

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

June 27, 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  
NORTH CHAPITA 300-26  
NW/SW, SEC. 26, T8S, R22E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-059  
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

JUL 06 2005

DIV. OF OIL, GAS & MINING

N. Chapita 300-26 B

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

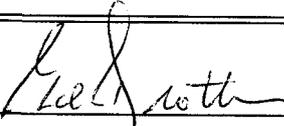
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-059</b>
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator <b>EOG RESOURCES, INC.</b>		7. If Unit or CA Agreement, Name and No.
3a. Address <b>P.O. BOX 1815 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>NORTH CHAPITA 300-26</b>
3b. Phone No. (Include area code) <b>(435)789-0790</b>		9. API Well No. <b>43-047-36835</b>
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface <b>2137' FSL, 694' FWL</b> <sup>635236X</sup> <sup>40.092522</sup> At proposed prod. Zone <sup>4439022Y</sup> <sup>NW/SW</sup> <sup>-109.413628</sup>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>33.4 MILES SOUTHEAST OF VERNAL, UTAH</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 26, T8S, R22E, S.L.B.&amp;M.</b>
15. Distance from proposed* location to nearest property or lease line, ft. <b>694'</b> (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease <b>880</b>	12. County or Parish <b>UINTAH</b>
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. See Topo Map C	19. Proposed Depth <b>10,075'</b>	13. State <b>UTAH</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>4817.3 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	17. Spacing Unit dedicated to this well <b>40</b>
24. Attachments		20. BLM/BIA Bond No. on file <b>NM-2308</b>
23. Estimated duration <b>45 DAYS</b>		

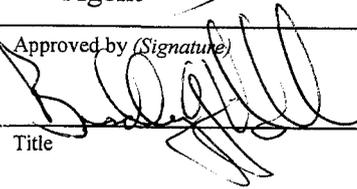
Attachments

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

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

25. Signature 	Name (Printed/Typed) <b>Ed Trotter</b>	Date <b>June 27, 2005</b>
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Title  
**Agent**

Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III</b>	Date <b>07-11-05</b>
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Title  
**Office**

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

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

\*(Instructions on page 2)

**Federal Approval of this  
Action is Necessary**

**RECEIVED**  
**JUL 05 2005**  
DIV. OF OIL, GAS & MINING

# T8S, R22E, S.L.B.&M.

N89°18'W - 5384.28' (G.L.O.)

EOG RESOURCES, INC.

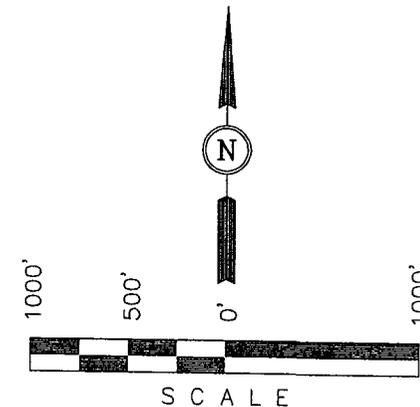
Well location, NORTH CHAPITA #300-26, located as shown in the NW 1/4 SW 1/4 of Section 26, T8S, R22E, S.L.B.&M. Uintah County, Utah.

## BASIS OF ELEVATION

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

## BASIS OF BEARINGS

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

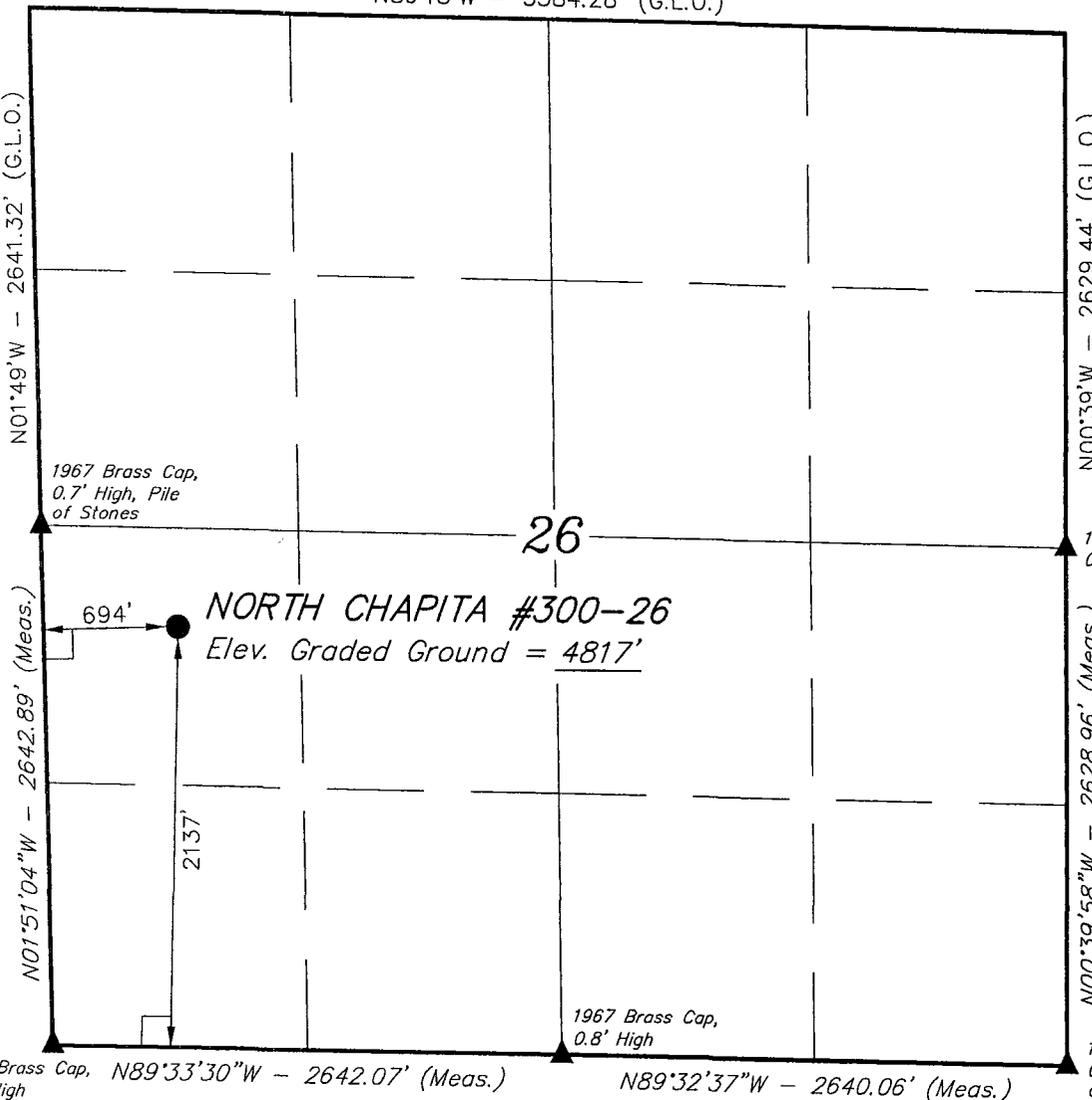


## CERTIFICATE

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

*John H. ...*

REGISTERED LAND SURVEYOR  
REGISTRATION NO. 161319  
STATE OF UTAH



1967 Brass Cap, N89°33'30\"W - 2642.07' (Meas.)  
0.4' High

N89°32'37\"W - 2640.06' (Meas.)

1967 Brass Cap, 0.9' High, Pile of Stones

### LEGEND:

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

(NAD 83)  
LATITUDE = 40°05'33.12" (40.092533)  
LONGITUDE = 109°24'51.41" (109.414281)  
(NAD 27)  
LATITUDE = 40°05'33.25" (40.092569)  
LONGITUDE = 109°24'48.95" (109.413597)

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

SCALE 1" = 1000'	DATE SURVEYED: 10-20-04	DATE DRAWN: 06-15-05
PARTY G.S. D.L. P.M.	REFERENCES G.L.O. PLAT	
WEATHER COOL	FILE EOG RESOURCES, INC.	

EIGHT POINT PLAN

NORTH CHAPITA 300-26  
NW/SW, SEC. 26, T8S, R22E, S.L.B.&M.  
UINTAH COUNTY, UTAH

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

FORMATION	DEPTH (KB)
Green River	1,725'
Wasatch	5,269'
Chapita Wells	5,901'
Buck Canyon	6,611'
North Horn	7,155'
Island	7,610'
KMV Price River	7,917'
KMV Price River Middle	8,637'
KMV Price River Lower	9,344'
Sego	9,977'

EST. TD: 10,075'

Anticipated BHP 4400 PSI

3. PRESSURE CONTROL EQUIPMENT:

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

4. CASING PROGRAM:

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
17 1/2"	0' – 250'	50'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
12 1/4"	250' - 2300'+/- KB	2300' +/-	9 5/8"	36.0 #	J-55	ST&C	2020 PSI	3520 PSI	394,000#
7 7/8"	2300' – TD +/-KB	10,075' +/-	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 (0-250' Below GL):

Guide Shoe

Insert Baffle

Wooden wiper plug

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

## EIGHT POINT PLAN

### NORTH CHAPITA 300-26 NW/SW, SEC. 26, T8S, R22E, S.L.B.&M. UINTAH COUNTY, UTAH

#### Float Equipment (Continued):

##### Intermediate Hole Procedure (250'-2300+/-')

Guide Shoe

Insert Float Collar (PDC drillable)

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

##### 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  $\pm$  7,917' (Top of Price River) and  $\pm$  4,800' (400' above the Wasatch) (alter depth if needed to avoid placing across any potentially- productive intervals). Centralize 5' above shoe on joint #1, top of joint #2, then every 2nd joint to 400' above Island 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 (0-250' below GL):

Air – Air Water Mist

##### Intermediate Hole Procedure (250'- $\pm$ 2300'):

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

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

$\pm$ 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 range.

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

**EIGHT POINT PLAN**

**NORTH CHAPITA 300-26**  
**NW/SW, SEC. 26, T8S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**MUD PROGRAM (Continued):**

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

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.

**7. VARIANCE REQUESTS:**

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

**8. EVALUATION PROGRAM:**

**Logs: No Open Hole Logs.**

**Cased Hole Logs will to run.**

**9. CEMENT PROGRAM:**

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

**Lead: 300 sks** (100% excess volume) Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) & 0.25 pps D29 (cellophane flakes), mixed at 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps water.

**Top Out:** Top out with Class 'G' cement with 2% S1 (CaCl<sub>2</sub>) in mix water, 15.8 ppg, 1.16 ft<sup>3</sup>/sk., 4.95 gps via 1" tubing set at 25' if needed.

**Intermediate Hole Procedure (250'- $\pm$  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

**EIGHT POINT PLAN**

**NORTH CHAPITA 300-26**  
**NW/SW, SEC. 26, T8S, R22E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Intermediate Hole Procedure (250'± 2300'):**

(Calcium Chloride), ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Production Hole Procedure (± 2300' to TD)**

**Lead: 191 sks** 35:65 Poz G w/ 4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.15% D13 (Retarder), 0.25 pps D29 (cello flakes), mixed at 13.0 ppg, 1.73 cu. ft./sk., 9.06 gps water

**Tail: 1117 sks:** 50:50 Poz G w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.15% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 cu. ft./sk., 5.9 gps water.

**10. ABNORMAL CONDITIONS:**

**Intermediate Hole (250'± 2300'):**

Lost circulation

**Production Hole (± 2300'-TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

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

**12. HAZARDOUS CHEMICALS:**

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

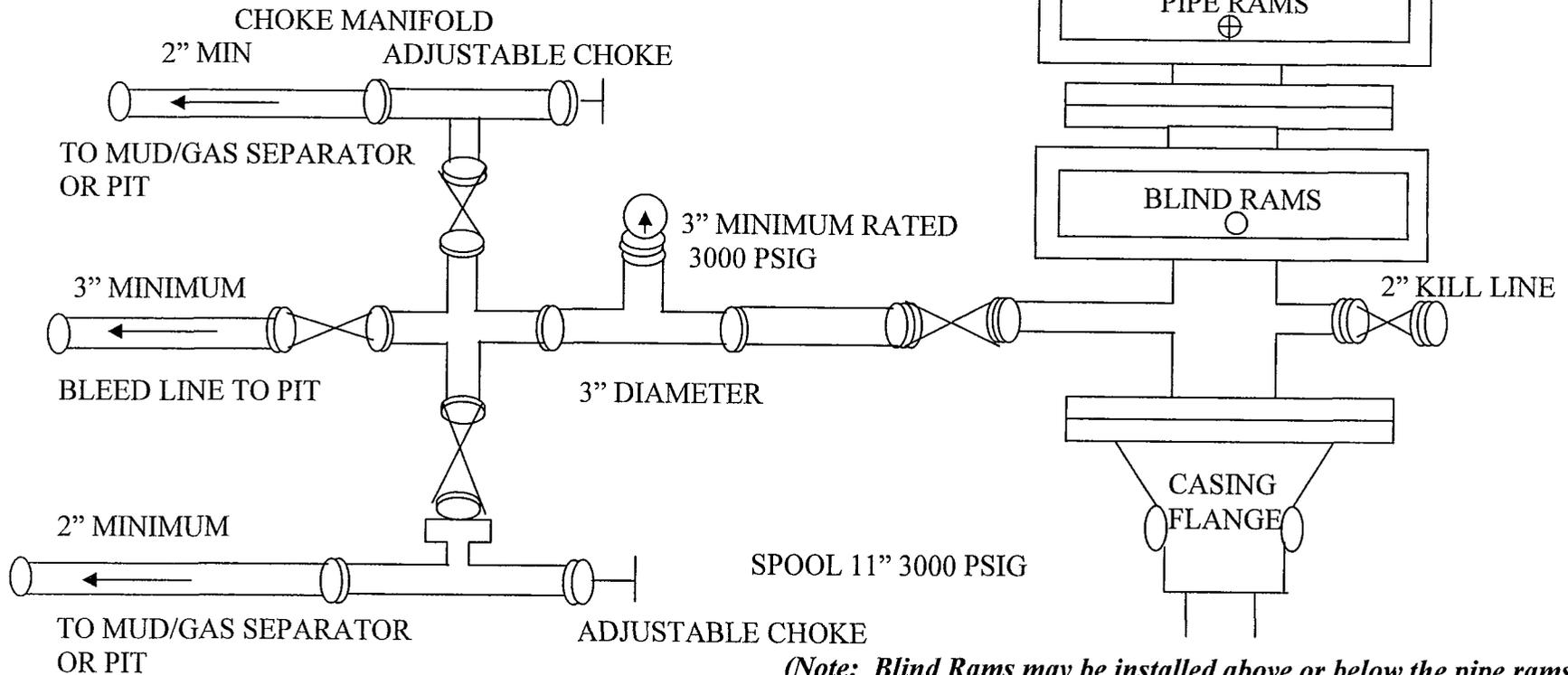
(Attachment: BOP Schematic Diagram)

