA WELLS UNIT 305-18**  
**NW/SW, SEC. 18, T9S, R23E, S.L.B.&M.**

**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

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

**Lead: 110 sks** 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 ft<sup>3</sup>/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 ft<sup>3</sup>/sk., 5.9 gps water.

**10. ABNORMAL CONDITIONS:**

**Intermediate Hole (45'- $\pm$  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

**13. HAZARDOUS CHEMICALS:**

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

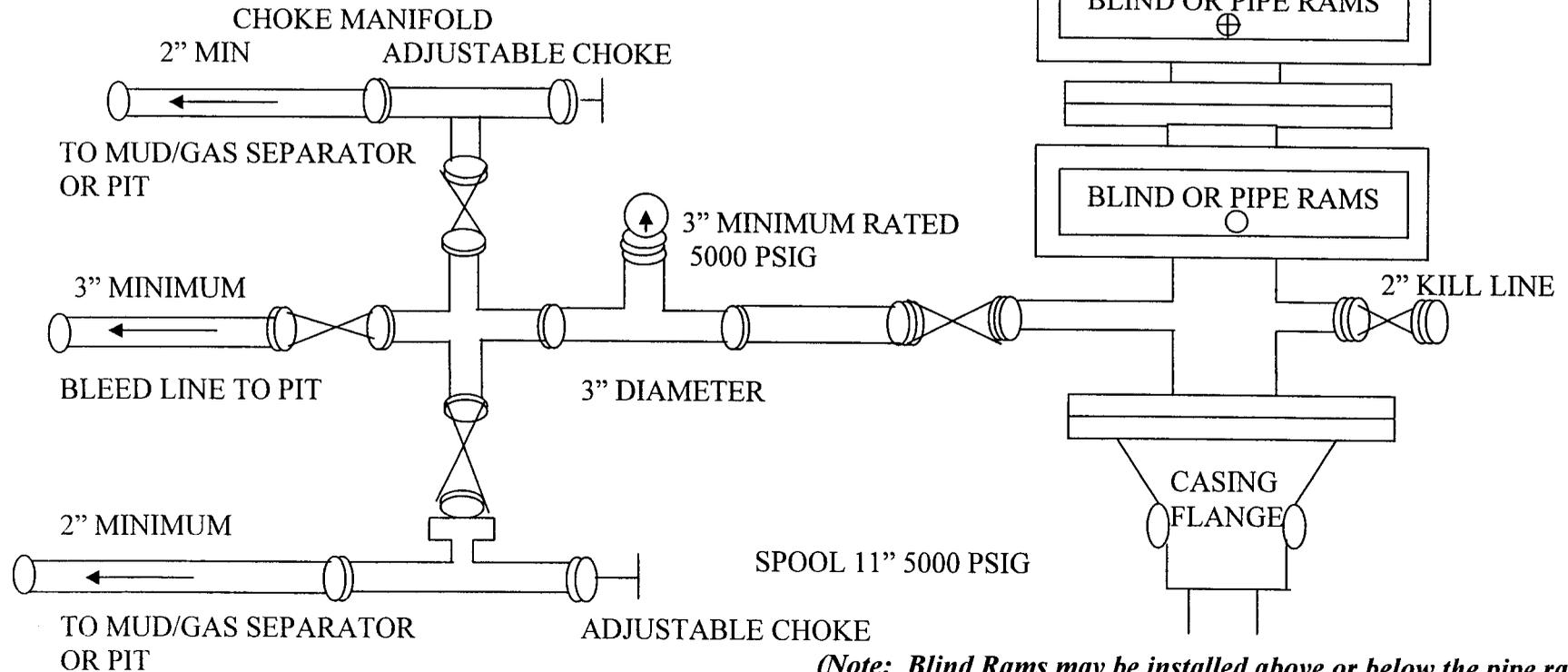
(Attachment: BOP Schematic Diagram)

## 5000 PSIG DIAGRAM

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

### TESTING PROCEDURE:

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



*(Note: Blind Rams may be installed above or below the pipe rams)*

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

Company/Operator: EOG Resources, Inc.  
Well Name & Number: Chapita Wells Unit 305-18  
Lease Number: U-0337  
Location: 1650' FSL & 750' FWL, NW/SW (Lot 3),  
Sec. 18, T9S, R23E, S.L.B.&M.,  
Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 20.4 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### 2. PLANNED ACCESS ROAD

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

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

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

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

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

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

A. Abandoned wells - 7\*

B. Producing wells - 16\*

(\*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 1693' from proposed location to a point in the SW/SW of Section 18, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of -Way grant will not be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

The production facilities will be placed on the North 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.
- D. The approved seed mixture for this location is:
  - Wyoming Big Sage – 3 pounds per acre
  - Gardner Salt Bush – 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 Northeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the East side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil Southeast of Corner #5 and South of Corner B. The stockpiled location topsoil will be stored North and West of Corner #6. 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.

Access to the well pad will be from the South.

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 May 15 and June 20 due to Antelope 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 **Chapita Wells Unit 305-18 Well, located in the NW/SW (Lot 3) of Section 18, T9S, R23E, Uintah County, Utah; Lease #U-0337;** 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.

5-24-2005

Date



Agent

EOG RESOURCES, INC.  
CHAPITA WELLS UNIT #305-18  
SECTION 18, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN LEFT AND PROCEED IN A NORTHERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE CWU #1048-18 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 51.4 MILES.

# EOG RESOURCES, INC.

CWU #305-18

LOCATED IN UTAH COUNTY, UTAH

SECTION 18, T9S, R23E, S.L.B.&M.



PHOTO: VIEW OF LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



Since 1964

**ELS**

Utah Engineering & Land Surveying

85 South 200 East Vernal, Utah 84078

435-789-1017 uels@uelsinc.com

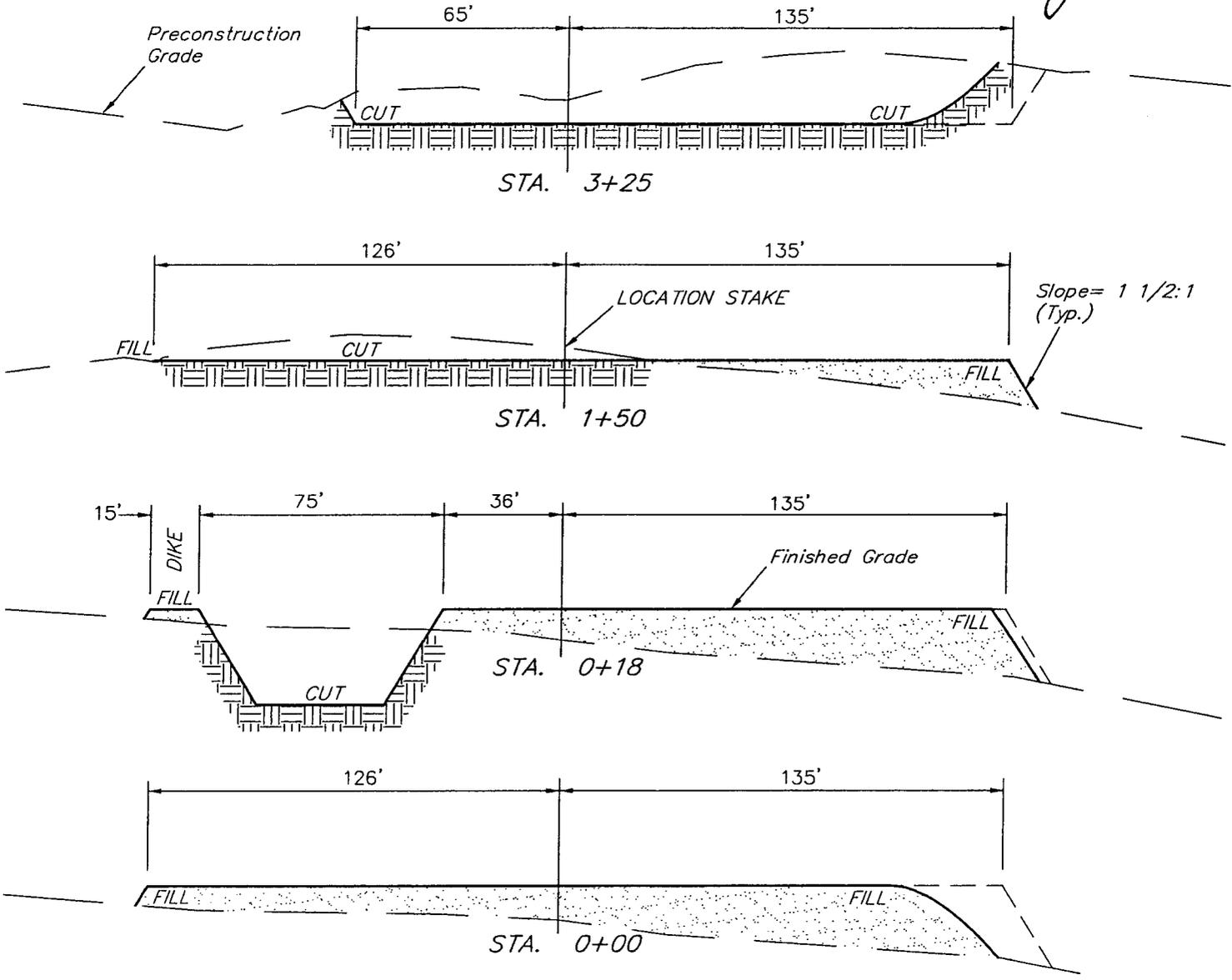
LOCATED BY: J.S.	03	31	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: J.S.	DRAWN BY: J.S.	REVISED: 000-00-000		



TYPICAL CROSS SECTIONS FOR  
 CWU #305-18  
 SECTION 18, T9S, R23E, S.L.B.&M.  
 1650' FSL 750' FWL

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

DATE: 04-05-05  
 Drawn By: P.M.



NOTE:

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

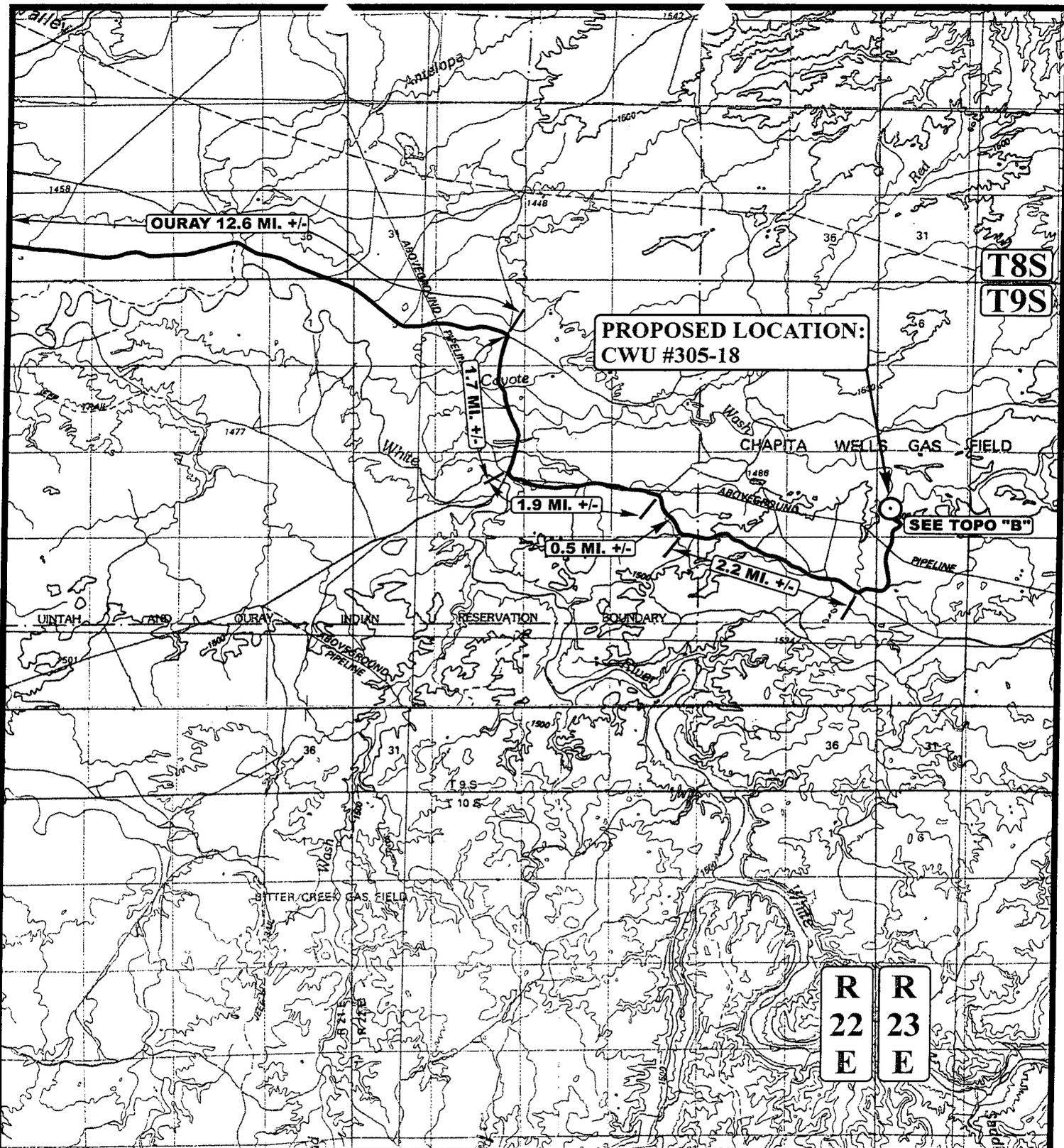
\* NOTE:

FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 1,640 Cu. Yds.
Remaining Location	= 7,270 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 8,910 CU.YDS.</b>
<b>FILL</b>	<b>= 5,610 CU.YDS.</b>

EXCESS MATERIAL	= 3,300 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,300 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.



**LEGEND:**

○ PROPOSED LOCATION



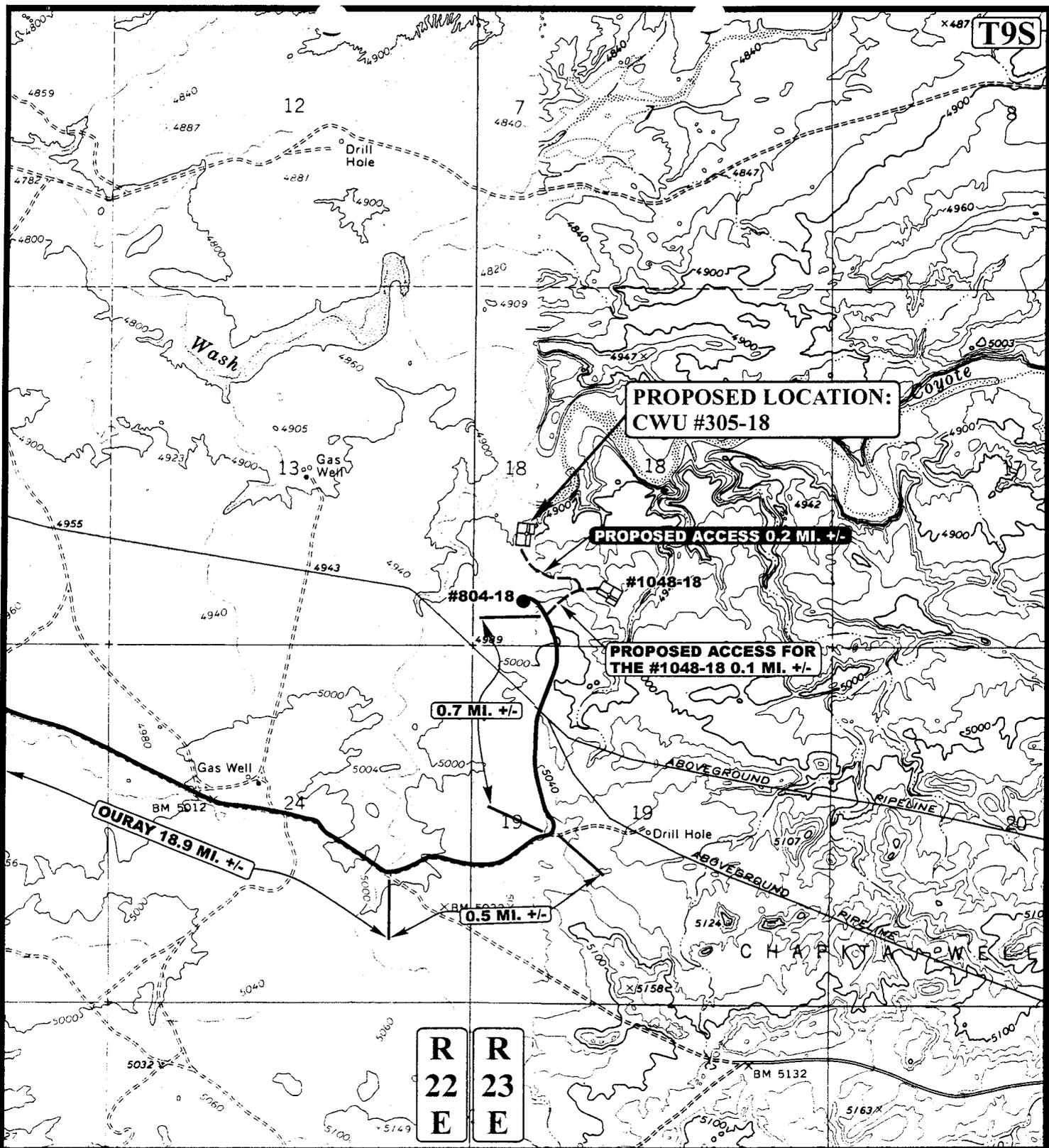
**EOG RESOURCES, INC.**

CWU #305-18  
 SECTION 18, T9S, R23E, S.L.B.&M.  
 1650' FSL 750' FWL

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

TOPOGRAPHIC MAP 03 31 05  
 MONTH DAY YEAR  
 SCALE: 1 : 100,000 DRAWN BY: L.K. REVISED: 00-00-00





**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD

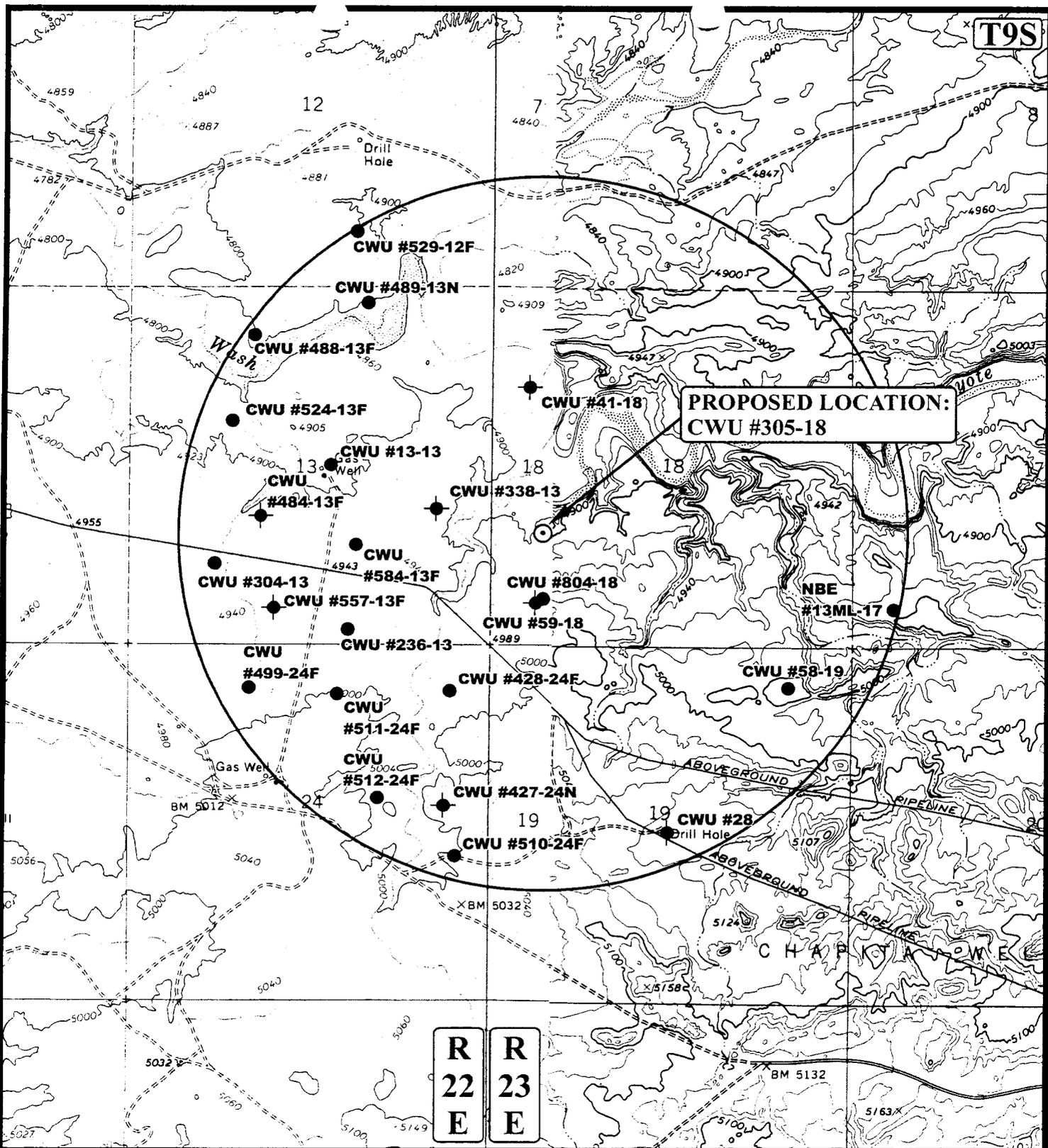


Utah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**EOG RESOURCES, INC.**

CWU #305-18  
 SECTION 18, T9S, R23E, S.L.B.&M.  
 1650' FSL 750' FWL

<b>TOPOGRAPHIC</b>	<b>03</b>	<b>31</b>	<b>05</b>	<b>B</b> TOPO
<b>MAP</b>	MONTH	DAY	YEAR	
SCALE: 1" = 2000'		DRAWN BY: L.K.		REVISED: 00-00-00