## 3000 PSIG DIAGRAM

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

### TESTING PROCEDURE:

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



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

Company/Operator: EOG Resources, Inc.  
Well Name & Number: North Chapita 300-26  
Lease Number: U-059  
Location: 2137' FSL & 694' FWL, NW/SW, Sec. 26,  
T8S, R22E, S.L.B.&M., Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 33.4 miles southeast of Vernal, 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 0.1 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

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

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

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

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

- A. Abandoned wells - 1\*
- B. Producing wells -18\*
- C. Shut in wells - 1\*

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

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

A. **ON WELL PAD**

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

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. 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 Northeast 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:

Four-Wing Salt Bush – 3 pounds per acre

Indian Rice Grass – 2 pounds per acre

Needle and Thread Grass – 2 pounds per acre

Hi-Crest Crested Wheat Grass – 1 pound per acre.

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

The stockpiled pit topsoil will be stored separate from the location topsoil.

The stockpiled location topsoil will be stored between Corners 6 and 8.

Upon completion of construction, **the old topsoil stockpile for the North Chapita 210-26 will be re-seeded with the approved seed mixture for this location** and 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 West.

Corners #6 & #8 will be rounded off to minimize excavation.

## **FENCING REQUIREMENTS:**

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

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

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

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 March 1 and July 15 due to Ferruginous Hawk stipulations.**

**X The existing dike on the North side of the location will be re-contoured to more effectively block water drainage.**

**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 **North Chapita 300-26 Well, located in the NW/SW of Section 26, T8S, R22E, Uintah County, Utah; Lease #U-059;** 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.

6-27-2005  
Date

  
Agent

EOG RESOURCES, INC.  
NORTH CHAPITA #300-26  
SECTION 26, T8S, R22E, S.L.B.&M.

PROCEED IN AN EASTERLY, THEN SOUTHERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 3.9 MILES TO THE JUNCTION OF STATE HIGHWAY 45; EXIT RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 19.2 MILES ON STATE HIGHWAY 45 TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 7.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 2.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE #210-26 AND THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 33.4 MILES.

**EOG RESOURCES, INC.**  
**NORTH CHAPITA #300-26**  
 LOCATED IN UINTAH COUNTY, UTAH  
 SECTION 26, T8S, R22E, S.L.B.&M.

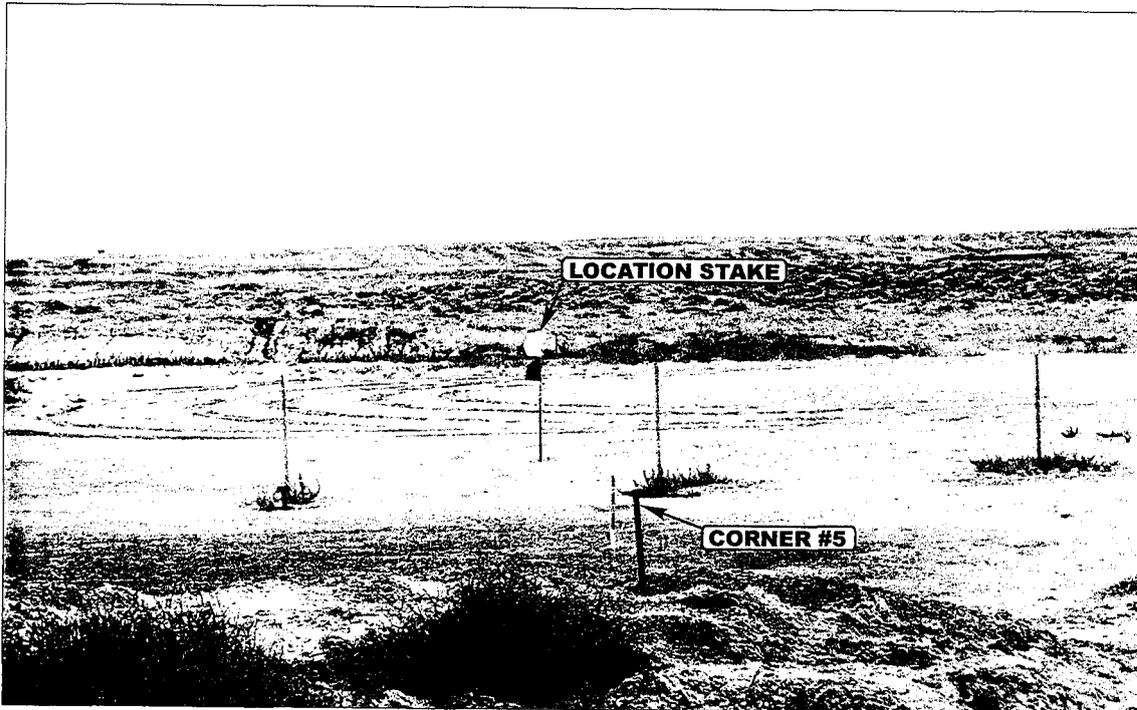


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: SOUTHEASTERLY

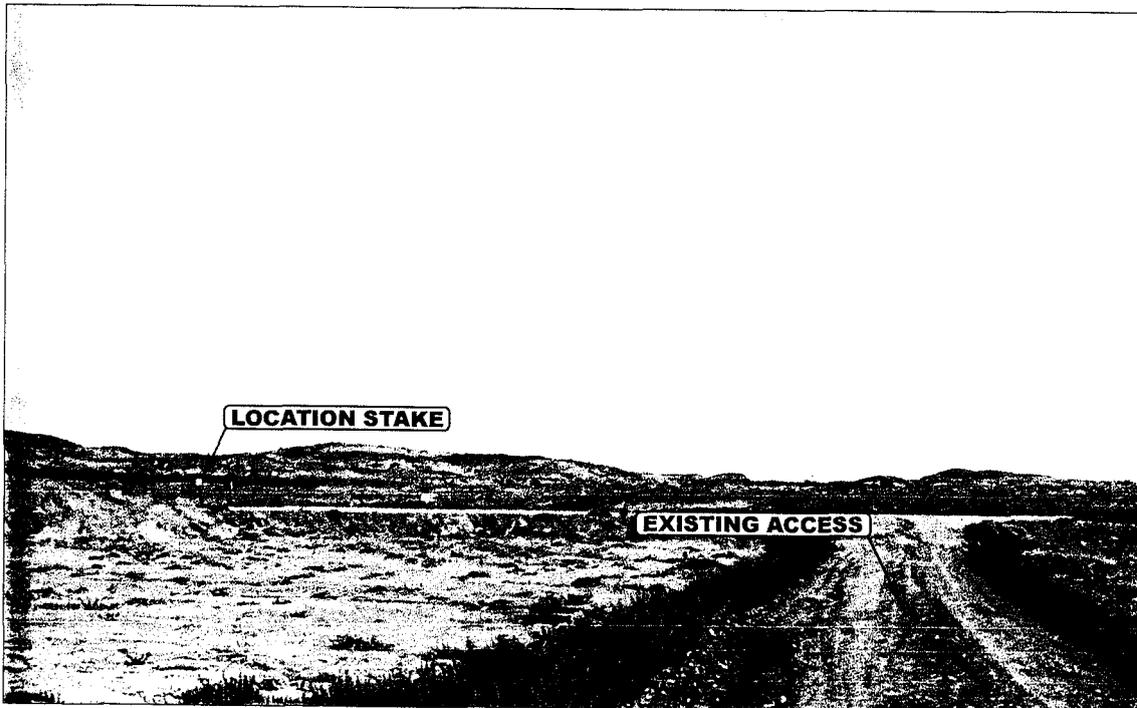


PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: EASTERLY



- Since 1964 -

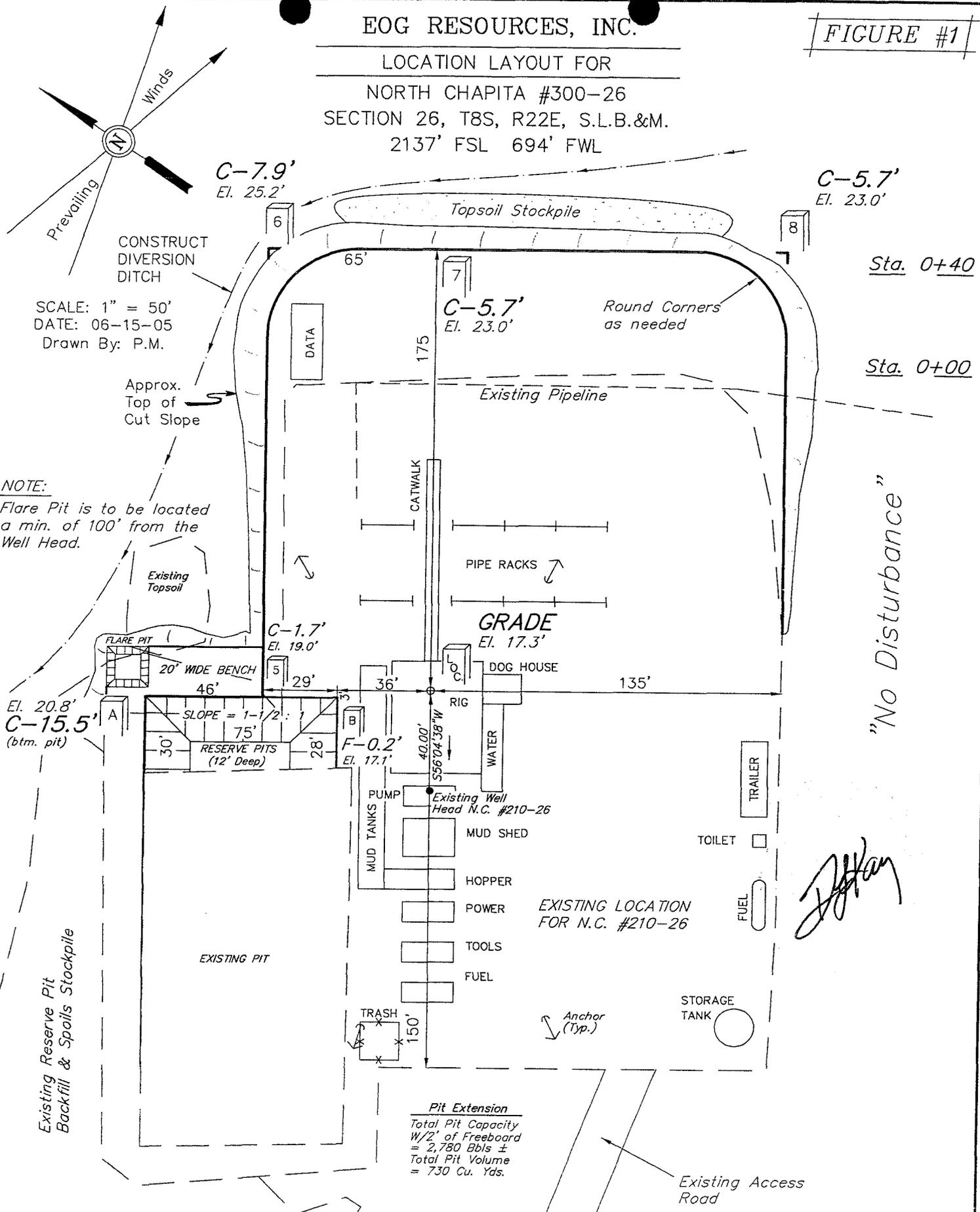
**E&L S** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 435-789-1017 uels@uelsinc.com

LOCATION PHOTOS			06	15	05	PHOTO
			MONTH	DAY	YEAR	
TAKEN BY: G.S.	DRAWN BY: P.M.	REVISED: 00-00-00				

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR  
 NORTH CHAPITA #300-26  
 SECTION 26, T8S, R22E, S.L.B.&M.  
 2137' FSL 694' FWL



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

Pit Extension  
 Total Pit Capacity  
 W/2' of Freeboard  
 = 2,780 Bbbls ±  
 Total Pit Volume  
 = 730 Cu. Yds.