**LEGEND:**

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

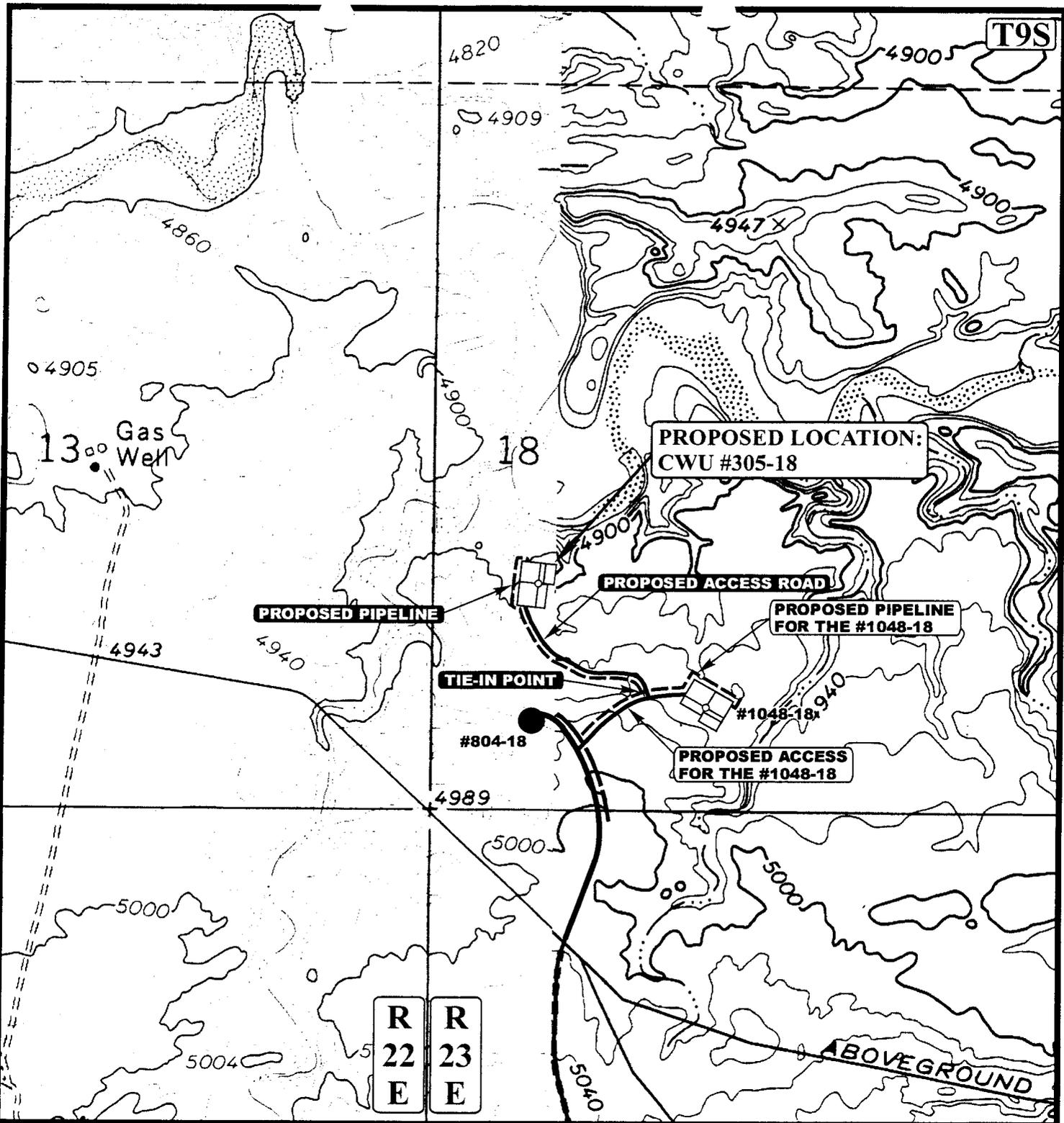
**EOG RESOURCES, INC.**

**CWU #305-18**  
**SECTION 18, T9S, R23E, S.L.B.&M.**  
**1650' FSL 750' FWL**

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

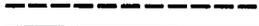


**TOPOGRAPHIC MAP** **03 31 05**  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00 **C TOPO**



APPROXIMATE TOTAL PIPELINE DISTANCE = 1693' +/-

**LEGEND:**

-  PROPOSED ACCESS ROAD
-  EXISTING PIPELINE
-  PROPOSED PIPELINE (SERVICING OTHER WELLS)
-  PROPOSED PIPELINE

**EOG RESOURCES, INC.**

CWU #305-18  
 SECTION 18, T9S, R23E, S.L.B.&M.  
 1650' FSL 750' FWL



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

TOPOGRAPHIC  
 MAP

03	31	05
MONTH	DAY	YEAR

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

**D**  
 TOPO

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 05/27/2005

API NO. ASSIGNED: 43-047-36759

WELL NAME: CWU 305-18  
OPERATOR: EOG RESOURCES INC ( N9550 )  
CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NWSW 18 090S 230E  
SURFACE: 1650 FSL 0750 FWL  
BOTTOM: 1650 FSL 0750 FWL  
UINTAH  
NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
LEASE NUMBER: U-0337  
SURFACE OWNER: 1 - Federal  
PROPOSED FORMATION: PRRV  
COALBED METHANE WELL? NO

LATITUDE: 40.03335  
LONGITUDE: -109.3756

RECEIVED AND/OR REVIEWED:

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

LOCATION AND SITING:

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

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

STIPULATIONS: 1. Federal Approval



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160

(UT-922)

June 8, 2005

Memorandum

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

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

API#	WELL NAME	LOCATION
(Proposed PZ North Horn)		
43-047-36756	CWU 673-6	Sec 6 T09S R23E 1650 FNL 0640 FWL
(Proposed PZ Price River)		
43-047-36757	CWU 1048-18	Sec 18 T09S R23E 0722 FSL 1963 FWL
43-047-36758	CWU 1049-18	Sec 18 T09S R23E 0586 FSL 2112 FEL
43-047-36759	CWU 305-18	Sec 18 T09S R23E 1650 FSL 0750 FWL
43-047-36755	CWU 1051-22	Sec 22 T09S R23E 2169 FNL 0807 FWL
43-047-36761	CWU 967-34	Sec 34 T09S R23E 0700 FSL 1893 FWL
43-047-36760	CWU 951-30	Sec 30 T09S R23E 0747 FSL 2177 FEL
43-047-36762	CWU 672-1	Sec 1 T09S R22E 1966 FSL 1807 FWL
43-047-36763	CWU 669-1	Sec 1 T09S R22E 0717 FNL 2180 FWL
43-047-36764	CWU 670-1	Sec 1 T09S R22E 1500 FNL 0285 FWL

Pursuant to telephone conversation between Debbie Spears, EOG, and myself production from North Horn formation will be allocated to the Wasatch Participating Area. This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

**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*

June 9, 2005

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

Re: Chapita Wells Unit 305-18 Well, 1650' FSL, 750' FWL, NW SW, Sec. 18,  
T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36759.

Sincerely,

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** Chapita Wells Unit 305-18  
**API Number:** 43-047-36759  
**Lease:** U-0337

**Location:** NW SW                      **Sec.** 18                      **T.** 9 South                      **R.** 23 East

### **Conditions of Approval**

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.  
**U-0337**

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
**CHAPITA WELLS UNIT 305-18**

9. API Well No.  
**4304736759**

10. Field and Pool, or Exploratory  
**NATURAL BUTTES**

11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 18, T9S, R23E,  
S.L.B.&M.**

12. County or Parish  
**UINTAH**

13. State  
**UTAH**

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 **1650' FSL, 750' FWL NW/SW (Lot 3)**  
At proposed prod. Zone

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

15. Distance from proposed\* location to nearest property or lease line, ft. (Also to nearest drig. Unit line, if any)  
**750'**

16. No. of Acres in lease  
**2344**

17. Spacing Unit dedicated to this well

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

19. Proposed Depth  
**9375'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4907.5 FEET GRADED GROUND**

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

23. Estimated duration  
**45 DAYS**

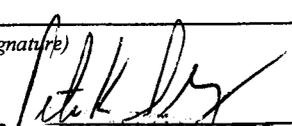
24. Attachments

Attachments

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

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

25. Signature  Name (Printed/Typed) **Ed Trotter** Title **Agent** Date **May 24, 2005**

Approved by (Signature)  Name (Printed/Typed) **PETER K. SOKOLOVSKIY** Title **Assistant Field Manager** Office **VERNAL FIELD OFFICE** Date **DEC 12 2005**

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

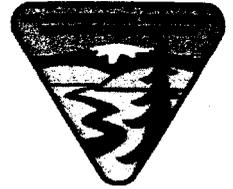
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**NOTICE OF APPROVAL** **CONDITIONS OF APPROVAL ATTACHED**



UNITED STATES DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT  
VERNAL FIELD OFFICE

170 South 500 East VERNAL, UT 84078 (435) 781-4400



**CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL**

**Company:** EOG Resources Inc  
**Well No:** CWU 305-18

**Location:** Lot 3 Sec 18, T9S, R23E  
**Lease No:** UTU-0337

Petroleum Engineer: Matt Baker  
Petroleum Engineer: Michael Lee  
Supervisory Petroleum Technician: Jamie Sparger  
BLM FAX Machine

Office: 435-781-4490  
Office: 435-781-4432  
Office: 435-781-4502  
(435) 781-4410  
Cell: 435-828-4470  
Cell: 435-828-7875  
Cell: 435-828-3913

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR  
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval.. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations.

***Downhole Conditions of Approval***

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

**SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

1. Top of cement for the production casing shall be at a minimum of 2300'

## **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 and 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 and 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 and 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 should 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, Worland Field Office.
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 and 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 and 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 and 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 ( $\frac{1}{4}\frac{1}{4}$ , 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 and 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 should 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.

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

Company/Operator: EOG Resources Inc.

API Number 43-047-36759

Well Name & Number: CWU 305-18

Lease number: UTU-0337

Location: NWSW Sec, 18 T. 9S. R. 23E.

Surface Ownership: BLM

Date NOS Received: 5/23/05

Date APD Received: 5/26/05

Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.

The pipeline shall be buried within the identified construction width of an access corridor that contains the access road and pipelines. The operator may request in writing an exception to this COA. Exceptions to this COA may include but are not limited to: laterally extensive, hard indurated bedrock, such as sandstone, which is at or within 2 feet of the surface; and, soil types with a poor history for successful rehabilitation. The exception request will be reviewed by the authorized officer (AO) and a determination made.

Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-0337</b>
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: <b>CHAPITA WELLS UNIT</b>
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>		8. WELL NAME and NUMBER: <b>CHAPITA WELLS UNIT 305-18</b>
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		9. API NUMBER: <b>43-047-36759</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1650 FSL 750 FWL 40.033275 LAT 109.376269 LON</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 18 9S 23E S.L.B. &amp; M</b>		COUNTY: <b>UINTAH</b>
		STATE: <b>UTAH</b>

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> (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"/> <b>SUBSEQUENT REPORT</b> (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: <b>APD EXTENSION REQUEST</b>
	<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: 05-03-06  
By: [Signature]

10/16/06  
RM

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>5/30/2006</u>

(This space for State use only)

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

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

**API:** 43-047-36759  
**Well Name:** CHAPITA WELLS UNIT 305-18  
**Location:** 1650 FSL 750 FWL (NWSW), SECTION 18, T9S, R23E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 6/9/2005

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

5/31/2006

\_\_\_\_\_  
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

JUN 02 2006

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**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.*

FORM APPROVED  
OMB No. 1018-0137  
Expires 12/31/07

**RECEIVED**

5. Lease Serial No.  
U-0337

6. If Indian, Allottee or Tribe Name

NOV 21 2006

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

**BLM**

8. Well Name and No.  
**Chapita Wells Unit 305-18**

9. API Well No.  
**43-047-36759**

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

11. County or Parish, State  
**Uintah County, Utah**

**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  
**1060 East Highway 40 Vernal, Ut 84078**

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1650' FSL & 750' FWL (NW/SW)  
Sec. 18-T9S-R23E 40.033275 LAT 109.376269 LON**

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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 the APD for the referenced well originally approved 12/1/2005 be extended for one year.**

**RECEIVED**  
**DEC 21 2006**

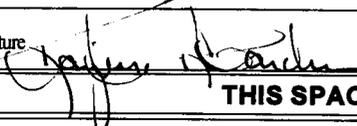
**DIV. OF OIL, GAS & MINING**

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

**Kaylene R. Gardner**

Title **Sr. Regulatory Assistant**

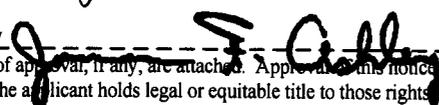
Signature



Date

**11/20/2006**

**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.

**Petroleum Engineer**

Title

Date

**DEC 16 2006**

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)

**UDOGM**

**CONDITIONS OF APPROVAL ATTACHED**

# CONDITIONS OF APPROVAL

## EOG Resources, Inc.

### Notice of Intent APD Extension

**Lease:** U-0337  
**Well:** CWU 305-18  
**Location:** NWSW Sec 18-T9S-R23E

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

---

1. The extension and APD shall expire on 12/1/07
2. No other extension shall be granted.

If you have any other questions concerning this matter, please contact Jim Ashley of this office at (435) 781-4470.

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 305-18

Api No: 43-047-36759 Lease Type: FEDERAL

Section 18 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # RATHOLE

### **SPUDDED:**

Date 01/10/07

Time 10:00 AM

How DRY

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

Reported by DALL COOK

Telephone # (435) 828-3630

Date 01/10/2007 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
 Address: 600 17th 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
43-047-37415	Chapita Wells Unit 695-32		SWNE	32	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15871	1/10/2007		1/11/07		
Comments: <u>NHORN</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36759	Chapita Wells Unit 305-18		NWSW	18	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>XB</u>	99999	14074	1/10/2007		1/11/07		
Comments: <u>PRRU = MVRS</u>							

**Well 3**

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

**ACTION CODES:**

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

Mary A. Maestas

Name (Please Print)

Mary A. Maestas

Signature

Regulatory Assistant

1/10/2007

Title

Date

**RECEIVED**

**JAN 10 2007**

(5/2000)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

3a. Address  
**600 17th St., Suite 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)

**1650' FSL & 750' FWL (NW/SW)  
 Sec. 18-T9S-R23E 40.033275 LAT 109.376269 LON**

5. Lease Serial No.  
**U-0337**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Chapita Wells Unit 305-18**

9. API Well No.  
**43-047-36759**

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

11. County or Parish, State  
**Uintah County, Utah**

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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. Chapita Wells Unit 550-30N SWD
3. Ace Disposal
4. RN Industries

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

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

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

*Mary A. Maestas*

Date

**01/10/2007**

**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.

**RECEIVED**

(Instructions on page 2)

**JAN 11 2007**

**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  
**600 17th St., Suite 1000N, Denver, CO 80202**

3b. Phone No. (include area code)  
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4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**1650' FSL & 750' FWL (NW/SW)  
 Sec. 18-T9S-R23E 40.033275 LAT 109.376269 LON**

5. Lease Serial No.  
**U-0337**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Chapita Wells Unit 305-18**

9. API Well No.  
**43-047-36759**

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

11. County or Parish, State  
**Uintah County, Utah**

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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 <u>Well spud</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	

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**The referenced well spud 1/10/2007.**

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

**01/10/2007**

**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

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(Instructions on page 2)

**RECEIVED**

**JAN 11 2007**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

3a. Address  
**600 17th St., Suite 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)  
**1650' FSL & 750' FWL (NW/SW)  
 Sec. 18-T9S-R23E 40.033275 LAT 109.376269 LON**

5. Lease Serial No.  
**U-0337**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Chapita Wells Unit 305-18**

9. API Well No.  
**43-047-36759**

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

11. County or Parish, State  
**Uintah County, Utah**

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 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 5/10/2007. 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

*Mary A. Maestas*

Date

**05/15/2007**

**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**

**MAY 17 2007**

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

# WELL CHRONOLOGY REPORT

Report Generated On: 05-15-2007

<b>Well Name</b>	CWU 305-18	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA DEEP	<b>API #</b>	43-047-36759	<b>Well Class</b>	1SA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	03-19-2007	<b>Class Date</b>	05-10-2007
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9.375/ 9.375	<b>Property #</b>	056886
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4.924/ 4.908				
<b>Location</b>	Section 18, T9S, R23E, NWSW, 1650 FSL & 750 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	50.0	<b>NRI %</b>	43.5

<b>AFE No</b>	303416	<b>AFE Total</b>	1,811,600	<b>DHC / CWC</b>	887,100/ 924,500						
<b>Rig Contr</b>	SST	<b>Rig Name</b>	SST #2	<b>Start Date</b>	06-24-2005	<b>Release Date</b>	03-27-2007				
<b>06-24-2005</b>		<b>Reported By</b>									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0						
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0						
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA 1650' FSL & 750' FWL (NW/SW) (LOT 3) SECTION 18, T9S, R23E UINTAH COUNTY, UTAH  LAT: 40.033308, LONG: 109.375589 (NAD 27)  RIG: SST #2 OBJECTIVE: 9375' TD, MESAVERDE DW/GAS CHAPITA WELLS DEEP PROSPECT DD&A: CHAPITA WELLS DEEP NATURAL BUTTES FIELD  LEASE: U-0337 ELEVATION: 4909' NAT GL, 4907.5' PREP GL, ( DUE TO ROUNDING THE PREP GL WILL BE 4908') 4924' KB (16')  EOG WI 50%, NRI 43.5%

<b>12-27-2006</b>	<b>Reported By</b>	TERRY CSERE			
<b>Daily Costs: Drilling</b>	\$39,900	<b>Completion</b>	\$0	<b>Daily Total</b>	\$39,900

**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time: BUILD LOCATION**

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 LOCATION STARTED.

**12-28-2006 Reported By TERRY CSERE**

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time: BUILD LOCATION**

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 LOCATION 25% COMPLETE.

**12-29-2006 Reported By TERRY CSERE**

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time: BUILD LOCATION**

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

**01-02-2007 Reported By BRYON TOLMAN**

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time: BUILD LOCATION**

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 ROCKED OUT, DRILLING TODAY.

**01-03-2007 Reported By TERRY CSERE**

**DailyCosts: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time: BUILD LOCATION**

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

**01-04-2007 Reported By TERRY CSERE**

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

**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 SHOOTING PIT TODAY.

**01-05-2007 Reported By TERRY CSERE**

**Daily Costs: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 PUSHING OUT PIT.

**01-08-2007 Reported By BRYON TOLMAN**

**Daily Costs: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 PUSHING OUT PIT.

**01-09-2007 Reported By BRYON TOLMAN**

**Daily Costs: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILD LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 LOCATION COMPLETE AND LINING PIT TODAY.

**01-10-2007 Reported By DALL COOK**

**Daily Costs: Drilling** \$0 **Completion** \$0 **Daily Total** \$0  
**Cum Costs: Drilling** \$39,900 **Completion** \$0 **Well Total** \$39,900  
**MD** 40 **TVD** 40 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** WO AIR RIG

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 1/10/07 @ 10:00 AM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. DALL COOK NOTIFIED MICHAEL LEE W/BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 1/10/2007 @ 8:00 AM.

**01-30-2007 Reported By JERRY BARNES**

**Daily Costs: Drilling** \$250,150      **Completion** \$0      **Daily Total** \$250,150  
**Cum Costs: Drilling** \$287,474      **Completion** \$0      **Well Total** \$287,474  
**MD** 2,452    **TVD** 2,452    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: WORT**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG # ON 1/15/2007. DRILLED 12-1/4" HOLE TO 2450' GL. ENCOUNTERED NO WATER. RAN 61 JTS (2336.07') OF 9-5/8", 36.0#/FT, J-55, ST&C CASING WITH WEATHERFORD GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2352' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO CRAIG'S #2 AIR RIG.  RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 185 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 220 SX (149.6 BBLs) OF PREMIUM LEAD CEMENT W/16% GEL, 10#/SX GILSONITE, 3#/SX GR-3, 3% SALT & 1/4 #/SX FLOCELE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.82 CF/SX.  TAILED IN W/200 SX (40.9 BBLs) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED TAIL CEMENT TO 15.8 W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/177.3 BBLs FRESH WATER. BUMPED PLUG W/600# @ 8:43 AM, 1/19/2007. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. BROKE CIRCULATION 10 BBLs INTO LEAD CEMENT. CIRCULATED 12 BBLs LEAD CEMENT TO PIT. CEMENT FELL BACK AT SURFACE WHEN PLUG BUMPED.  TOP JOB #1: RAN 200' OF 1" PIPE. MIXED & PUMPED 125 SX (25.6 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 & CIRCULATED 10 BBLs LEAD CEMENT TO PIT. HOLE FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS, 30 MIN.  TOP JOB #2: MIXED & PUMPED 125 SX (25.6 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 & STAYED FULL. RD BIG 4 CEMENTERS.  PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.  NO SURVEY AT THIS TIME.  E. JOHN HELCO NOTIFIED DONNA KENNY W/BLM OF THE SURFACE CASING & CEMENT JOB ON 1/18/2007 @ 7:00 PM.

03-17-2007      **Reported By**      JIM LOUDERMILK

**Daily Costs: Drilling** \$18,437      **Completion** \$0      **Daily Total** \$18,437  
**Cum Costs: Drilling** \$305,911      **Completion** \$0      **Well Total** \$305,911  
**MD** 2,452    **TVD** 2,452    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: W.O. DAYLIGHT.**

Start	End	Hrs	Activity Description
06:00	07:00	1.0	W.O. DAYLIGHT.
07:00	19:00	12.0	RD / PREPARE FOR TRUCKS / LAID DERRICK OVER @ 15:00 HRS.
19:00	06:00	11.0	W.O. DAYLIGHT

WESTROC TRUCKING TO MOVE RIG 6.2 MILES TO THE CWU 305-18 ON 3/17/2007.

CREWS: FULL /NO ACIDENTS REPORTED / HSM: RDMO - MIRU.

03-18-2007      Reported By      JIM LOUDERMILK

Daily Costs: Drilling	\$60,979	Completion	\$0	Daily Total	\$60,979						
Cum Costs: Drilling	\$366,890	Completion	\$0	Well Total	\$366,890						
MD	2,452	TVD	2,452	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTB : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: W.O.DAYLIGHT.