NOTES:  
 FINISHED GRADE ELEV. AT #300-26 LOC. STAKE = 4817.3'

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

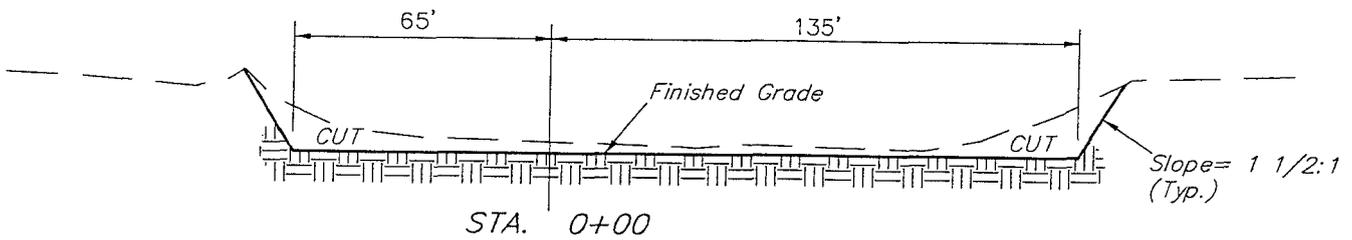
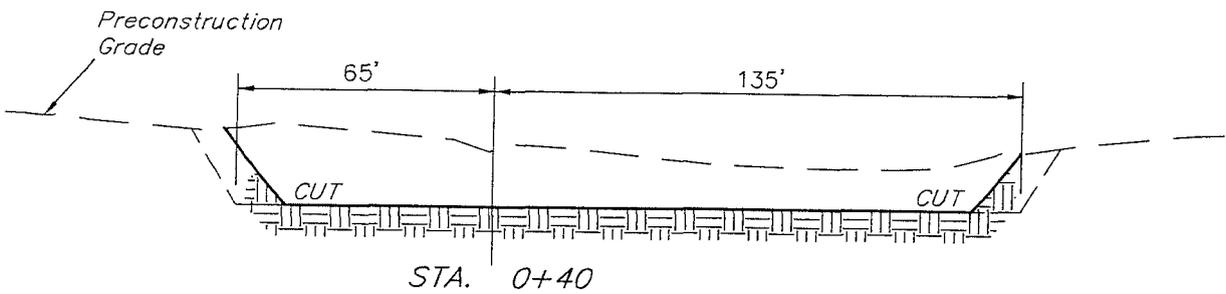
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 NORTH CHAPITA #300-26  
 SECTION 26, T8S, R22E, S.L.B.&M.  
 2137' FSL 694' FWL

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

DATE: 06-15-05  
 Drawn By: P.M.

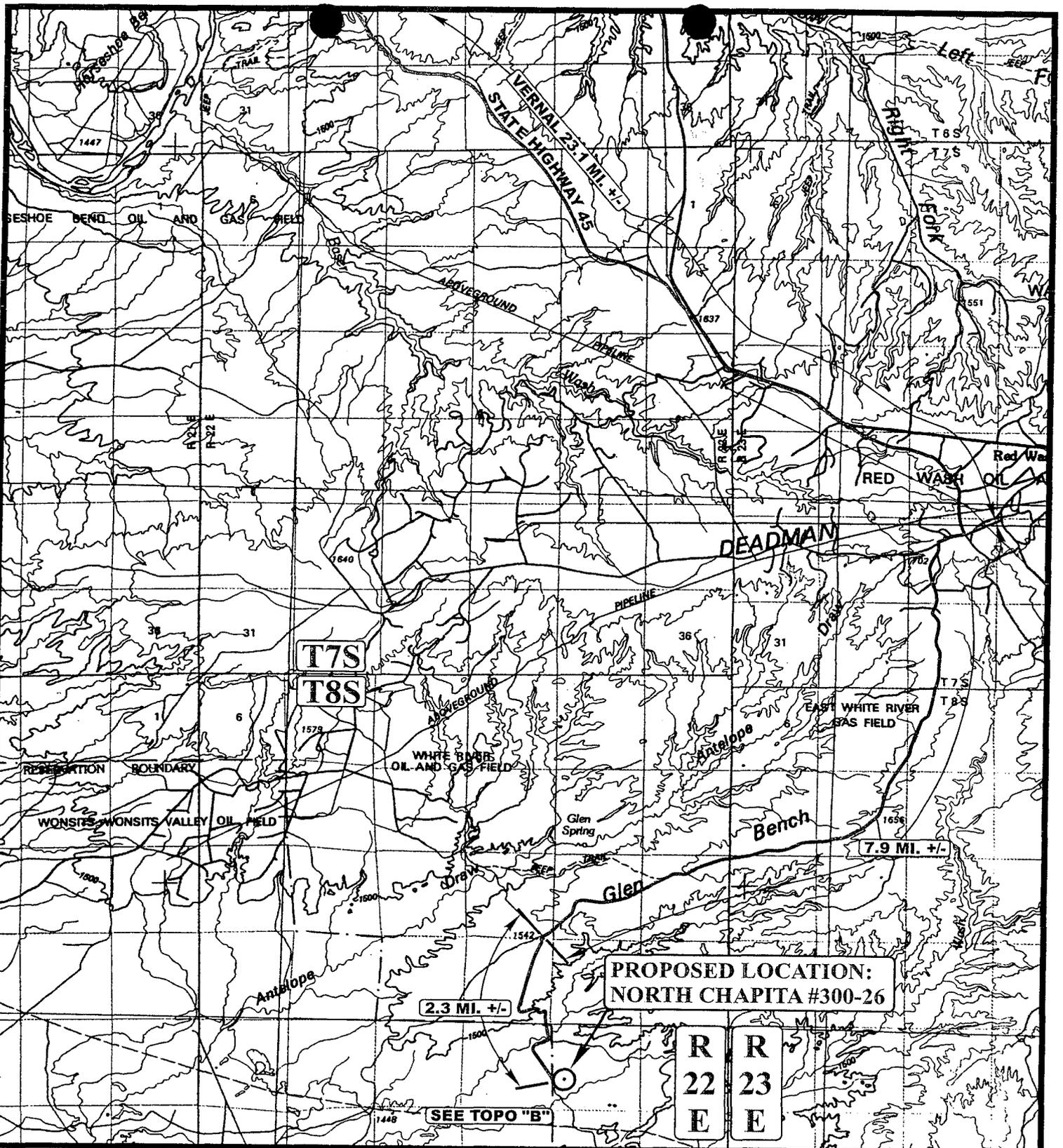


\* NOTE:  
 FILL QUANTITY INCLUDES  
 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 240 Cu. Yds.
(New Construction Only)	
Remaining Location	= 3,150 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 3,390 CU.YDS.</b>
<b>FILL</b>	<b>= 0 CU.YDS.</b>

EXCESS MATERIAL	= 3,390 Cu. Yds.
Topsoil & Pit Backfill	= 610 Cu. Yds.
(1/2 Pit Vol.)	
EXCESS UNBALANCE	= 2,780 Cu. Yds.
(After Rehabilitation)	



**LEGEND:**  
 ○ PROPOSED LOCATION



**EOG RESOURCES, INC.**

**NORTH CHAPITA #300-26**  
 SECTION 26, T8S, R22E, S.L.B.&M.  
 2137' FSL 694' FWL

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

**TOPOGRAPHIC** 06 15 05  
**MAP** MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: P.M. REVISED: 00-00-00



T8S

STATE HIGHWAY 45 7.9 MI. +/-  
VERNAL 31.0 MI. +/-

2.3 MI. +/-

PROPOSED LOCATION:  
NORTH CHAPITA #300-26

#210-26

0.1 MI. +/-

R  
22  
E

**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



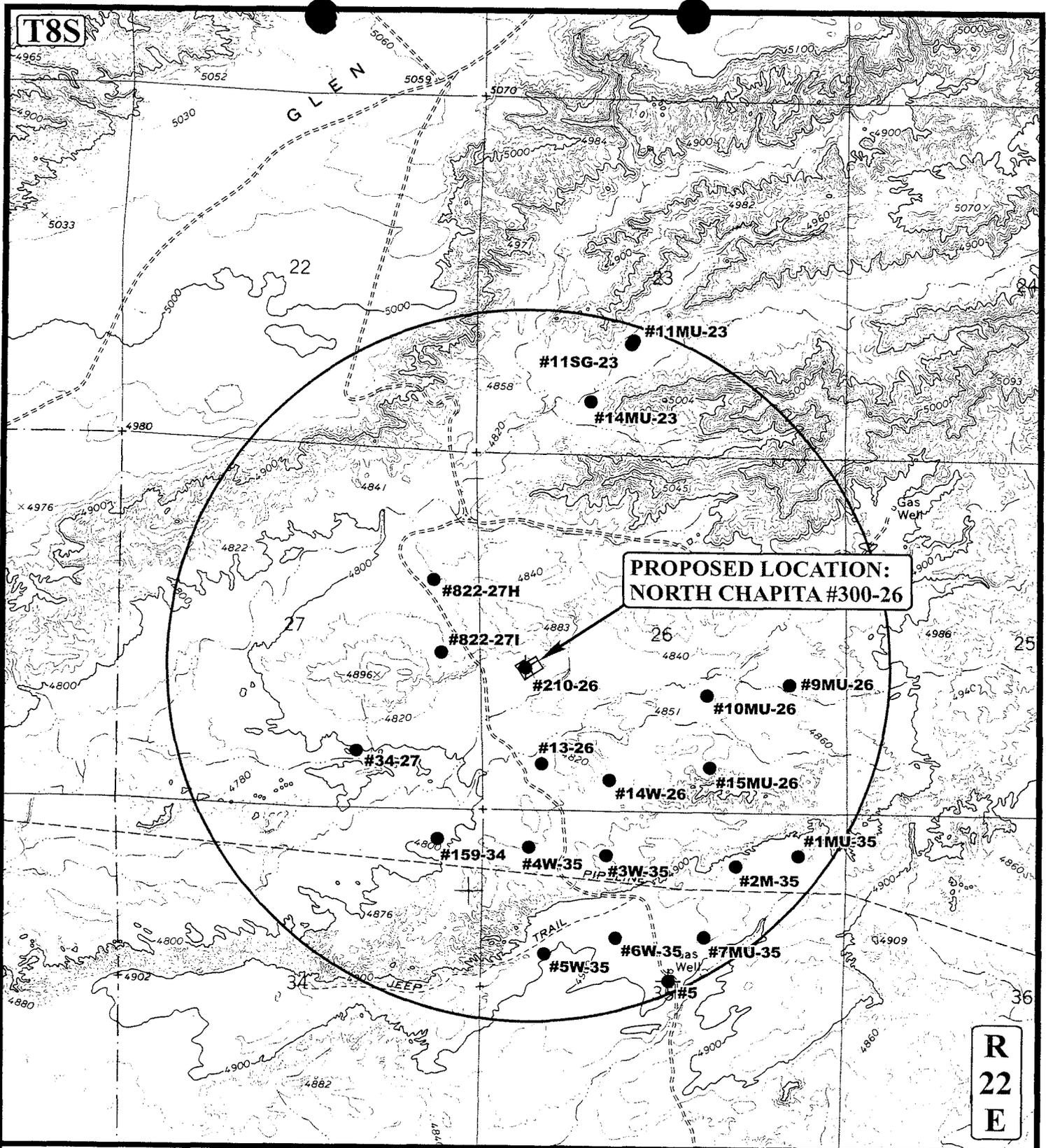
**EOG RESOURCES, INC.**

**NORTH CHAPITA #300-26**  
**SECTION 26, T8S, R22E, S.L.B.&M.**  
**2137' FSL 694' FWL**

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

**TOPOGRAPHIC** 06 15 05  
**MAP** MONTH DAY YEAR  
SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00

**B**  
**TOPO**



**LEGEND:**

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



**EOG RESOURCES, INC.**

**NORTH CHAPITA #300-26**  
**SECTION 26, T8S, R22E, S.L.B.&M.**  
**2137' FSL 694' FWL**



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

**TOPOGRAPHIC** 06 15 05  
**MAP** MONTH DAY YEAR

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



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/06/2005

API NO. ASSIGNED: 43-047-36835
--------------------------------

WELL NAME: N CHAPITA 300-26  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

NWSW 26 080S 220E  
 SURFACE: 2137 FSL 0694 FWL  
 BOTTOM: 2137 FSL 0694 FWL  
 UINTAH  
 NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: U-059  
 SURFACE OWNER: 1 - Federal  
 PROPOSED FORMATION: PRRV  
 COALBED METHANE WELL? NO

LATITUDE: 40.09252  
 LONGITUDE: -109.4136

RECEIVED AND/OR REVIEWED:

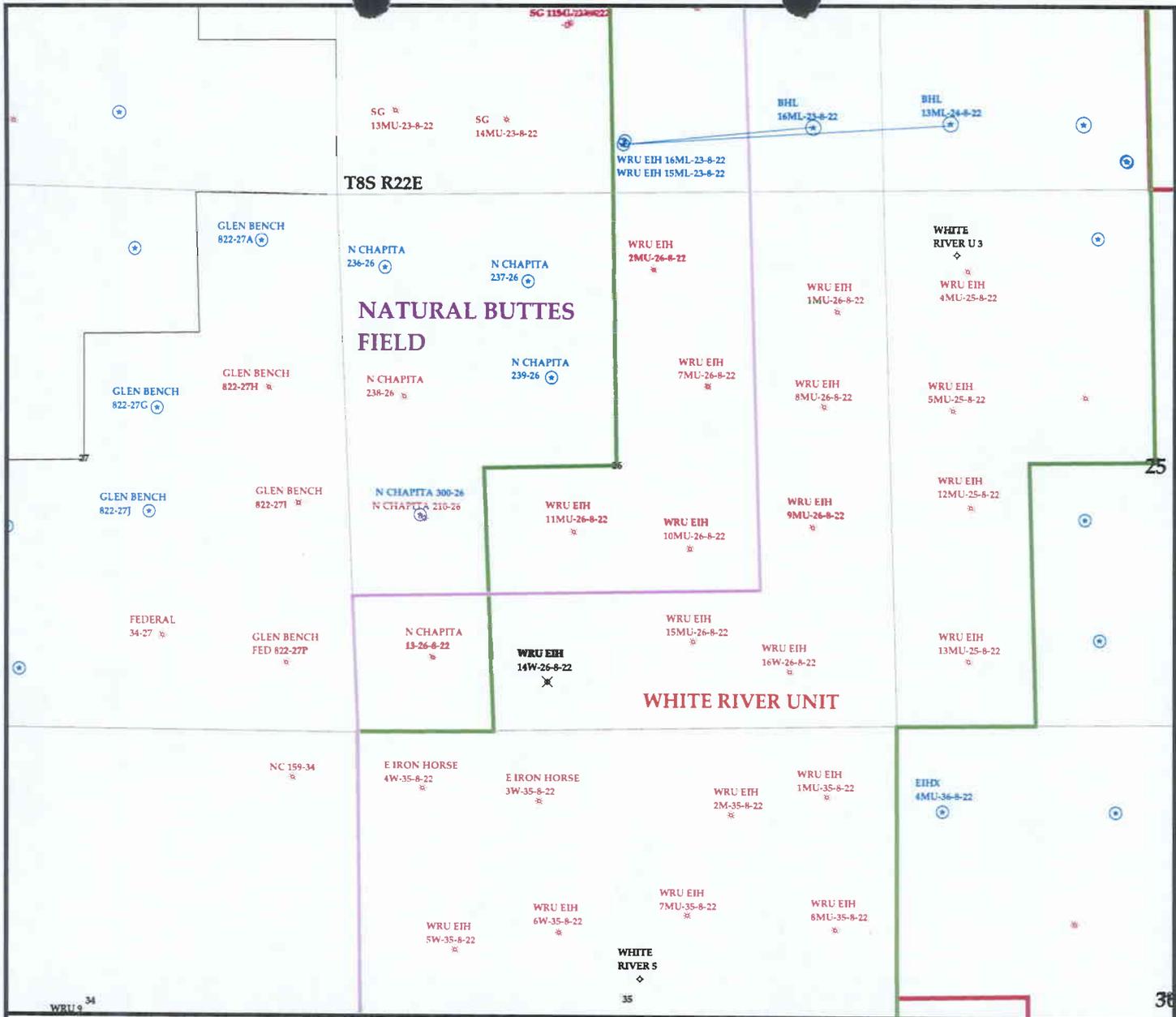
- Plat
- Bond: Fed[1] Ind[] Sta[] Fee[]  
(No. NM-2308 )
- Potash (Y/N)
- Oil Shale 190-5 (B) or 190-3 or 190-13
- Water Permit  
(No. 49-1501 )
- RDCC Review (Y/N)  
(Date: \_\_\_\_\_ )
- Fee Surf Agreement (Y/N)

LOCATION AND SITING:

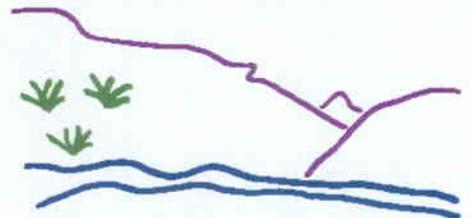
- R649-2-3.
- Unit \_\_\_\_\_
- R649-3-2. General  
Siting: 460 From Qtr/Qtr & 920' Between Wells
- R649-3-3. Exception
- Drilling Unit  
Board Cause No: \_\_\_\_\_  
Eff Date: \_\_\_\_\_  
Siting: \_\_\_\_\_
- R649-3-11. Directional Drill

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

STIPULATIONS: 1- federal approval  
2- Spacing Strip



**OPERATOR: EOG RESOURCES INC (N9550)**  
**SEC: 26 T. 8S R. 22E**  
**FIELD: NATURAL BUTTES (630)**  
**COUNTY: UINTAH**  
**SPACING: R649-3-2 / GENERAL SITING**



Utah Oil Gas and Mining

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



PREPARED BY: DIANA WHITNEY  
 DATE: 11-JULY-2005



**State of Utah**

**Department of  
Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of  
Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

July 11, 2005

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

Re: North Chapita 300-26 Well, 2137' FSL, 694' FWL, NW SW, Sec. 26,  
T. 8 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36835.

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 North Chapita 300-26  
API Number: 43-047-36835  
Lease: U-059

Location: NW SW                      Sec. 26                      T. 8 South                      R. 22 East

### Conditions of Approval

#### 1. General

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

#### 2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

#### 3. Reporting Requirements

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

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work:  DRILL  REENTER **JUL - 5 2005**

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

5. Lease Serial No. **U-059**

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
**NORTH CHAPITA 300-26**

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

9. API Well No.  
**43-047-36835**

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

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

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

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

At surface **2137' FSL, 694' FWL NW/SW**

At proposed prod. Zone

11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 26, T8S, R22E,  
S.L.B.&M.**

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

12. County or Parish  
**UINTAH**

13. State  
**UTAH**

15. Distance from proposed\* location to nearest property or lease line, ft. **694'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**880**

17. Spacing Unit dedicated to this well  
**40**

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

19. Proposed Depth  
**10,075'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4817.3 FEET GRADED GROUND**

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

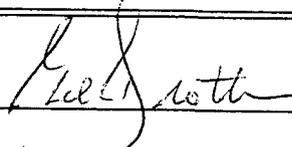
23. Estimated duration  
**45 DAYS**

24. Attachments

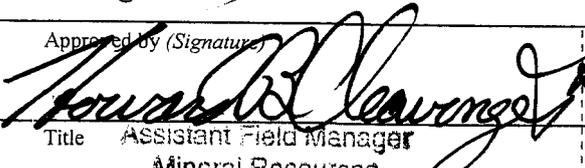
Attachments

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 **June 27, 2005**

Title **Agent**

Approved by (Signature)  Name (Printed/Typed) \_\_\_\_\_ Date **12/14/2005**

Title **Assistant Field Manager** Office \_\_\_\_\_  
**Mineral Resources**

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.

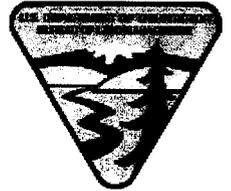
\*(Instructions on page 2)

**RECEIVED**  
**DEC 19 2005**



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: **North Chapita 300-26**  
API No: **43-047-36835**

Location: **NWSW, Sec 26, T8S, R22E**  
Lease No: **UTU-059**  
Agreement: **N/A**

Petroleum Engineer:	Matt Baker	Office: 435-781-4490	Cell: 435-828-4470
Petroleum Engineer:	Michael Lee	Office: 435-781-4432	Cell: 435-828-7875
Supervisory Petroleum Technician:	Jamie Sparger	Office: 435-781-4502	Cell: 435-828-3913
Environmental Scientist:	Paul Buhler	Office: 435-781-4475	Cell: 435-828-4029
Environmental Scientist:	Karl Wright	Office: 435-781-4484	
Natural Resource Specialist:	Holly Villa	Office: 435-781-4404	
Natural Resource Specialist:	Melissa Hawk	Office: 435-781-4476	
<b>After Hours Contact Number:</b>	<b>435-781-4513</b>	<b>Fax:</b>	<b>435-781-4410</b>

**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.

**NOTIFICATION REQUIREMENTS**

- |   |   |  |
|---|---|--|
| Location Construction<br>(Notify Paul Buhler) | - | Forty-Eight (48) hours prior to construction of location and access roads.   |
| Location Completion<br>(Notify Paul Buhler)   | - | Prior to moving on the drilling rig.   |
| Spud Notice<br>(Notify PE)                    | - | Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify SPT)     | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify SPT) | - | Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(Notify PE)        | - | Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

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

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. It is also recommended that 12 lbs of HY Crest Crested Wheat grass be seeded during the interim management of this well till final abandonment of the well is approved.

## ***DOWNHOLE CONDITIONS OF APPROVAL***

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

### **SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL**

1. The operator's proposed BOPE of 3M is less than the ASP and is therefore deficient. The operator is required to upgrade the BOPE to a 5M system. BLM 3M system analysis conducted for well TVD of 10075 ft and e.MW.max 10.5 ppg. For an mw of 10.5 ppg, well would be drilled overbalanced (?), per operators APn-aBhp of 4400 psi. Note that operators APD did not include an estimated e.MW.max. For analysis, e.MW.max is estimated to be 10.5 ppg, based on operators previous APD's for wells in same fld, similar depth.

### **DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS**

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

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

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

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

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

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

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

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

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

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

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

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

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

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
11. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
- a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location ( $\frac{1}{4}$ / $\frac{1}{4}$ , 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 & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- 16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-059</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:
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>		8. WELL NAME and NUMBER: <b>NORTH CHAPITA 300-26</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>43-047-36835</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>2137 FSL 694 FWL 40.092533 LAT 109.414281 LON</b> QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>NWSW 26 8S 22E S.L.B.&amp;M</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</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"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____  <input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: <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: 06-29-06  
By: [Signature]

10/6/06  
Pm

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Regulatory Assistant</u>
SIGNATURE <u>[Signature]</u>	DATE <u>6/26/2006</u>

(This space for State use only)

**RECEIVED  
JUN 28 2006**

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

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

**API:** 43-047-36835  
**Well Name:** NORTH CHAPITA 300-26  
**Location:** 2137 FSL 694 FWL (NWSW), SECTION 26, T8S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 7/11/2005

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

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

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

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

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

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

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

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

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

  
Signature

6/26/2006  
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

**RECEIVED**

**JUN 28 2006**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

3a. Address  
**P.O. BOX 250 Big Piney WY, 83113**

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**NWSW SECTION 26, T8S, R22E  
 2137 FSL 694 FWL 40.092533 LAT 109.414281 LON**

5. Lease Serial No.  
**U-059**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**NORTH CHAPITA 300-26**

9. API Well No.  
**43-047-36835**

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

11. County or Parish, State  
**UINTAH, UT**

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>CHANGE TD</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 recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

**EOG Resources, Inc. respectfully requests permission to change TD for the referenced well,**

**From: 10,075**

**To: 10,230**

RECEIVED

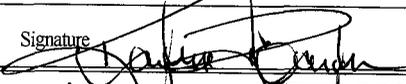
JUL 28 2006

COPY SENT TO OPERATOR  
 Date: 10-23-06  
 Initials: [Signature]

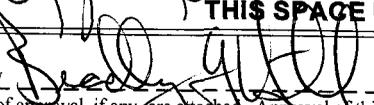
DIV. OF OIL, GAS & MINING

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

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

Signature  Date **07/25/2006**

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

Approved by  **BRADLEY G. HILL** Date **08-01-06**  
 Environmental Manager  
 Office

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

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**

**DIVISION OF OIL, GAS AND MINING**

~~7-011~~  
2-KAS  
3-PIC

Multiple  
Wells

**SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: N CHAPITA 300-26

Api No: 43-047-36835 Lease Type: FEDERAL

Section 26 Township 08S Range 22E County UINTAH

Drilling Contractor ROCKER DRILLING RIG # 1

**SPUDED:**

Date 09/28/06

Time 3:00 PM

How DRY

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

Reported by JERRY

Telephone # (435) 828-1720

Date 09/29/06 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG Resources, Inc.  
Address: 600 17th St., Suite 1000N  
city Denver  
state CO zip 80202

Operator Account Number: N 9550

Phone Number: (303) 824-5526

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-3683 5	North Chapita 300-26		NWSW	26	8S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15682	9/28/2006		10/5/06		
Comments: <i>PRRU = MVRD</i>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36262	Chapita Wells Unit 664-1		NWNE	1	9S	22E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15683	10/4/2006		10/5/06		
Comments: <i>PRRU = MVRD</i>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-35548	Chapita Wells Unit 902-19		SWSW	19	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	14833	13650			11/1/2005		
Comments: <i>PRRU = MVRD</i> — 10/5/06							

**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)

**RECEIVED**

OCT 05 2006

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

10/5/2006

Date

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  Oil Well  Gas Well  Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**2137' FSL & 694' FWL (NWSW)  
Sec. 26-T8S-R22E 40.092533 LAT 109.414281 LON**

5. Lease Serial No.  
**U-059**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**North Chapita 300-26**

9. API Well No.  
**43-047-36835**

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

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

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <b>Well Spud</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.)

The referenced well spud on 9/28/2006.

*Handwritten notes:*  
1-CHD  
2-KAB  
3-LGP  
4-PLC

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 **10/4/06**

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

Approved by \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

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

Office \_\_\_\_\_

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

(Instructions on page 2)

RECEIVED

OCT 16 2006

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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**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  
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<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 <b>Change tank size</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 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.)

**EOG Resources, Inc. requests permission to set two (2) 400 bbl vertical condensate tanks and attaching piping on the referenced location.**

**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

**10/4/06**

**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

001 0 0 2006

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-059
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-824-5526	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2137' FSL & 694' FWL (NWSW) Sec. 26-T8S-R22E 40.092533 LAT 109.414281 LON		8. Well Name and No. North Chapita 300-26
		9. API Well No. 43-047-36835
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/Mesaverde
		11. County or Parish, State Utah County, UT

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

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

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

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

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

Accepted by the  
Utah 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 10/4/06

**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 \_\_\_\_\_

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(Instructions on page 2)

RECEIVED

OCT 06 2006

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-059
2. Name of Operator EOG Resources, Inc.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th Street, Suite 1000N, Denver, CO 80202	3b. Phone No. (include area code) 303-824-5526	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 2137' FSL & 694' FWL (NWSW) Sec. 26-T8S-R22E 40.092533 LAT 109.414281 LON		8. Well Name and No. North Chapita 300-26
		9. API Well No. 43-047-36835
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/Mesaverde
		11. County or Parish, State Uintah County, UT

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

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

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

The referenced well was turned to sales 12/15/2006. 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

12/18/2006

**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.

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(Instructions on page 2)

**RECEIVED**

**DEC 20 2006**

DIV. OIL, GAS & MINING

## WELL CHRONOLOGY REPORT

Report Generated On: 12-18-2006

<b>Well Name</b>	NCW 300-26	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS DEEP	<b>API #</b>	43-047-36835	<b>Well Class</b>	ISA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	10-24-2006	<b>Class Date</b>	12-15-2006
<b>Tax Credit</b>	N	<b>TVD / MD</b>	10,230/ 10,230	<b>Property #</b>	055863
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4.837/ 4.817				
<b>Location</b>	Section 26, T8S, R22E, NWSW, 2137 FSL & 694 FWL				

<b>Event No</b>	1.0	<b>Description</b>	North Chapita 300-26 D&C		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	50.0	<b>NRI %</b>	39.75

**AFE No** 303159      **AFE Total** 2,026,400      **DHC / CWC** 1,058,900/ 967,500

**Rig Contr** BASIC      **Rig Name** BASIC #31      **Start Date** 07-12-2005      **Release Date** 11-14-2006

07-12-2005      **Reported By**

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

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

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

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

**Activity at Report Time:** LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA
			2137' FSL & 694' FWL (NW/SW)
			SECTION 26, T8S, R22E
			UINTAH COUNTY, UTAH
			 LAT 40.092569, LONG 109.413597 (NAD 27)
			 BASIC RIG #31
			OBJECTIVE: 10,230' TD, MESAVERDE
			DW/GAS
			NORTH CHAPITA PROSPECT
			DD&A: CHAPITA WELLS DEEP
			NATURAL BUTTES FIELD
			 LEASE: U-059
			ELEVATION: 4817.3' NAT GL, 4817.3' PREP GL (DUE TO ROUNDING THE PREP GL WILL BE 4817'), 4837' KB (20')
			 EOG WI 50%, NRI 39.75%

09-25-2006      **Reported By** TERRY CSERE

**Daily Costs: Drilling** \$28,982      **Completion** \$0      **Daily Total** \$28,982

**Cum Costs: Drilling** \$28,982 **Completion** \$0 **Well Total** \$28,982  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

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

**09-27-2006 Reported By TERRY CSERE**

**Daily Costs: Drilling** \$1,260 **Completion** \$0 **Daily Total** \$1,260  
**Cum Costs: Drilling** \$30,242 **Completion** \$0 **Well Total** \$30,242  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

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

**09-28-2006 Reported By TERRY CSERE**

**Daily Costs: Drilling** \$1,260 **Completion** \$0 **Daily Total** \$1,260  
**Cum Costs: Drilling** \$31,502 **Completion** \$0 **Well Total** \$31,502  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

**Start End Hrs Activity Description**  
 06:00 06:00 24.0 FINAL BLADING. WILL LINE PIT TODAY.

**09-29-2006 Reported By TERRY CSERE**

**Daily Costs: Drilling** \$1,260 **Completion** \$0 **Daily Total** \$1,260  
**Cum Costs: Drilling** \$32,762 **Completion** \$0 **Well Total** \$32,762  
**MD** 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

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

**10-04-2006 Reported By JERRY BARNES**

**Daily Costs: Drilling** \$2,310 **Completion** \$0 **Daily Total** \$2,310  
**Cum Costs: Drilling** \$35,072 **Completion** \$0 **Well Total** \$35,072  
**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 ROCKER DRILLING SPUD A 17 1/2" HOLE ON 9/28/2006 @ 3:00 PM.

SET 40' OF 14" CONDUCTOR, CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED DONNA KENNEY W/BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 9/28/2006 @ 2:00 PM.

10-05-2006 Reported By JOHN HELCO

Daily Costs: Drilling \$236,483 Completion \$0 Daily Total \$236,483

Cum Costs: Drilling \$271,555 Completion \$0 Well Total \$271,555

MD 2,610 TVD 2,610 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU BILL JR'S AIR RIG # 8 ON 9/29/2006, DRILLED 12 1/4" HOLE TO 2590' GL. ENCOUNTERED NO WATER. RAN 58 JTS (2553.90') 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 @ 2551' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO BILL JR'S AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 160 BBLs FRESH WATER & 40 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 250 SX (170 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 PPG W/YIELD OF 3.82 CFS. TAILED IN W/ 200 SACKS (41 BBLs) OF PREMIUM CEMENT W/ 2% CaCl2 & 1/4 #/SX FLOCELE. MIXED TAIL CEMENT TO 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/195.8 BBLs FRESH WATER. BUMPED PLUG W/600# @ 11:32 PM, 10/1/2006. CHECKED FLOAT, FLOAT HELD. SHUT IN CASING VALVE. BROKE CIRCULATION 1 BBLs INTO DISPLACEMENT. CEMENT FELL BACK AT SURFACE WHEN PLUG BUMPED.

TOP JOB #1: PUMPED DOWN 200' OF 1" PIPE. MIXED & PUMPED 150 SX (31 BBLs) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND CIRCULATED 4 BBL LEAD CEMENT TO PIT. HOLE FELL BACK WHEN PUMPING STOPPED. WOC 3 HR 30 MIN.

TOP JOB #2: MIXED & PUMPED 100 SX (20 BBLs) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. RD BIG 4 CEMENTERS.

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

NO SURVEY TAKEN AT THIS TIME.

JOHN HELCO NOTIFIED JAMIE SPARGER W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 10/1/2006 @ 6:00 PM.

10-06-2006 Reported By KENNY HARRIS

Daily Costs: Drilling \$2,775 Completion \$0 Daily Total \$2,775

Cum Costs: Drilling \$274,330 Completion \$0 Well Total \$274,330

MD 2,610 TVD 2,610 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WAITING ON LOCATION TO DRY UP

Start End Hrs Activity Description

06:00 18:00 12.0 MIRU/RDMO, DUMPED 8 LOADS OF GRAVEL AND TRYED TO BLADE OFF MUD, MORE RAIN STOPPED PROGRESS.

18:00 06:00 12.0 WAIT ON DAYLIGHT  
NO ACCIDENTS

10-11-2006 Reported By KENNY HARRIS

Daily Costs: Drilling \$5,275 Completion \$0 Daily Total \$5,275

**Cum Costs: Drilling** \$279,605 **Completion** \$0 **Well Total** \$279,605  
**MD** 2.610 **TVD** 2.610 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**  
**Activity at Report Time:** WAIT ON LOCATION TO DRY UP

Start	End	Hrs	Activity Description
06:00	18:00	12.0	BUILD LOCATION WORK THE MUD OUT WITH 17 LOADS OF GRAVEL AND WORKING WITH A BULL DOZER AND GRADER ALL DAY
18:00	06:00	12.0	WAIT ON LOCATION, SHOULD START MOVING TODAY ON TO LOCATION NO ACCIDENTS

**10-12-2006** **Reported By** KENNY HARRIS

**Daily Costs: Drilling** \$4,820 **Completion** \$0 **Daily Total** \$4,820  
**Cum Costs: Drilling** \$284,425 **Completion** \$0 **Well Total** \$284,425  
**MD** 2.610 **TVD** 2.610 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**  
**Activity at Report Time:** WAIT ON DAYLIGHT

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU/RDMO SET ALL OF RIG COMPONETS IN PLACE AND START TO STRING UP.
18:00	06:00	12.0	WAIT ON DAYLIGHTS. NO ACCIDENTS

**10-13-2006** **Reported By** KENNY HARRIS

**Daily Costs: Drilling** \$16,637 **Completion** \$0 **Daily Total** \$16,637  
**Cum Costs: Drilling** \$301,062 **Completion** \$0 **Well Total** \$301,062  
**MD** 2.610 **TVD** 2.610 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**  
**Activity at Report Time:** WAIT ON DAYLIGHT

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU/RDMO RAISE THE DERRICK AND HOOKING UP THE BACK YARD, SETTING IN CHOKE MANIFOLD AND HAND RAILS AROUND RIG FLOOR.
18:00	06:00	12.0	WAIT ON DAYLIGHT. NO ACCIDENTS SAFTY MEETINGS WITH CREWS 4500 GALS OF FUEL

**10-14-2006** **Reported By** KENNY HARRIS

**Daily Costs: Drilling** \$59,464 **Completion** \$0 **Daily Total** \$59,464  
**Cum Costs: Drilling** \$360,526 **Completion** \$0 **Well Total** \$360,526  
**MD** 2.610 **TVD** 2.610 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**  
**Activity at Report Time:** WAIT ON DAYLIGHTS

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

06:00 18:00 12.0 MIRU/RDMO SCOPE OUT THE MAST AND PUT ON MUD CROSS TO CHECK OUT SPACE OUT. RIG UP GAS BUSTER, SHAKERS AND MUD CLEANERS. PUT UP LIGHTS AND START GEN SETS. RIG UP FLARE LINE AND WELDING ON MISC PROJECTS.  
 18:00 06:00 12.0 WAIT ON DAYLIGHTS.

NO ACCIDENTS  
 SAFTY MEETINGS WITH CREWS  
 4300 GAL FUEL

**10-15-2006** Reported By KENNY HARRIS

Daily Costs: Drilling \$10,399 Completion \$0 Daily Total \$10,399  
 Cum Costs: Drilling \$370,925 Completion \$0 Well Total \$370,925

MD 2.610 TVD 2.610 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WAIT ON DAYLIGHTS

**Start End Hrs Activity Description**

06:00 18:00 12.0 MIRU RU STACK SO WELDERS COULD MANUFACTOR FLOW LINE. IT RAINED TODAY SO WELDERS LEFT EARLY. FINISH INSTALLING GAS BUSTER. PASON WAS INSTALLED & AUTOMATIC DRILLER INSTALLED.  
 18:00 06:00 12.0 WAIT ON DAYLIGHTS.

NO ACCIDENTS  
 SAFETY MEETINGS WITH CREWS  
 4100 GALS FUEL

**10-16-2006** Reported By KENNY HARRIS

Daily Costs: Drilling \$5,145 Completion \$0 Daily Total \$5,145  
 Cum Costs: Drilling \$376,070 Completion \$0 Well Total \$376,070

MD 2.610 TVD 2.610 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WAIT ON DAYLIGHTS

**Start End Hrs Activity Description**

06:00 18:00 12.0 MIRU/RDMO RIGGING UP FLOOR. MOVED SHEVES ON CROWN-O-MATIC TO OUT SIDE HOPING TO MOVE THE BLOCK OUTSIDE OF DERRICK SO CONNECTIONS WOULD NOT HIT CROWN SECTION OF DERRICK (DID NOT HELP). WELDING ON FLOW LINES AND GUN LINES IN TANKS AND FLARE LINES.  
 18:00 06:00 12.0 WAIT ON DAYLIGHTS.

NO ACCIDENTS  
 SAFETY MEETINGS WITH CREWS  
 4000 GAL FUEL

**10-17-2006** Reported By KENNY HARRIS

Daily Costs: Drilling \$7,158 Completion \$0 Daily Total \$7,158  
 Cum Costs: Drilling \$383,228 Completion \$0 Well Total \$383,228

MD 2.610 TVD 2.610 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WAIT ON DAYLIGHT

**Start End Hrs Activity Description**

06:00 18:00 12.0 WORKING ON FLOW LINES AND FLARE LINES. LAY DERRICK BACK DOWN TO CHECK THE BLOCKS, PLUMB IN 2 - 400 BBL. TANKS TO WATER SYSTEM. RD FLOOR BEFORE LD DERRICK.  
 18:00 06:00 12.0 WAIT ON DAYLIGHT.