Start	End	Hrs	Activity Description
06:00	07:00	1.0	W.O. DAYLIGHT.
07:00	20:00	13.0	RDMO / MIRU. HSM WITH WESTROC TRUCKING & RIG CREWS TRUCKS RELEASED @ 20:00 HRSD ON 3/17/2007. MOVE 100% COMPLETE.
20:00	06:00	10.0	W.O. DAYLIGHT. BREAK TOUR, NU & TEST BOP, PU BHA. SPUD EARLY A.M. ON 3/19/2007.

CREWS: SHORT 1 /NO ACIDENTS REPORTED / HSM: RDMO - MIRU.

NOTIFIED JAMIE SPARGER W/VERNAL DISTRICT BLM FIELD OFFICE, VIA VOICE MAIL, ON 3/17/2007 @ 10:10 HRS OF INTENT TO TEST BOP'S.

TRANSFERRED FROM THE CWU 1142-18 TO THE CWU 305-18  
8 JTS, (337.4'), & 3 MKR JTS, (65.1'), OF 4.5"-11.6#-HCP 110-LT&C-R3 CSG.  
1 LJT, (25'), OF 4.5"-11.6#-HCP 110-LT&C CSG.  
5 JTS, (201.41'), OF 4.5"-11.6#-N80-LT&C-R3 CSG.  
4941 GAL. OF DIESEL FUEL.

03-19-2007      Reported By      JIM LOUDERMILK

Daily Costs: Drilling	\$24,362	Completion	\$0	Daily Total	\$24,362						
Cum Costs: Drilling	\$391,252	Completion	\$0	Well Total	\$391,252						
MD	2,352	TVD	2,352	Progress	0	Days	0	MW	0.0	Visc	0.0
Formation :	PBTB : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: PU BHA.

Start	End	Hrs	Activity Description
06:00	07:00	1.0	W.O. DAYLIGHT.
07:00	15:00	8.0	RURT / POWERED RIG @ 0930 HRS / NO DRWKS POWER UNTIL 1500 HRS. ELECTRICIAN ON LOCATION AND WORKING ON DRWKS CONTROL.
15:00	22:00	7.0	RAISED DERRICK @ 1600 HRS / RURT & PREPARE FOR BOP TEST.
22:00	00:00	2.0	+++RIG ON DAYWORK @ 22:00 HRS ON 3/18/2007+++ NU BOP
00:00	04:30	4.5	TEST PIPE RAMS, BLIND RAMS, KILL LINE & VALVES, CHOKE LINE & MAINFOLD, INSIDE BOP, FLOOR VALVE, UPPER AND LOWER KELLY COCK TO 5000 PSI FOR 10 MINUTES. TEST ANNULAR TO 2500 PSI FOR 10 MINUTES. FUNCTION TEST ACCUMULATOR. TEST CASING TO 500 PSI FOR 30 MINUTES. ALL TESTS O.K.

INSTALL WEAR BUSHING

NO BLM REP ON LOCATION TO WITNESS TEST.

04:30 06:00 1.5 HSM WITH CALIBER / RU &amp; PU BHA.

CREWS: SHORT 1 / NO ACIDENTS REPORTED / HSM: RURT / NU BOP.

03-20-2007 Reported By JIM LOUDERMILK

<b>Daily Costs: Drilling</b>	\$30,418	<b>Completion</b>	\$0	<b>Daily Total</b>	\$30,418						
<b>Cum Costs: Drilling</b>	\$421,670	<b>Completion</b>	\$0	<b>Well Total</b>	\$421,670						
<b>MD</b>	3,972	<b>TVD</b>	3,972	<b>Progress</b>	1,620	<b>Days</b>	1	<b>MW</b>	8.4	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: DRLG AHEAD @ 3972'

Start	End	Hrs	Activity Description
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06:00	10:00	4.0	PU BHA & DP.
10:00	10:30	0.5	RD CALIBER.
10:30	11:30	1.0	INSTALL ROTATING HEAD / TEST SURFACE EQUIPMENT TO 1000 PSI.
11:30	12:30	1.0	DRILL CEMENT, FLOAT & SHOE. FLOAT @ 2307' & SHOE @ 2352'.
12:30	17:00	4.5	DRILLED 2352'-2778', (12-16K / 60 RPM-62MTR / 390 GPM) 94.7' HR.
17:00	18:00	1.0	TRIP TO 2352' & PERFORM 11.2 PPG EMW. SLOW BLEED FROM 320 PSI TO 150 PSI AFTER 20 MINUTES.

CHECK COM / FUNCTION ANNULAR PREVENTER.

18:00	01:00	7.0	DRILLED 2778'-3458', (12-16K / 60 RPM-67MTR / 420 GPM) 97.2' HR.
01:00	01:30	0.5	SURVEY 2 DEGREES @ 3438'
01:30	06:00	4.5	DRILLED 3458'-3972', (12-16K / 60 RPM-67MTR / 420 GPM) 114.2' HR. VIS 33 WT 8.9. MTR #1: 16 HRS. FUEL: 4806 GAL.

CREWS: SHORT 3 ON MORNING TOUR / NO ACIDENTS REPORTED / HSM: PU BHA &amp; DP.

06:00 18.0 SPUD 7 7/8" HOLE @ 12:30 HRS, 3/19/2007.

03-21-2007 Reported By JIM LOUDERMILK

<b>Daily Costs: Drilling</b>	\$33,864	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,864						
<b>Cum Costs: Drilling</b>	\$455,534	<b>Completion</b>	\$0	<b>Well Total</b>	\$455,534						
<b>MD</b>	5,734	<b>TVD</b>	5,734	<b>Progress</b>	1,805	<b>Days</b>	2	<b>MW</b>	8.9	<b>Visc</b>	41.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: DRLG AHEAD @ 5777'.

Start	End	Hrs	Activity Description
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06:00	12:30	6.5	DRILLED 3972'-4552', (12-16K / 60 RPM-67MTR / 420 GPM) 89.2' HR.
12:30	13:00	0.5	SURVEY 1.75 DEGREES @ 4476'.
13:00	13:30	0.5	DRILLED 4552'-4581', (12-16K / 60 RPM-67MTR / 420 GPM) 89.2' HR.
13:30	14:00	0.5	SERVICE RIG / FUNCTION PIPE RAMS & CHECK COM.
14:00	06:00	16.0	DRILLED 4581'-5777', (12-16K / 60 RPM-67MTR / 420 GPM) 74.8' HR. VIS 37 WT 9.9. MTR #1: 23 / 39 HRS. FUEL: 3674 GAL. USED: 1132 GAL.

CREWS: SHORT 3 ON MORNING TOUR / NO ACIDENTS REPORTED / HSM: HANDLING TUBULARS.

NEW MORNING TOUR DRILLER AND HANDS WALKED OFF AFTER 8 HRS ON THE JOB.

03-22-2007      Reported By      JIM LOUDERMILK

<b>Daily Costs: Drilling</b>	\$45,090	<b>Completion</b>	\$0	<b>Daily Total</b>	\$45,090
<b>Cum Costs: Drilling</b>	\$500,624	<b>Completion</b>	\$0	<b>Well Total</b>	\$500,624

<b>MD</b>	6,992	<b>TVD</b>	6,992	<b>Progress</b>	1,215	<b>Days</b>	3	<b>MW</b>	9.9	<b>Visc</b>	38.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRLG AHEAD @ 6992'.

Start	End	Hrs	Activity Description
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06:00	16:30	10.5	DRILLED 5777'-6407', (16-22K / 60 RPM-67MTR / 420 GPM) 60' HR.
16:30	17:00	0.5	SERVICE RIG / FUNCTION PIPE RAMS & CHECK COM.
17:00	17:30	0.5	DRILLED 6407'-6437', (16-22K / 60 RPM-67MTR / 420 GPM) 60' HR.
17:30	18:00	0.5	CHECK FOR PRESSURE LOSS. LOST 300 PSI DUE TO AERATED MUD.
18:00	06:00	12.0	DRILLED 6437'-6992', (16-22K / 60 RPM-67MTR / 420 GPM) 46.3' HR. VIS 37 WT 10. MTR #1: 23 / 62 HRS. FUEL: 6934 GAL. USED: 1240 GAL. RECEIVED 4500 GAL.

CREWS: FULL / NO ACIDENTS REPORTED / HSM: WORKING WITH & TRAINING NEW EMPLOYEES.  
BOP DRILLS HELD ON 3/19/2007.

03-23-2007      Reported By      JIM LOUDERMILK

<b>Daily Costs: Drilling</b>	\$31,390	<b>Completion</b>	\$3,609	<b>Daily Total</b>	\$34,999
<b>Cum Costs: Drilling</b>	\$532,015	<b>Completion</b>	\$3,609	<b>Well Total</b>	\$535,624

<b>MD</b>	7,912	<b>TVD</b>	7,912	<b>Progress</b>	920	<b>Days</b>	4	<b>MW</b>	9.8	<b>Visc</b>	40.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: DRLG AHEAD @ 7912'.

Start	End	Hrs	Activity Description
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06:00	16:30	10.5	DRILLED 6992'-7443', (18-24K / 60 RPM-67MTR / 420 GPM) 43' HR.
16:30	17:00	0.5	SERVICE RIG / FUNCTION PIPE RAMS & CHECK COM.
17:00	21:30	4.5	DRILLED 7443'-7633', (18-24K / 60 RPM-67MTR / 420 GPM) 38' HR.
21:30	22:00	0.5	RIG BLACK OUT.
22:00	06:00	8.0	DRILLED 7633'-, (18-24K / 60 RPM-67MTR / 420 GPM) 38' HR. VIS 38 WT 10.2. MTR #1: 23 / 85 HRS. FUEL: 5614 GAL. USED: 1320 GAL.

CREWS: FULL / NO ACIDENTS REPORTED / HSM: AWARENESS & PINCH POINTS.

03-24-2007      Reported By      JIM LOUDERMILK

<b>Daily Costs: Drilling</b>	\$33,480	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,480
<b>Cum Costs: Drilling</b>	\$565,495	<b>Completion</b>	\$3,609	<b>Well Total</b>	\$569,104

<b>MD</b>	8,109	<b>TVD</b>	8,109	<b>Progress</b>	197	<b>Days</b>	5	<b>MW</b>	10.1	<b>Visc</b>	45.0
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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Activity at Report Time: BIT TRIP.

Start	End	Hrs	Activity Description
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06:00	13:00	7.0	DRILLED 7912'-8109', (18-24K / 60 RPM-67MTR / 420 GPM) 28.1' HR.
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13:00 13:30 0.5 ELECTRICAL REPAIR TO SCR HOUSE.  
 13:30 14:00 0.5 DROP SURVEY.  
 14:00 20:30 6.5 TRIP OUT WITH BIT #1.  
 20:30 21:00 0.5 LD REAMERS, CHECK SURVEY, CHANGE BITS. FUNCTIONED BLIND RAMS.  
 21:00 00:30 3.5 TRIP IN HOLE / BREAK CIRCULATION @ 3000'.  
 00:30 05:00 4.5 CIRCULATE & W.O. DAYLIGHT CREW. ALL MORNING TOUR CREW MEMBERS REFUSED TO SUBMIT TO A UA DRUG SCREEN.