NO ACCIDENT  
 SAFETY MEETING WITH CREWS  
 3700 GALS FUEL

**10-18-2006 Reported By KENNY HARRIS**

**Daily Costs: Drilling** \$6,019 **Completion** \$0 **Daily Total** \$6,019  
**Cum Costs: Drilling** \$389,247 **Completion** \$0 **Well Total** \$389,247  
**MD** 2.610 **TVD** 2.610 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** WAIT ON DIFFERENT BLOCKS

**Start End Hrs Activity Description**  
 06:00 18:00 12.0 WAIT ON DIFFERENT BLOCKS TO HAVE THE SHEAVES MACHINED FROM 1 1/8" TO 1 1/4" DRILL LINE. WORK ON FLOW LINE UNTIL RAIN SHUT DOWN THE WELDERS. RAIN MOST OF DAY.

NO ACCIDENTS  
 SAFETY MEETING WITH CREWS  
 3500 GAL FUEL

**10-19-2006 Reported By KENNY HARRIS**

**Daily Costs: Drilling** \$5,145 **Completion** \$0 **Daily Total** \$5,145  
**Cum Costs: Drilling** \$394,392 **Completion** \$0 **Well Total** \$394,392  
**MD** 2.610 **TVD** 2.610 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** WO NEW BRACES FOR TOP SECTION OF DERRICK

**Start End Hrs Activity Description**  
 06:00 18:00 12.0 FINISH UP GAS BUSTER AND WORKING ON RAT HOLE AND MOUSE HOLE AND FLOW LINE.

NO ACCIDENTS  
 SAFETY MEETING WITH CREWS  
 3500 GALS OF FUEL  
 THE BRACES FROM TEXAS SHOULD BE HERE TODAY

18:00 06:00 12.0 WAIT ON BRACES FROM TEXAS.

**10-20-2006 Reported By KENNY HARRIS**

**Daily Costs: Drilling** \$5,865 **Completion** \$0 **Daily Total** \$5,865  
**Cum Costs: Drilling** \$400,257 **Completion** \$0 **Well Total** \$400,257  
**MD** 2.610 **TVD** 2.610 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** RIGGING UP

**Start End Hrs Activity Description**  
 06:00 20:00 14.0 CUT BRACES OUT IN DERRICK AND WELD IN NEW ONES, RAISE DERRICK AND CHECK DISTANCE [5"] FOR BLOCK TO HIT. FINISH RAT HOLE AND MOUSE HOLE AND WORK ON FLOW LINE.

20:00 06:00 10.0 INSPECT DERRICK WITH LICENSED INSPECTOR (EVERYTHING IS OK). THE INSPECTORS NAME IS DEAN BICKNESE AND HE IS THE FIELD SERVICE TECHNICIAN FOR CROWN INSPECTION. DEAN WILL FAX ME HIS CERTIFICATION TOMORROW.

NO ACCIDENTS  
SAFETY MEETING WITH CREWS  
3100 GALS FUEL

10-21-2006 Reported By KENNY HARRIS

Daily Costs: Drilling \$57,645 Completion \$0 Daily Total \$57,645  
Cum Costs: Drilling \$457,902 Completion \$0 Well Total \$457,902

MD 2.610 TVD 2.610 Progress 0 Days 0 MW 0.0 Visc 0.0  
Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RU RIG FLOOR & WELD ON CHOKE MANIFOLD

Start End Hrs Activity Description

06:00 18:00 12.0 WELDING ON FLOW LINE AND RIG FLOOR. MAKING AND INSTALLING BREAK OUT LINES, TONG LINES AND KELLY. WELDING ON CHOKE MANIFOLD.  
18:00 06:00 12.0 CONT TO WELD ON CHOKE MANIFOLD. RIGGING UP KELLY AND RIG FLOOR.

NO ACCIDENTS  
SAFETY MEETING WITH CREWS  
3500 GAL FUEL

10-22-2006 Reported By KENNY HARRIS

Daily Costs: Drilling \$7,691 Completion \$0 Daily Total \$7,691  
Cum Costs: Drilling \$465,593 Completion \$0 Well Total \$465,593

MD 2.610 TVD 2.610 Progress 0 Days 0 MW 0.0 Visc 0.0  
Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: FINISH RU RIG FLOOR & PREP TO PU DP

Start End Hrs Activity Description

06:00 14:00 8.0 WELDING ON CHOKE MANIFOLD. PLUMBING TANKS INTO WATER TANK.  
14:00 04:00 14.0 TEST BOPS AND CHOKE MANIFOLD HYDRILL TO 2500 PSI, BLINDS RAMS AND PIPE RAMS AND CHOKE MANIFOLD TO 5000 PSI. TEST KELLY AND SAFETY VALVES TO 5000 PSI, ALL TEST HAD A LOW OF 250 PSI AND HIGH OF 5000 PSI (EXCEPT FOR HYDRILL OF 2500 PSI FOR HIGH).  
04:00 06:00 2.0 FINISH INSTALLING RAT HOLE AND MOUSE HOLE. MAKE A RIG INSPECTION OF THE RIG

NO ACCIDENTS  
SAFETY MEETING WITH CREWS  
3000 GAL FUEL

10-23-2006 Reported By KENNY HARRIS

Daily Costs: Drilling \$28,350 Completion \$0 Daily Total \$28,350  
Cum Costs: Drilling \$493,943 Completion \$0 Well Total \$493,943

MD 2.610 TVD 2.610 Progress 0 Days 0 MW 0.0 Visc 0.0  
Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WAITING ON WELDERS

Start End Hrs Activity Description

06:00 02:00 20.0 TRIP PU BOTTOM HOLE ASSEMBLY AND BREAK IN NEW PIPE. TRAIN CREWS ON NEW RODGERS. TORQUE TOOL AND TALLY BHA AND PIPE. RIH TO 2460'.  
 02:00 06:00 4.0 RIG REPAIR WELDING ON FLARE LINE AND PINS ON CARRIER.

NO ACCIDENTS  
 JSA WITH BOTH CREWS ON RUNNING RODGERS IRON ROUGH NECK  
 SAFETY MEETINGS WITH CREWS: PU PIPE AND BHA  
 FUEL 2800 GALS

10-24-2006 Reported By KENNY HARRIS

Daily Costs: Drilling \$54,709 Completion \$0 Daily Total \$54,709  
 Cum Costs: Drilling \$548,652 Completion \$0 Well Total \$548,652

MD 2.610 TVD 2.610 Progress 163 Days 1 MW 8.33 Visc 28.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	23:30	17.5	RIG REPAIR AND ADJUST EQUIPMENT. CHANGING LINERS OUT IN PUMPS. HOOKING UP KELLY HOSE AND COMPLETE RIGGING UP.
23:30	01:00	1.5	DRILL CEMENT/FLOAT EQUIP FROM 2500' TO 2597', SHOE @ 2560'.
01:00	01:30	0.5	PERFORM FIT TEST TO 350 PSI OR 11.0 LB MUD EQUIVALENT.
01:30	06:00	4.5	DRILLING FROM 2597' TO 2750', ROT 60, WOB 15K, MUD WEIGHT 8.5. 30' PER HOUR. WE ARE BREAKING IN NEW PIPE.

NO ACCIDENTS  
 SAFTY MEETING WITH CREWS  
 6052 GALS FUEL

06:00 18.0 SPUD 12.25" HOLE @ 01:30 HRS, 10/24/06.

10-25-2006 Reported By KENNY HARRIS

Daily Costs: Drilling \$23,678 Completion \$0 Daily Total \$23,678  
 Cum Costs: Drilling \$572,330 Completion \$0 Well Total \$572,330

MD 3.899 TVD 3.899 Progress 1,149 Days 2 MW 8.7 Visc 32.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	12:30	6.5	DRILLING 2750' TO 3031', 44 FPH ADV, 800 PSI, 15-20K WOB, 60 ROT, 418 GPM.
12:30	13:00	0.5	SERVICE RIG.
13:00	16:30	3.5	DRILLING 3031' TO 3296', 75' ADV ROP, 800 PSI, 418 GPM, 60 ROT, 15-20K WOB.
16:30	17:00	0.5	RIG REPAIR, ROT BACK BREAK GOT HOT, HAD TO REMOVE.
17:00	00:30	7.5	DRILLING 3296' TO 3650', 47' ADV FPH, 850 PSI, 60 ROT, 15-20K WOB, 418 GPM.
00:30	02:00	1.5	SURVEY @ 3620', 1.5 DEGREES. SURVEY REEL WAS RUNNING BACKWARDS AND HAD TO CHANGE MOTOR DIRECTION.
02:00	06:00	4.0	DRILLING 3650' TO 3899', 62' ADV FPH, 850 PSI, 418 GPM, 18-20K WOB, 60 ROT.

NO ACCIDENTS  
 SAFETY MEETINGS W/CREWS

5073 GALS FUEL  
8.7/36

10-26-2006      Reported By      KENNY HARRIS

<b>Daily Costs: Drilling</b>	\$34,070	<b>Completion</b>	\$3,142	<b>Daily Total</b>	\$37,212						
<b>Cum Costs: Drilling</b>	\$606,400	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$609,542						
<b>MD</b>	4.964	<b>TVD</b>	4.964	<b>Progress</b>	1.065	<b>Days</b>	3	<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: AT SHOE BUILDING VOL IN PITS

Start	End	Hrs	Activity Description
06:00	12:00	6.0	DRILLING 3899' TO 4279', 64' PER HOUR, 15-20K WOB, 115 SPM, 415 GPM, MUD WEIGHT 9.1, VIS 35.
12:00	12:30	0.5	SERVICE RIG.
12:30	15:30	3.0	DRILLING 4279' TO 4436', 46' PER HOUR, SAME PERIMETERS FOR DRILLING.
15:30	16:00	0.5	REPAIR WILDCAT DRILLER.
16:00	01:00	9.0	DRILLING 4436' TO 4964', 29 FPH, 60 ROT, 15- 20K WOB, 1500 PSI ON STAND PIPE, 9.4, 35 VIS.
01:00	02:30	1.5	LOSS CIRC AND BUILDING PILL OF HIGH VIS. SPOT IT ON BOTTOM.
02:30	06:00	3.5	TRIP TO SHOE TO BUILD VOLUME AND LET HOLE HEAL.

NO ACCIDENTS  
SAFETY MEETING WITH CREWS

60' PER HOUR  
9.4 MUD WEIGHT, 25 VIS  
15-20K WOB, 1550 PSI, 115 SPM

10-27-2006      Reported By      KENNY HARRIS

<b>Daily Costs: Drilling</b>	\$30,729	<b>Completion</b>	\$0	<b>Daily Total</b>	\$30,729						
<b>Cum Costs: Drilling</b>	\$637,129	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$640,271						
<b>MD</b>	5.151	<b>TVD</b>	5.151	<b>Progress</b>	187	<b>Days</b>	4	<b>MW</b>	8.8	<b>Visc</b>	31.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: WORK ON PUMPS

Start	End	Hrs	Activity Description
06:00	08:30	2.5	CIRCULATE AND BUILD VOLUME.
08:30	09:30	1.0	TIH FROM 2500' TO 4000', GAIN 50 BBLS AND STOP TO CIRC.
09:30	11:00	1.5	CIRC/COND AND BUILD VOLUME.
11:00	12:30	1.5	TIH TO 4930'. PICK UP KELLY. WASH TO BOTTOM, NO GAS.
12:30	16:30	4.0	DRILLING 4964' TO 5151', 15-20K WOB, 60 ROT, 9.1 MUD WEIGHT, .33 VIS, 60' ADV FPH.
16:30	18:00	1.5	RIG REPAIR WORK ON PUMPS VALVES PLUGGED WITH LCM. WRONG LINERS IN #2 PUMP WAITING ON NEW LINERS.
18:00	19:00	1.0	RAISE MUD WT TO 9.4 AND LOSS CIRC (PROBLEMS WITH PUMPS).
19:00	20:30	1.5	TRIP TO SHOE TO WORK ON PUMPS.
20:30	00:30	4.0	WORK ON PUMPS REPLACE 6" LINERS ON #2 PUMP. STILL WAITING ON 6.5 LINERS. WORK ON VALVES ON #1 PUMP.
00:30	02:30	2.0	TRIP IN HOLE TO 5120'.
02:30	03:30	1.0	CIRCULATE/CONDITION. PROBLEMS WITH PUMPS.
03:30	06:00	2.5	WORK ON PUMPS WITH LCM UNDER VALVES ON BOTH PUMPS.