REPLACED COM TRIP MECHANISM / SET & FUNCTIONED COM.

05:00 06:00 1.0 TRIP IN. VIS 40 WT 10.2  
 MTR #1: 7 / 92 HRS.  
 FUEL: 4806 GAL. USED: 808 GAL.

CREWS: SHORT1 / NO ACCIDENTS REPORTED / HSM: TRIPS & PINCH POINTS.

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**03-25-2007**      **Reported By**      JIM LOUDERMILK

<b>Daily Costs: Drilling</b>	\$36,440	<b>Completion</b>	\$0	<b>Daily Total</b>	\$36,440
<b>Cum Costs: Drilling</b>	\$601,936	<b>Completion</b>	\$3,609	<b>Well Total</b>	\$605,545

**MD**      8.696      **TVD**      8.696      **Progress**      587      **Days**      6      **MW**      10.2      **Visc**      44.0

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

**Activity at Report Time:** DRLG AHEAD @ 8696'

Start	End	Hrs	Activity Description
06:00	09:30	3.5	TRIP IN / NO TROUBLES. HYDRAULIC PIPE SPINNERS NOT FUNCTIONING PROPERLY.
09:30	10:00	0.5	REAM 45' TO BOTTOM / NO FILL.
10:00	17:00	7.0	DRILLED 8109'-8319', (12-16K / 50 RPM-64MTR / 400 GPM) 30' HR.
17:00	17:30	0.5	SERVICE RIG / FUNCTION PIPE RAMS & CHECK COM.
17:30	06:00	12.5	DRILLED 8319'-8696', (12-16K / 50 RPM-64MTR / 400 GPM) 30.1' HR. 36 WT 10.6 MTR #1: 19.5 / 111.5 HRS. FUEL: 3806 GAL. USED: 1000 GAL.

CREWS: BREAKING OUT NEW DRLR, 2 HANDS IN FROM THEIR DAYS OFF, SHORT 1 / NO ACCIDENTS REPORTED / HSM: WORKING WITH & TRAINING NEW EMPLOYEES / MIXING MUD & CHEMICALS..

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**03-26-2007**      **Reported By**      JIM LOUDERMILK

<b>Daily Costs: Drilling</b>	\$33,965	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,965
<b>Cum Costs: Drilling</b>	\$635,902	<b>Completion</b>	\$3,609	<b>Well Total</b>	\$639,511

**MD**      9.356      **TVD**      9.356      **Progress**      660      **Days**      7      **MW**      10.9      **Visc**      39.0

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

**Activity at Report Time:** DRLG AHEAD @ 9356'.

Start	End	Hrs	Activity Description
06:00	17:30	11.5	DRILLED 8696'-9046', (12-16K / 50 RPM-64MTR / 400 GPM) 30.4' HR.
17:30	18:00	0.5	SERVICE RIG / FUNCTION PIPE RAMS & CHECK COM.
18:00	06:00	12.0	DRILLED 9046'-9356', (16-24K / 50 RPM-64MTR / 400 GPM) 25.8' HR. 38 WT 11.1. MTR #1: 23.5 / 135 HRS. FUEL: 2586 GAL. USED: 1220 GAL.

CREWS: MORN TOUR=NEW DRLR & 3 NEW EMPLOYEES, 2 HANDS IN FROM THEIR DAYS OFF / NO ACIDENTS REPORTED / HSM: COMMUNICATION THROUGHOUT THE DAY AND AT RELIEF TIME.

NOTIFIED JAMIE SPARGER WITH THE VERNAL DISTRICT BLM FIELD OFFICE, VIA VOICE MAIL, ON 3/25/2007 @ 15:00 HRS OF CASING RUN & CEMENT JOB.

<b>03-27-2007</b>		<b>Reported By</b>		JIM LOUDERMILK							
<b>Daily Costs: Drilling</b>		\$31,148			<b>Completion</b>	\$85,844			<b>Daily Total</b>	\$116,992	
<b>Cum Costs: Drilling</b>		\$667,051			<b>Completion</b>	\$89,453			<b>Well Total</b>	\$756,504	
<b>MD</b>	9,375	<b>TVD</b>	9,375	<b>Progress</b>	19	<b>Days</b>	8	<b>MW</b>	11.2	<b>Visc</b>	39.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: RUN CASING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILLED 9356'-9375' TD, (16-24K / 50 RPM-64MTR / 400 GPM) 20' HR. REACHED TD @ 07:00 HRS, 3/26/2007. MTR #1: 1 / 136 HRS.
07:00	08:00	1.0	CBU / FLOW CHECK - NO FLOW.
08:00	10:00	2.0	SHORT TRIP / 9375'-7876'.
10:00	11:00	1.0	CBU / HSM WITH CALIBER & RU TO LDDP.
11:00	22:00	11.0	LDDP. REACHED CASING POINT @ 11:00 ON 3/26/2007.
22:00	23:30	1.5	HSM WITH CALIBER & RU.
23:30	06:00	6.5	RAN 1-4.5"-P110 TOPCO AUTO FILL FLOAT SHOE (1.50'), 1 JT OF 4.5"-11.6#-HCP 110-LTC CSG (41.72'), 1-4.5"-P110-TOPCO AUTO FILL FLOAT COLLAR (1.50'), 6 JTS OF 4.5"-11.6#-HCP 110-LTC CSG (253.91'), 214 JTS OF 4.5"-11.6#-N80-LTC CSG (9005.52'), WITH 2-4.5"-11.6#-HCP 110-LTC MARKER JTS, (21.90' & 22.06'), 1-4.5"-11.6#-HCP 110-LTC, LANDING JT & HANGER, (22'). LANDED @ 9370.11', FLOAT COLLAR @ 9330', MARKERS @ 4310' & 7022'.

FUEL: 1926 GAL. USED: 660 GAL.

CREWS: FULL / MORN TOUR=NEW DRLR & 2 NEW EMPLOYEES / NO ACIDENTS REPORTED / HSM: LDDP, RU & RUN CSG.

<b>03-28-2007</b>		<b>Reported By</b>		JIM LOUDERMILK							
<b>Daily Costs: Drilling</b>		\$28,078			<b>Completion</b>	\$71,742			<b>Daily Total</b>	\$99,820	
<b>Cum Costs: Drilling</b>		\$695,129			<b>Completion</b>	\$161,195			<b>Well Total</b>	\$856,324	
<b>MD</b>	9,375	<b>TVD</b>	9,375	<b>Progress</b>	0	<b>Days</b>	9	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:00	1.0	FINISH CASING RUN.
07:00	08:30	1.5	SWAGE UP / BREAK CIRCULATION & RD CALIBER CASING CREW.
08:30	09:30	1.0	CIRCULATE / HSM WITH SCHLUMBERGER & RU.
09:30	11:30	2.0	PRESSURE TEST LINES TO 5K. PUMP 20 BBL'S OF CHEMICAL WASH AND 20 BBL'S OF FRESH WATER SPACER. MIX & PUMP CEMENT.

LEAD: 370 SKS 35/65 POZ "G" CEMENT MIXED @ 12.0 PPG, 2.98 YLD.+6% D0206+2% D174+0.125 lb/sk D130+.2% D046+.75% D112+.3% D013+.2% D06.

TAIL: 1520 SKS 50/50 POZ "G" CEMENT MIXED @ 14.1 PPG, 1.29 YLD.+2% D020+.2% D065+.2% D167+.1% D046+.1% D013.

DSPL: 145 BBL'S OF FRESH WATER @ 6 BPM. FULL RETURNS UP TO 95 BBL'S INTO DISPLACEMENT THEN PARTIAL RETURN FROM 95 BBL'S-145 BBL'S ON. BUMPED PLUG WITH 3300 PSI, 1000 PSI OVER FPIP. BLED BACK 1 BBL. FLOATS HELD, CEMENT IN PLACE @ 11:29 ON 3/27/2007.

11:30 12:00 0.5 LAND HANGER IN CASING HEAD AND TEST TO 5000 PSI. RD SCHLUMBERGER.  
 12:00 15:30 3.5 ND BOP / CLEAN MUD TANKS &  
 15:30 06:00 14.5 RD & PREPARE FOR TRUCKS. WESTROC TRUCKING TO MOVE RIG 5.8 MILES TO THE CWU 1230-07 ON 3/28/2007.

TRANSFER FROM THE CWU 305-18 TO THE CWU 1230-07.  
 6 JTS, (255.88'), OF 4.5"-11.6#-N80-LT&C-R3 CSG.  
 1 JT, (42.25'), OF 4.5"-11.6#-HCP 110-LT&C-R3 CSG.  
 1 MKR JT, (21.59'), OF 4.5"-11.6#-HCP 110-LT&C.  
 1 LJT, (22'), OF 4.5"-11.6#-HCP 110-LT&C CSG.  
 1698 GAL. OF #2 DIESEL FUEL.

06:00 18.0 RELEASE RIG @ 15:30 HRS ON 3/27/2007.  
 CASING POINT COST \$695,129

03-31-2007		Reported By		SEARLE							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$44,383			<b>Daily Total</b>	\$44,383		
<b>Cum Costs: Drilling</b>	\$695,129			<b>Completion</b>	\$205,578			<b>Well Total</b>	\$900,707		
<b>MD</b>	9,375	<b>TVD</b>	9,375	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 9330.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			
<b>Activity at Report Time: PREP FOR FRACS</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 60'. EST CEMENT TOP @ 220'. RD SCHLUMBERGER.								

04-07-2007		Reported By		MCCURDY							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$2,030			<b>Daily Total</b>	\$2,030		
<b>Cum Costs: Drilling</b>	\$695,129			<b>Completion</b>	\$207,608			<b>Well Total</b>	\$902,737		
<b>MD</b>	9,375	<b>TVD</b>	9,375	<b>Progress</b>	0	<b>Days</b>	11	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9330.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			
<b>Activity at Report Time: WO COMPLETION</b>											
<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>								
10:00	11:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION.								