NO ACCIDENTS  
 SAFETY MEETING WITH CREWS  
 MUD WEIGHT 9.5, VIS 33  
 60 FPH ADV

<b>10-28-2006</b>	<b>Reported By</b>	G HARVEY									
<b>Daily Costs: Drilling</b>	\$41,740	<b>Completion</b>	\$0	<b>Daily Total</b>	\$41,740						
<b>Cum Costs: Drilling</b>	\$678,869	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$682,011						
<b>MD</b>	5,324	<b>TVD</b>	5,324	<b>Progress</b>	173	<b>Days</b>	5	<b>MW</b>	8.7	<b>Visc</b>	31.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	07:00	1.0	WORK ON REMOVAL OF PACKED LCM IN BOTH RIG TRIPLEX PUMPS.
07:00	08:30	1.5	TRIP OUT OF HOLE WITH 39 STANDS OF DRILL PIPE / BIT @ 2,505' INSIDE SURFACE PIPE.
08:30	13:30	5.0	DISASSEMBLE / FLUSH & CLEAR SURFACE CIRCULATING RELATED EQUIPMENT OF WET PACKED OFF LCM. REASSEMBLE & CIRCULATE TOP OF HOLE BUILDING VOLUME & KICKING LCM OUT OF SYSTEM OVER SHAKER. BATCH MIX GEL PRODUCTS OVER PIT AGITATORS DUE TO MIXING HOPPER FAILURE / CORRECT PARTS & JETTING ORDERED.
13:30	15:00	1.5	TRIP IN HOLE WITH 20 STANDS DRILL PIPE TO 3,805' / KELLY-UP & BREAK SLOW STROKE CIRCULATION.
15:00	18:00	3.0	RIG REPAIRS IE; BOTH RIG DECK MOTORS FUEL FILTERS PLUGGED / ORDER OUT REPLACEMENTS. CONTINUE TO CIRCULATE, CONDITION & BUILD FLUID VOLUME.
18:00	03:00	9.0	FINISH TRIP IN HOLE WITH 19 STANDS DRILL PIPE. KELLY-UP & WASH 33' TO BOTTOM. ROTATE DRILLING FROM 5,151' TO 5,300' WITH DESCO & LIGNITE SWEEPS TO CLEAR BIT & REAMERS OF CLAYS. CONTINUE TO SURGE RIG PUMPS TO CLEAR AIR IN SYSTEM. ADJUST BIT WEIGHT & RPM'S TO CLEAR BIT FOR DRILLING.
03:00	05:15	2.25	RIG REPAIR IE; OUTPUT SHAFT TO RIG ROTARY TABLE FORCEING TABLE TO BIND IN FLOOR SOCKET / RELAX TENSION & SECURE. CONTINUE DRILLING OPERATIONS.
05:15	06:00	0.75	ROTATE DRILLING FROM 5,300' TO 5,324' - ( 24' ) = 30' / HR RATE WITH VARIOUS WEIGHT & RPM ON BIT. 4' LAZY FLARE. NOTE; MINIMAL DRILLING FLUIDS LOSSES.

MUD WEIGHT 8.8 LB/ GAL  
 VISCOSITY 34 SEC/ QT  
 SAFETY MEETING: HANDLING BULK MUD PRODUCTS WITH SLICK MUDDY LOCATION OP's  
 # 2 DYED DIESEL FUEL DELIVERED 4,500 GALLONS

<b>10-29-2006</b>	<b>Reported By</b>	G HARVEY									
<b>Daily Costs: Drilling</b>	\$28,431	<b>Completion</b>	\$0	<b>Daily Total</b>	\$28,431						
<b>Cum Costs: Drilling</b>	\$707,301	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$710,443						
<b>MD</b>	6,580	<b>TVD</b>	6,580	<b>Progress</b>	1,256	<b>Days</b>	6	<b>MW</b>	9.0	<b>Visc</b>	33.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	08:00	2.0	ROTATE DRILLING FROM 5,324' TO 5,419' - ( 95' ) - WITH 18M TO 25M COMPRESSION ON BIT / 45 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 47.5 FT / HR RATE.
08:00	09:00	1.0	RIG REPAIR IE; REPLACE FAULTY CAPS ON TRIPLEX PUMP / NO 2 PUMP STUCK IN FIRST GEAR. BASIC MECHANIC IN ROUTE.

09:00 11:00 2.0 ROTATE DRILLING FROM 5,419' TO 5,546' - ( 127' ) - WITH 18M TO 25M COMPRESSION ON BIT / 45 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 63.5 FT/ HR RATE.

11:00 12:00 1.0 RIG REPAIR IE; REMOVE BOKEN LOWER VALVES - LINER DAMAGE ON NO 1 TRIPLEX PUMP - REPLACE SWABS / NO. 2 PUMP TRANSMISSION BEING REPAIRED.

12:00 14:30 2.5 ROTATE DRILLING FROM 5,546' TO 5,673' - ( 127' ) - WITH 18M TO 25M COMPRESSION ON BIT / 45 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 50.8 FT/ HR RATE.

14:30 15:00 0.5 RIG SERVICE.

15:00 17:15 2.25 ROTATE DRILLING FROM 5,673' TO 5,807' - ( 134' ) - WITH 18M TO 25M COMPRESSION ON BIT / 45 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 59.55 FT/ HR RATE.

17:15 17:45 0.5 RIG REPAIR IE; CHANGE OUT CAP ON NO. 1 TRIPLEX PUMP.

16:45 06:00 13.25 ROTATE DRILLING FROM 5,807' TO 6,580' - ( 773' ) - WITH 18M TO 25M COMPRESSION ON BIT / 45 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 61.10 FT/ HR RATE.

SET CLOCK BACK ONE HR TO MST

MUD WEIGHT = 9.1 LB/ GAL

VISCOSITY = 36 SEC/ QT

SAFETY MEETING; NEW DRILLER / CURRENT RIG HANDS & COMMUNICATION.

NO. 2 DYED DIESEL FUEL = 2,750 GALLONS / 25 HR PERIOD

LITHOLOGY:

50% SHALE

40% SANDSTONE

10% LIMESTONE

MAXIMUM GAS SHOW OF 9,333U @ 6,139'

<b>10-30-2006</b>	<b>Reported By</b>	G HARVEY									
<b>Daily Costs: Drilling</b>	\$32,807	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,807						
<b>Cum Costs: Drilling</b>	\$737,433	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$740,575						
<b>MD</b>	6.868	<b>TVD</b>	6.868	<b>Progress</b>	288	<b>Days</b>	7	<b>MW</b>	9.2	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: RIG REPAIR

Start	End	Hrs	Activity Description
06:00	11:00	5.0	ROTATE DRILLING FROM 6,580' TO 6,846' - ( 266' ) - WITH 18M TO 25M COMPRESSION ON BIT / 45 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 53.20 FT/ HR RATE.
11:00	11:30	0.5	RIG SERVICE.
11:30	12:30	1.0	ROTATE DRILLING FROM 6,846' TO 6,868' - ( 22' ) - WITH 18M TO 25M COMPRESSION ON BIT / 45 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 22.00 FT/ HR RATE. DECK MOTOR PROBLEMS.
12:30	20:00	7.5	RIG REPAIR IE; TROUBLE SHOOT DECK MOTORS LACK OF POWER / WAIT ON BASIC ENERGY MECHANIC. TOOHP WITH 16 STANDS OF 4 1/2" XH DRILL PIPE.
20:00	22:00	2.0	ENCOUNTER FLOW BACK OF APPROX 420 BBLs RECORDABLE 8.7 LB/ GAL FLUID. MIX 65 BBL PILL OF 9.3 LB/ GAL & SPOT TO BOTTOM OF DRILL STRING - WELL STATIC.

22:00 04:00 6.0 PULL OUT OF HOLE WITH 53 DERRICK STANDS OF 4 1/2" XH DRILL PIPE.  
 04:00 04:30 0.5 REPLACE DAMAGED ROTATING HEAD RUBBER.  
 04:30 06:00 1.5 KELLY-UP & BREAK SLOW STROKE CIRCULATION WITH BIT & BHA @ 2,461' INSIDE 9 5/8" SURFACE CASING. WAIT ON AVAILABLE CATERPILLAR MECHANIC.

BASIC DRILLING UNIT NO 31 = 12 DAYS / NO LOST TIME ACCIDENTS

MUD WEIGHT = 9.0 LB/ GAL  
 VISCOSITY = 36 SEC/ QT  
 SAFETY MEETING: TRIPPING DRILL STRING.  
 NO. 2 DYED DIESEL FUEL = 1,000 GALLONS / 24 HR PERIOD

LITHOLOGY:  
 40% SHALE  
 60% SANDSTONE  
 MAXIMUM GAS SHOW OF 9,371u @ 6,497'

<b>10-31-2006</b>	<b>Reported By</b>	G HARVEY									
<b>Daily Costs: Drilling</b>	\$34,209	<b>Completion</b>	\$0	<b>Daily Total</b>	\$34,209						
<b>Cum Costs: Drilling</b>	\$771,643	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$774,785						
<b>MD</b>	6,868	<b>TVD</b>	6,868	<b>Progress</b>	0	<b>Days</b>	8	<b>MW</b>	9.2	<b>Visc</b>	35.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: RIG REPAIR

Start	End	Hrs	Activity Description
06:00	12:15	6.25	RIG REPAIR IE; FAILED DUAL CATERPILLAR DECK MOTORS. REPLACE FULL COMPLIMENT OF NEW VALVES & SEATS IN RIGS DUAL GARDNER-DENVER PZ-9 TRIPLEX PUMPS. LIGHT FLOW & GAIN @ PITS.
12:15	18:45	6.5	MIX & SPOT 35 BBL PILL OF 9.5+ LB/GAL FLUID DOWN DRILL STRING / WELL-BORE STATIC. CONTINUE TO CLEAN RESIDUAL SAND BLASTING GRIT FROM SURFACE RELATED FUEL / H2O & HYDRAULIC LINES. REPLACE FILTERS AS NEEDED. DELIVER ±365 BBLs OF 9.7+/- LB/ GAL DRILLING FLUID FROM PATTERSON DRLG NO 779.
18:45	01:00	6.25	BASIC ENERGY SERVICES FIELD MECHANIC ARRIVAL ON LOCATION. TRANSFER NO 2 DIESEL FUEL TO PORTABLE CONTAINER / CLEAN SAND BLASTING GRIT FROM NEW FUEL TANK - ( SUCTION LINE OF TANK 1" OFF BOTTOM / CAN BE SHORTENED WITH INTERNAL 7/16" OB CUTTERS ). SOME FUEL NOT USABLE.
01:00	06:00	5.0	LIGHT FLOW & GAIN @ PITS. MIX & SPOT 22 BBL PILL OF 9.8+/- LB/ GAL FLUID DOWN DRILL STRING / WELL-BORE STATIC. CONTINUE TO SERVICE SURFACE EQUIPMENT. CIRCULATING TOP OF WELL-BORE & PITS WITH CENTRIFUGAL PUMPS TO CONDITION DRILLING FLUIDS.

BASIC DRILLING UNIT NO 31 = 13 DAYS  
NO LOST TIME ACCIDENTS

MUD WEIGHT = 9.1 LB/ GAL  
 VISCOSITY = 38 SEC/ QT  
 SAFETY MEETING: TRIPPING DRILL STRING  
 NO 2 DYED DIESEL FUEL = 750 GALLONS / 24 HR PERIOD

LITHOLOGY:

40% SHALE  
 60% SANDSTONE  
 MAXIMUM GAS SHOW OF 4.014U

<b>11-01-2006</b>	<b>Reported By</b>	G HARVEY									
<b>Daily Costs: Drilling</b>	\$33,413	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,413						
<b>Cum Costs: Drilling</b>	\$805,056	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$808,198						
<b>MD</b>	6.868	<b>TVD</b>	6.868	<b>Progress</b>	0	<b>Days</b>	9	<b>MW</b>	9.3	<b>Visc</b>	37.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: RIG REPAIR**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RIG REPAIR IE; WAITING ON CERTIFIED CATERPILLER MECHANIC TO REPAIR FUEL SYSTEM ON RIG DECK MOTORS. CLEAN & TIGHTEN SEEPING HYDRAULIC & OIL COUPLINGS, RE-ROUTE & SECURE RELATED HOSE PLUMBING. CONTINUE TO CIRCULATE TOP OF HOLE WHILE CONDITIONING DRILLING FLUIDS. PUMP 9.7 LB/ GAL PILL TO TOP KILL WELL AS NEEDED.

BASIC DRILLING UNIT NO. 31 = 14 DAYS / NO LOST TIME ACCIDENTS

MUD WEIGHT = 9.1+ LB/ GAL

VISCOSITY = 40 SEC/ QT

SAFETY MEETING; CLEAN ELEVATED AREAS / BODY HARNESS & TEATHER.