04-13-2007		Reported By		DEAN KOUTROULIS							
<b>Daily Costs: Drilling</b>	\$0			<b>Completion</b>	\$10,139			<b>Daily Total</b>	\$10,139		
<b>Cum Costs: Drilling</b>	\$695,129			<b>Completion</b>	\$217,747			<b>Well Total</b>	\$912,876		
<b>MD</b>	9,375	<b>TVD</b>	9,375	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0

Formation : MESAVERDE      PBSD : 9330.0      Perf : 7838 - 9031      PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WL. PERFORATED LPR FROM 8812-13', 8820-21', 8831-32', 8862-63', 8900-01', 8922-23', 8934-35', 8939-40', 8952-53', 8985-86', 8993-94' & 9030-31' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4963 GAL YF125ST+ PAD. 37740 GAL YF125ST+ & YF118ST+ WITH 131000# 20/40 SAND @ 1-6 PPG. MTP 5984 PSIG. MTR 50 BPM. ATP 5219 PSIG. ATR 45.9 BPM. ISIP 3000 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8785'. PERFORATED LPR/MPR FROM 8632-33', 8639-40', 8655-56', 8662-63', 8671-72', 8678-79', 8690-91', 8729-30', 8734-35', 8758-59', 8763-64' & 8770-71' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4953 GAL YF123ST+ PAD. 38268 GAL YF123ST+ & YF118ST+ WITH 131600# 20/40 SAND @ 1-6 PPG. MTP 6108 PSIG. MTR 50.2 BPM. ATP 5644 PSIG. ATR 46.1 ISIP 3650 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8600'. PERFORATED MPR FROM 8409-10', 8432-33', 8438-39', 8443-44', 8465-66', 8473-74', 8503-04', 8516-17', 8537-38', 8542-43', 8565-66' & 8569-70' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4952 GAL YF125ST+ PAD, 36878 GAL YF125ST+ & YF118ST+ WITH 130350# 20/40 SAND @ 1-6 PPG. MTP 6148 PSIG. MTR 50.3 BPM. ATP 5740 PSIG. ATR 45 BPM. ISIP 3700 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8375'. PERFORATED MPR FROM 8187-88', 8198-99', 8214-15', 8234-35', 8252-53', 8275-76', 8281-82', 8302-03', 8310-11', 8318-19' (MISFIRE), 8325-26', 8331-32', 8351-52' & 8357-58' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4957 GAL YF123ST+ PAD, 49593 GAL YF123ST+ & YF118ST+ WITH 191000# 20/40 SAND @ 1-6 PPG. MTP 6373 PSIG. MTR 50.4 BPM. ATP 5233 PSIG. ATR 43.9 BPM. ISIP 2450 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8155'. PERFORATED MPR FROM 8003-04', 8008-09', 8036-37', 8041-42', 8047-48', 8055-56', 8076-77', 8081-82', 8093-94', 8098-99', 8118-19', 8124-25', 8131-32' & 8138-39' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4940 GAL YF123ST+ PAD, 49743 GAL YF123ST+ & YF118ST+ WITH 191100# 20/40 SAND @ 1-6 PPG. MTP 6153 PSIG. MTR 50.5 BPM. ATP 5083 PSIG. ATR 46.6 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7960'. PERFORATED MPR FROM 7838-39', 7844-45', 7952-53', 7876-77', 7891-92', 7896-97', 7903-04', 7918-19', 7926-27', 7931-32', 7937-38' & 7942-43' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4950 GAL YF123ST+ PAD, 45205 GAL YF123ST+ & YF118ST+ WITH 168000# 20/40 SAND @ 1-6 PPG. MTP 6167 PSIG. MTR 51.5 BPM. ATP 4831 PSIG. ATR 49.2 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER. SDFN.

04-14-2007		Reported By		DEAN KOUTROULIS							
Daily Costs: Drilling	\$0	Completion	\$405,994	Daily Total	\$405,994						
Cum Costs: Drilling	\$695,129	Completion	\$623,741	Well Total	\$1,318,870						
MD	9.375	TVD	9.375	Progress	0	Days	13	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBSD : 9330.0		Perf : 7026 - 9031		PKR Depth : 0.0						

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 10K CFP AT 7820'. PERFORATED UPR FROM 7610-11', 7619-20', 7628-29', 7634-35', 7660-61', 7670-71', 7681-82', 7691-92', 7702-03', 7728-29', 7737-38', 7754-55', 7761-62' & 7799-7800' @ 2 SPF & 180° PHASING. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4945 GAL YF123ST+ PAD & 49378 GAL YF123ST+ & YF118ST+ WITH 191100# 20/40 SAND @ 1-6 PPG. MTP 5821 PSIG. MTR 51.6 BPM. ATP 4492 PSIG. ATR 48.1 BPM. ISIP 2550 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7575'. PERFORATED UPR FROM 7281-82', 7291-92', 7298-99', 7304-05', 7334-35', 7370-71', 7393-94', 7432-33', 7533-34', 7544-45', 7548-49' & 7553-54' @ 3 SPF & 120° PHASING. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4947 GAL YF123ST+ PAD & 36973 GAL YF123ST+ & YF118ST+ WITH 130300# 20/40 SAND @ 1-6 PPG. MTP 6017 PSIG. MTR 51.9 BPM. ATP 5170 PSIG. ATR 49.4 BPM. ISIP 2750 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7235'. PERFORATED UPR FROM 7026-28', 7034-35', 7040-41', 7093-95', 7153-55', 7190-92', 7204-05' & 7211-12' @ 3 SPF & 120° PHASING. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4950 GAL YF123ST+ PAD & 45529 GAL YF123ST+ & YF118ST+ WITH 166570# 20/40 SAND @ 1-6 PPG. MTP 5071 PSIG. MTR 50.3 BPM. ATP 4449 PSIG. ATR 48 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 6920'. BLED OFF PRESSURE. RDWL. SDFN.

04-17-2007		Reported By		HISLOP							
Daily Costs: Drilling	\$0	Completion	\$22,539	Daily Total	\$22,539						
Cum Costs: Drilling	\$695,129	Completion	\$646,280	Well Total	\$1,341,409						
MD	9,375	TVD	9,375	Progress	0	Days	12	MW	0.0	Visc	0.0
Formation : MESAVERDE		PBDT : 9330.0		Perf : 7026 - 9031		PKR Depth : 0.0					
Activity at Report Time: CLEAN OUT AFTER FRAC											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	MIRU ROYAL WELL SERVICE RIG #2. SICP 0 PSIG. ND FRAC VALVE. NU BOP. RIH W/MILL TOOTH BIT TO CBP @ 6920'. SDFN.								

04-18-2007		Reported By		MCCAMENT							
Daily Costs: Drilling	\$0	Completion	\$9,018	Daily Total	\$9,018						
Cum Costs: Drilling	\$695,129	Completion	\$655,298	Well Total	\$1,350,427						
MD	9,375	TVD	9,375	Progress	0	Days	13	MW	0.0	Visc	0.0
Formation : MESAVERDE		PBDT : 9330.0		Perf : 7026 - 9031		PKR Depth : 0.0					
Activity at Report Time: CLEAN OUT AFTER FRAC											
Start	End	Hrs	Activity Description								
07:00	19:00	12.0	SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6920', 7235', 7575', 7820', 7960' & 8155' & 8375' (DIFFICULT DRILLING ON THIS PLUG). DRILLED ON PLUG @ 8600' W/SAME DIFFICULTY AS PLUG @ 8375'. POH ABOVE PERFS. SDFN.								

04-19-2007		Reported By		MCCAMENT							
Daily Costs: Drilling	\$0	Completion	\$7,594	Daily Total	\$7,594						
Cum Costs: Drilling	\$695,129	Completion	\$662,892	Well Total	\$1,358,021						
MD	9,375	TVD	9,375	Progress	0	Days	14	MW	0.0	Visc	0.0
Formation : MESAVERDE		PBDT : 9330.0		Perf : 7026 - 9031		PKR Depth : 0.0					
Activity at Report Time: FLOW TEST											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	SITP 0 PSIG. SICP 2300 PSIG. BLEW WELL DOWN. RIH TO TAG @ 8600'. CLEANED OUT & DRILLED OUT PLUGS @ 8600' & 8785'. RIH. CLEANED OUT TO 9236'. LANDED TBG @ 7582' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. UNABLE TO RD DUE TO HIGH WINDS.								

FLOWED 12 HRS. 16/64" CHOKE. FTP 1850 PSIG. CP 2100 PSIG. 36 BPH. RECOVERED 512 BLW. 10980 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.91'  
 1 JT 2-3/8" 4.7# N80 TBG 31.41'  
 XN NIPPLE 1.10'  
 241 JTS 2-3/8" 4.7# N80 TBG 7531.32'  
 BELOW KB 16.00'  
 LANDED @ 7581.74' KB

04-20-2007 Reported By MCCAMENT

Daily Costs: Drilling	\$0	Completion	\$375	Daily Total	\$375						
Cum Costs: Drilling	\$695,129	Completion	\$663,267	Well Total	\$1,358,396						
MD	9,375	TVD	9,375	Progress	0	Days	15	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTB : 9330.0		Perf : 7026 - 9031		PKR Depth : 0.0						

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1850 PSIG. CP 2525 PSIG. 30 BPH. RECOVERED 732 BLW. 10248 BLWTR.

04-21-2007 Reported By MCCAMENT

Daily Costs: Drilling	\$0	Completion	\$375	Daily Total	\$375						
Cum Costs: Drilling	\$695,129	Completion	\$663,642	Well Total	\$1,358,771						
MD	9,375	TVD	9,375	Progress	0	Days	16	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTB : 9330.0		Perf : 7026 - 9031		PKR Depth : 0.0						

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOW 24 HRS. 16/64" CHOKE. FTP 1800 PSIG. CP 2750 PSIG. 20 BPH. RECOVERED 626 BLW. 9622 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 4/20/07

05-11-2007 Reported By DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$695,129	Completion	\$663,642	Well Total	\$1,358,771						
MD	9,375	TVD	9,375	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTB : 9330.0		Perf : 7026 - 9031		PKR Depth : 0.0						

Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 1200 & CP 3000 PSI. TURNED WELL TO QUESTAR SALES AT 1:15 PM, 5/10/07. FLOWED 270 MCFD RATE ON 12/64" POS CHOKE.

05-14-2007 Reported By ALAN WATKINS

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0						
Cum Costs: Drilling	\$695,129	Completion	\$663,642	Well Total	\$1,358,771						
MD	9,375	TVD	9,375	Progress	0	Days	18	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTB : 9330.0		Perf : 7026 - 9031		PKR Depth : 0.0						

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00 06:00 24.0 5/12/07 FLOWED 322 MCFD, 60 BC & 290 BW IN 24 HRS ON 12/64" CK, TP 1700 & CP 3000 PSIG.

5/13/07 FLOWED 565 MCFD, 50 BC & 240 BW IN 24 HRS ON 12/64" CK, TP 1850 & CP 2900 PSIG.

5/14/07 FLOWED 701 MCFD, 60 BC & 240 BW IN 24 HRS ON 12/64" CK, TP 1850 & CP 2800 PSIG.

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**05-15-2007**      **Reported By**      ALAN WATKINS

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$695,129	<b>Completion</b>	\$663,642	<b>Well Total</b>	\$1,358,771

**MD**      9.375      **TVD**      9.375      **Progress**      0      **Days**      19      **MW**      0.0      **Visc**      0.0

**Formation : MESAVERDE**      **PBTD : 9330.0**      **Perf : 7026 - 9031**      **PKR Depth : 0.0**

**Activity at Report Time: ON SALES**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	06:00	24.0	FLOWED 681 MCFD, 80 BC & 240 BW IN 24 HRS ON 12/64" CK, TP 1800 & CP 2700 PSIG.

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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-0337**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No. **Chapita Wells Unit**

8. Lease Name and Well No. **Chapita Wells Unit 305-18**

9. AFI Well No. **43-047-36759**

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

11. Sec., T., R., M., on Block and Survey or Area **Sec. 18-T9S-R23E**

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

14. Date Spudded **01/10/2007** 15. Date T.D. Reached **03/26/2007** 16. Date Completed **05/10/2007**  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\* **4909' NAT GL**

18. Total Depth: MD **9375** 19. Plug Back T.D.: MD **9330** 20. Depth Bridge Plug Set: MD  
TVD TVD TVD

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	0-2352		670 sx			
7-7/8"	4-1/2"	11.6#	N-80	0-9375		1890 sx			
7-7/8"	4-1/2"	11.6#	P-110	mrkr jts					

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"	7582							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7026	9031	8812-9031		3/spf	
B)			8632-8771		3/spf	
C)			8409-8570		3/spf	
D)			8187-8358		2/spf	

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

Depth Interval	Amount and Type of Material
8812-9031	42,868 GALS GELLED WATER & 131,000# 20/40 SAND
8632-8771	43,386 GALS GELLED WATER & 131,600# 20/40 SAND
8409-8570	41,995 GALS GELLED WATER & 130,350# 20/40 SAND
8187-8358	54,715 GALS GELLED WATER & 191,000# 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
05/10/2007	05/15/2007	24	→	80	681	240			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	PRODUCING GAS WELL
12/64"	1800	2700	→	80	681	240			

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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MAY 24 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	7026	9031		Wasatch Chapita Wells Buck Canyon North Horn Price River Middle Price River Lower Price River Sego	4735 5290 5993 6642 7023 7836 8667 9162

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

*Mary A. Maestas*

Date 05/22/2007

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.

**Chapita Wells Unit 305-18 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8003-8139	2/spf
7838-7943	3/spf
7610-7800	2/spf
7281-7554	3/spf
7026-7212	3/spf

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

8003-8139	54,848 GALS GELLED WATER & 191,100# 20/40 SAND
7838-7943	50,320 GALS GELLED WATER & 168,000# 20/40 SAND
7610-7800	54,488 GALS GELLED WATER & 191,100# 20/40 SAND
7281-7554	42,085 GALS GELLED WATER & 130,300# 20/40 SAND
7026-7212	50,644 GALS GELLED WATER & 166,570# 20/40 SAND

Perforated the Lower Price River from 8812-8813', 8820-8821', 8831-8832', 8862-8863', 8900-8901', 8922-8923', 8934-8935', 8939-8940', 8952-8953', 8985-8986', 8993-8994' & 9030-~~9031~~' w/ 3 spf.

Perforated the Lower/Middle Price River from 8632-8633', 8639-8640', 8655-8656', 8662-8663', 8671-8672', 8678-8679', 8690-8691', 8729-8730', 8734-8735', 8758-8759', 8763-8764' & 8770-8771' w/ 3 spf.

Perforated the Middle Price River from 8409-8410', 8432-8433', 8438-8439', 8443-8444', 8465-8466', 8473-8474', 8503-8504', 8516-8517', 8537-8538', 8542-8543', 8565-8566' & 8569-8570' w/ 3 spf.

Perforated the Middle Price River from 8187-8188', 8198-8199', 8214-8215', 8234-8235', 8252-8253', 8275-8276', 8281-8282', 8302-8303', 8310-8311', 8325-8326', 8331-8332', 8351-8352' & 8357-8358' w/ 2 spf.

Perforated the Middle Price River from 8003-8004', 8008-8009', 8036-8037', 8041-8042', 8047-8048', 8055-8056', 8076-8077', 8081-8082', 8093-8094', 8098-8099', 8118-8119', 8124-8125', 8131-8132' & 8138-8139' w/ 2 spf.

Perforated the Middle Price River from 7838-7839', 7844-7845', 7852-7853', 7876-7877', 7891-7892', 7896-7897', 7903-7904', 7918-7919', 7926-7927', 7931-7932', 7937-7938' & 7942-7943' w/ 3 spf.

Perforated the Upper Price River from 7610-7611', 7619-7620', 7628-7629', 7634-7635', 7660-7661', 7670-7671', 7681-7682', 7691-7692', 7702-7703', 7728-7729', 7737-7738', 7754-7755', 7761-7762' & 7799-7800' w/ 2 spf.

Perforated the Upper Price River from 7281-7282', 7291-7292', 7298-7299', 7304-7305', 7334-7335', 7370-7371', 7393-7394', 7432-7433', 7533-7534', 7544-7545', 7548-7549' & 7553-7554' w/ 3 spf.

Perforated the Upper Price River from ~~7026~~-7028', 7034-7035', 7040-7041', 7093-7095', 7153-7155', 7190-7192', 7204-7205' & 7211-7212' w/ 3 spf.

IP date corrected from a previous submission dated 5/15/2007.

Form 3160-5  
(February 2005)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

3a. Address  
**600 17th St., 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)

**1650' FSL & 750' FWL (NW/SW)  
Sec. 18-T9S-R23E 40.033275 LAT 109.376269 LON**

5. Lease Serial No.  
**U-0337**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Chapita Wells Unit 305-18**

9. API Well No.  
**43-047-36759**

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

11. County or Parish, State  
**Uintah County, Utah**

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 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 4/21/2007.**

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

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature

Date

**07/30/2007**

**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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**AUG 01 2007**

DIV. OF OIL, GAS & MINING

IP date corrected from a previous submission dated 5/22/2007.

Form 3160-4  
(April 2004)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

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

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

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

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

At surface **1650' FSL & 750' FWL (Lot 3) 40.033275 LAT 109.376269 LON**

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

At total depth **Same**

14. Date Spudded

**01/10/2007**

15. Date T.D. Reached

**03/26/2007**

16. Date Completed

**04/21/2007**

D & A

Ready to Prod.

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

**4909' NAT GL**

18. Total Depth: MD **9375**  
TVD

19. Plug Back T.D.: MD **9330**  
TVD

20. Depth Bridge Plug Set: MD  
TVD

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	0-2352		670 sx			
7-7/8"	4-1/2"	11.6#	N-80	0-9375		1890 sx			
7-7/8"	4-1/2"	11.6#	P-110	mrkr jts					

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"	7582							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7026	9031	8812-9031		3/spf	
B)			8632-8771		3/spf	
C)			8409-8570		3/spf	
D)			8187-8358		2/spf	

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

Depth Interval	Amount and Type of Material
8812-9031	42,868 GALS GELLED WATER & 131,000# 20/40 SAND
8632-8771	43,386 GALS GELLED WATER & 131,600# 20/40 SAND
8409-8570	41,995 GALS GELLED WATER & 130,350# 20/40 SAND
8187-8358	54,715 GALS GELLED WATER & 191,000# 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
04/21/2007	05/15/2007	24	→	80	681	240			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	
12/64"	1800	2700	→	80	681	240			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)

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	Thg. 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	Thg. 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	7026	9031		Wasatch Chapita Wells Buck Canyon Price River Middle Price River Lower Price River Sego	4735 5290 5993 7023 7836 8667 9162

32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

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

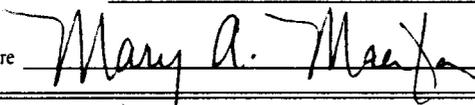
- Electrical/Mechanical Logs (1 full set req'd.)    
  Geologic Report    
  DST Report    
  Directional Survey  
 Sundry Notice for plugging and cement verification    
  Core Analysis    
  Other:

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 07/30/2007

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.

**Chapita Wells Unit 305-18 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8003-8139	2/spf
7838-7943	3/spf
7610-7800	2/spf
7281-7554	3/spf
7026-7212	3/spf

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

8003-8139	54,848 GALS GELLED WATER & 191,100# 20/40 SAND
7838-7943	50,320 GALS GELLED WATER & 168,000# 20/40 SAND
7610-7800	54,488 GALS GELLED WATER & 191,100# 20/40 SAND
7281-7554	42,085 GALS GELLED WATER & 130,300# 20/40 SAND
7026-7212	50,644 GALS GELLED WATER & 166,570# 20/40 SAND

Perforated the Lower Price River from 8812-8813', 8820-8821', 8831-8832', 8862-8863', 8900-8901', 8922-8923', 8934-8935', 8939-8940', 8952-8953', 8985-8986', 8993-8994' & 9030-9031' w/ 3 spf.

Perforated the Lower/Middle Price River from 8632-8633', 8639-8640', 8655-8656', 8662-8663', 8671-8672', 8678-8679', 8690-8691', 8729-8730', 8734-8735', 8758-8759', 8763-8764' & 8770-8771' w/ 3 spf.

Perforated the Middle Price River from 8409-8410', 8432-8433', 8438-8439', 8443-8444', 8465-8466', 8473-8474', 8503-8504', 8516-8517', 8537-8538', 8542-8543', 8565-8566' & 8569-8570' w/ 3 spf.

Perforated the Middle Price River from 8187-8188', 8198-8199', 8214-8215', 8234-8235', 8252-8253', 8275-8276', 8281-8282', 8302-8303', 8310-8311', 8325-8326', 8331-8332', 8351-8352' & 8357-8358' w/ 2 spf.

Perforated the Middle Price River from 8003-8004', 8008-8009', 8036-8037', 8041-8042', 8047-8048', 8055-8056', 8076-8077', 8081-8082', 8093-8094', 8098-8099', 8118-8119', 8124-8125', 8131-8132' & 8138-8139' w/ 2 spf.

Perforated the Middle Price River from 7838-7839', 7844-7845', 7852-7853', 7876-7877', 7891-7892', 7896-7897', 7903-7904', 7918-7919', 7926-7927', 7931-7932', 7937-7938' & 7942-7943' w/ 3 spf.

Perforated the Upper Price River from 7610-7611', 7619-7620', 7628-7629', 7634-7635', 7660-7661', 7670-7671', 7681-7682', 7691-7692', 7702-7703', 7728-7729', 7737-7738', 7754-7755', 7761-7762' & 7799-7800' w/ 2 spf.

Perforated the Upper Price River from 7281-7282', 7291-7292', 7298-7299', 7304-7305', 7334-7335', 7370-7371', 7393-7394', 7432-7433', 7533-7534', 7544-7545', 7548-7549' & 7553-7554' w/ 3 spf.

Perforated the Upper Price River from 7026-7028', 7034-7035', 7040-7041', 7093-7095', 7153-7155', 7190-7192', 7204-7205' & 7211-7212' w/ 3 spf.

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc. Operator Account Number: N 9550  
 Address: 600 17th 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
43-047-34077	CWU 804-18		SWSW	18	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	14074	13650			10/1/2006		
Comments: <u>MVRD</u>							<u>12/31/07</u>

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36757	CWU 1048-18		SESW	18	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	14074	13650	2/11/2007		10/1/2006		
Comments: <u>MVRD</u>							<u>12/31/07</u>

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36759	CWU 305-18		NWSW	18	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	14074	13650	1/10/2007		10/1/2006		
Comments: <u>MVRD</u>							<u>12/31/07</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)

Mary A Maestas

Signature

Regulatory Assistant

Title

12/26/2007

Date

**RECEIVED**

**DEC 26 2007**

(5/2000)

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU0337

6. If Indian, Allottee or Tribe Name

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

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

8. Well Name and No.  
CHAPITA WELLS UNIT 305-18

9. API Well No.  
43-047-36759

10. Field and Pool, or Exploratory  
NATURAL BUTTES

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

1. Type of Well  
 Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 18 T9S R23E NWSW 1650FSL 750FWL  
40.03328 N Lat, 109.37627 W Lon

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

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

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

The reserve pit on the referenced location was closed on 5/22/2008 as per the attached APD procedure.

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #66962 verified by the BLM Well Information System  
For EOG RESOURCES, INC., sent to the Vernal**

Name (Printed/Typed) MICKENZIE THACKER Title OPERATIONS CLERK

Signature *Mickenzie Thacker* Date 02/04/2009

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

Approved By \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

Office

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

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

**RECEIVED**  
**FEB 09 2009**  
**DIV. OF OIL, GAS & MINING**