NO. 2 DYED DIESEL FUEL = 750 GALLONS / 24 HR PERIOD

LITHOLOGY:

40% SHALE

60% SANDSTONE

MAXIMUM GAS SHOW OF 2.225U

<b>11-02-2006</b>	<b>Reported By</b>	G HARVEY									
<b>Daily Costs: Drilling</b>	\$32,992	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,992						
<b>Cum Costs: Drilling</b>	\$838,049	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$841,191						
<b>MD</b>	6.868	<b>TVD</b>	6.868	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	9.2	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: TRIP IN HOLE**

Start	End	Hrs	Activity Description
06:00	14:30	8.5	RIG REPAIR IE; REPLACE DAMAGED / WASHED-OUT FUEL INJECTORS ON DECK MOTOR. UTILIZE FUNCTION MODULE TO DUPLICATE LOAD BEARING PROPERTIES ON DECK MOTORS & TRANSMISSIONS - PERAMITERS OF VISUAL FUNCTION TESTING @ SURFACE INDICATE DRILLING OPERATIONS CAN CONTINUE. NOTE; MOVE IN & OFF-LOAD 246 JOINTS OF 4 1/2" OD X 11.6 LB/ FT 8rd P-110 LT & C PRODUCTION CASING JOINTS WITH A COMPLIMENT OF 4 QTY MARKER PUP JOINTS. CLEAN / DRIFT & STEEL STRAP MEASURE SAME. COVER PIN & COUPLINGS WITH PROTECTIVE BAGS.
14:30	16:00	1.5	BREAK CIRCULATION TO CLEAR GAS FROM WELL-BORE / MIX & PUMP 9.8 LB/ GAL DRILL STRING PILL. SAFETY MEETING. WELL STATIC. BREAK OUT & SECURE KELLY IN SOCK.
16:00	22:00	6.0	PULL OUT OF HOLE WITH REMAING RIG 4 1/2" XH X 16.6 LB/ FT DRILL PIPE STANDS, QUAIL TOOL RENTAL 4 1/2" XH X 42 LB/ FT TRI-SPIRAL HWDP, SMITH DRLG. JARS, BREAK OUT & LAY DOWN UN-DAMAGED SEALED ROLLER REAMERS. STAND BACK QUAIL TOOL RENTAL 6.385" OD X 90 LB/ FT SPIRAL DRILL COLLARS. FUNCTION BOP STACK. DRAIN MOTOR / BREAK OUT UN-DAMAGED HCC 7 7/8" OD 506-Z "PDC" DRILL BIT. LAY DOWN SAME.

22:00	23:30	1.5 PICK UP & RUN IN HOLE WITH HCC 7 7/8" OD 506-Z REBUILT "PDC" BIT WITH 6 QTY 15/32" JETS / HUNTING RENTAL 6 1/2" OD STRAIGHT MUD MOTOR WITH 0.16 RPG COEFFICIENT.
23:30	03:30	4.0 TRIP IN HOLE WITH BHA & DRILL STRING TO ±3640'.
03:30	05:45	2.25 KELLY-UP / BREAK SLOW 50 SPM - 336 PSI CIRCULATION RATE. CIRCULATE GAS CLEAR OF WELL-BORE.
05:45	06:00	0.25 BREAK OUT & SECURE KELLY IN SOCK. CONTINUE TRIP IN HOLE WITH DRILL PIPE.

BASIC DRILLING UNIT NO 31 = 15 DAYS / NO LOST TIME ACCIDENTS

MUD WEIGHT 9.2+ LB/ GAL

VISCOSITY 38 SEC/ QT

SAFETY MEETING: TRIPPING DP STANDS / HANDLING 6 1/2" OD COLLAR STANDS / LD OF TOOLS

NO 2 DYED DIESEL FUEL = 1,000 GALLONS / 24 HR PERIOD

LITHOLOGY:

40% SHALE

60% SANDSTONE

MAXIMUM GAS SHOW OF 7.626U

11-03-2006 Reported By G HARVEY

Daily Costs: Drilling \$29,705 Completion \$0 Daily Total \$29,705

Cum Costs: Drilling \$867,754 Completion \$3,142 Well Total \$870,896

MD 6,960 TVD 6,960 Progress 92 Days 11 MW 8.9 Visc 38.0

Formation : PBDT : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	CONTINUE TRIP IN HOLE WITH 4 1/2" XH DRILL PIPE TO 6,176'. PUSHING THICK FLUID DOWNWARD.
08:00	10:30	2.5	KELLY-UP & ATTEMPT TO BREAK CIRCULATION / NO SUCCESS, FLUID VOLUME PUMPING AWAY @ 580 PSI. LOSING PIT VOLUME.
10:30	11:00	0.5	BREAK OUT & KELLY-DOWN WITH 3 JOINTS OF DRILL PIPE.
11:00	12:00	1.0	BACK REAM KELLY OUT OF HOLE WITH NO CIRCULATION / MAXIMUM TENSION PULLED = 212,000 LBS. ESTABLISHED FREE MOVEMENT & ROTATION WITH STRING WEIGHT @ 154,000 LBS. CUMMULATIVE LOSS OF FLUID IN PITS = 328 BBLS.
12:00	16:00	4.0	CIRCULATE/CONDITION DRILLING FLUIDS WHILE BUILDING VOLUME OF 8.9 LB/ GAL - VIS 36 TO 38.
16:00	17:30	1.5	MIX & PUMP BACK TO BACK MODIFIED "LCM" - "ANCO-SORB" PILLS PER - (STEVE SMITH JR. / EOG FIELD MUD REP) - @ SLOW PUMP RATE TO IMPROVE PARTIAL CIRCULATING VALUES. WELL-BORE MAINTAINING FLUID VOLUME.
17:30	03:30	10.0	BREAK OUT DERRICK STANDS IN MOUSE HOLE & CONTINUE TO KELLY-IN WITH 21 JTS. OF DRILL PIPE WASHING THICK / SPENT ANCOR-SORB & LCM CLUMPS CLEAR OF WELL-BORE TO MAINTAIN NON-RESTRICTIVE CIRCULATION.
03:30	06:00	2.5	ROTATE DRILLING FROM 6,868' TO 6,960' - ( 92' ) - WITH 18M TO 28M COMPRESSION ON BIT / 45 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 36.80 FT/ HR RATE. TRIPLEX PUMPS AIRED UP OCCASSIONALY.

BASIC DRILLING UNIT NO 31 = 16 DAYS / NO LOST TIME ACCIDENTS

MUD WEIGHT 8.9+ LB/ GAL

VISCOSITY 36 SEC/QT  
 SAFETY MEETING: BREAKING OUT DERRICK STANDS  
 NO 2 DYED DIESEL FUEL 667 GALLONS / 24 HR PERIOD

LITHOLOGY:  
 40% SHALE  
 60% SANDSTONE  
 MAXIMUM GAS SHOW OF 9,179U

11-04-2006 Reported By G HARVEY

<b>DailyCosts: Drilling</b>	\$37,053	<b>Completion</b>	\$0	<b>Daily Total</b>	\$37,053
<b>Cum Costs: Drilling</b>	\$904,808	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$907,950
<b>MD</b>	7,622	<b>TVD</b>	7,622	<b>Progress</b>	662
		<b>Days</b>	12	<b>MW</b>	9.0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	08:00	2.0	ROTATE DRILLING FROM 6,960' TO 7,023' - ( 63' ) - WITH 18M TO 28M COMPRESSION ON BIT / 45 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 31.50 FT/ HR RATE. TRIPLEX PUMPS FLUID STARVED OCCASSIONALLY.
08:00	09:00	1.0	RIG REPAIR IE: CLEAR LCM FROM SUCTION LINES ON GARDNER-DENVER "P-Z-9" TRIPLEX PUMPS NO. 1 & NO. 2 / RESUME DRILLING OPERATIONS.
09:00	03:00	18.0	ROTATE DRILLING FROM 7,023' TO 7,532' - ( 509' ) - WITH 8M TO 30M COMPRESSION ON BIT / 32 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 28.27 FT/ HR RATE.
03:00	03:30	0.5	RIG SERVICE / REMOVE BAILS FROM DERRICK BLOCKS.
03:30	06:00	2.5	ROTATE DRILLING FROM 7,532' TO 7,622' - ( 90' ) - WITH 8M TO 30M COMPRESSION ON BIT / 32 RPM TO 65 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 36.00 FT/ HR RATE.

BASIC DRILLING UNIT NO 31 = 17 DAYS / NO LOST TIME ACCIDENTS

MUD WEIGHT 9.1+ LB/GAL  
 VISCOSITY 37 SEC/QT  
 SAFETY MEETING: WORKING TUBULARS IN MOUSE HOLE  
 NO 2 DYED DIESEL FUEL DELIVERED 3,150 GALLONS  
 NO 2 DYED DIESEL FUEL 667 GALLONS / 24 HR PERIOD

LITHOLOGY:  
 RECENT FORMATION DRILL TOP @ 7,179' / NORTH HORN  
 30% SHALE  
 70% SANDSTONE  
 MAXIMUM GAS SHOW OF 9,561U @ 7,054'

11-05-2006 Reported By G HARVEY

<b>DailyCosts: Drilling</b>	\$36,893	<b>Completion</b>	\$0	<b>Daily Total</b>	\$36,893
<b>Cum Costs: Drilling</b>	\$941,702	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$944,844
<b>MD</b>	8,197	<b>TVD</b>	8,197	<b>Progress</b>	575
		<b>Days</b>	13	<b>MW</b>	9.1
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	16:00	10.0	ROTATE DRILLING FROM 7,622' TO 7,816' - ( 194' ) - WITH 8M TO 20M COMPRESSION ON BIT / 32 RPM TO 35 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 19.40 FT/ HR RATE.
16:00	17:00	1.0	RIG SERVICE / RE-LEVEL DERRICK & ADJUST 7/8" OD GUY-WIRES & SECURE.
17:00	02:00	9.0	ROTATE DRILLING FROM 7,816' TO 8,081' - ( 264' ) - WITH 8M TO 18M COMPRESSION ON BIT / 32 RPM TO 45 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 24.44 FT/ HR RATE.
02:00	03:00	1.0	RIG REPAIR IE: CLEAR SMALL AMOUNT OF LCM FROM SUCTION LINE NEAR CENTRIFICAL FEED PUMP / CHECK TRIPLEX PUMP VALVES / CLEAR OF LCM PRODUCT.
03:00	06:00	3.0	ROTATE DRILLING FROM 8,081' TO 8,197' - ( 116' ) - WITH 8M TO 22M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 38.66 FT/ HR RATE.

BASIC DRILLING UNIT NO 31 = 18 DAYS / NO LOST TIME ACCIDENTS

MUD WEIGHT 9.1 LB/ GAL

VISCOSITY 36 SEC/ QT

SAFETY MEETING: UN-LIGHT FORK LIFT OPERATIONS

NO 2 DYED DIESEL FUEL 750 GALLONS / 24 HR PERIOD

**LITHOLOGY:**

RECENT FORMATION DRILL TOP @ 7,644' - ( ISLAND ) & @ 7,886' - ( KMV PRICE RIVER )

30% SHALE

60% SANDSTONE

10% SILYSTONE

MAXIMUM GAS SHOW OF 4,313U @ 7,880'

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<b>11-06-2006</b>	<b>Reported By</b>	G HARVEY									
<b>Daily Costs: Drilling</b>	\$38,703	<b>Completion</b>	\$0	<b>Daily Total</b>	\$38,703						
<b>Cum Costs: Drilling</b>	\$980,406	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$983,548						
<b>MD</b>	8,898	<b>TVD</b>	8,898	<b>Progress</b>	701	<b>Days</b>	14	<b>MW</b>	9.2	<b>Visc</b>	35.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>		<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	21:00	15.0	ROTATE DRILLING FROM 8,197' TO 8,673' - ( 476' ) - WITH 8M TO 26M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 31.73 FT/ HR RATE. FUNCTION TEST ANNULAR-OK / BOP DRILL. TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS. NOTE; BACK-REAM TOOL JOINT CONNECTIONS WHEN NEEDED.
21:00	21:30	0.5	RIG SERVICE / GREASE & CHECK SMITH RENTAL ROTATING HEAD BUSHING.
21:30	03:30	6.0	ROTATE DRILLING FROM 8,673' TO 8,850' - ( 177' ) - WITH 8M TO 26M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 29.50 FT/ HR RATE. TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS. NOTE; BACK-REAM TOOL JOINT CONNECTIONS WHEN NEEDED.
03:30	04:00	0.5	DRILLING BREAK @ 8,863' / REAM WELL-BORE TO ALLOW FREE SURFACE ROTATION.

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04:00 06:00 2.0 ROTATE DRILLING FROM 8,850' TO 8,898' - ( 48' ) - WITH 8M TO 16M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 24.00 FT/ HR RATE. TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS. NOTE; BACK-REAM TOOL JOINT CONNECTIONS WHEN NEEDED.

BASIC DRILLING UNIT NO 31 = 19 DAYS / NO LOST TIME ACCIEDENTS

MUD WEIGHT 9.4+ LB/ GAL

VISCOSITY 38 SEC/ QT

SAFETY MEETING: "IRON ROUGH NECK" POWER OPEN FACE TONG OPERATIONS

NO 2 DYED DIESEL FUEL = 2,000 GALLONS / 24 HR PERIOD

LITHOLOGY:

RECENT FORMATION DRILL TOP @ 8,670' - ( KMV MIDDLE PRICE RIVER )

30% SHALE

60% SANDSTONE

10% SILTSTONE

MAXIMUM GAS SHOW OF 3,412U @ 8,493'

<b>11-07-2006</b>		<b>Reported By</b>		<b>G HARVEY</b>							
<b>Daily Costs: Drilling</b>		\$35,922		<b>Completion</b>	\$0			<b>Daily Total</b>	\$35,922		
<b>Cum Costs: Drilling</b>		\$1,016,328		<b>Completion</b>	\$3,142			<b>Well Total</b>	\$1,019,470		
<b>MD</b>	9,330	<b>TVD</b>	9,330	<b>Progress</b>	432	<b>Days</b>	15	<b>MW</b>	9.3	<b>Visc</b>	38.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	16:30	10.5	ROTATE DRILLING FROM 8,898' TO 9,151' - ( 253' ) - WITH 8M TO 16M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 24.09 FT/ HR RATE. TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS.
16:30	17:30	1.0	RIG SERVICE / INSPECT RIG TRIPLEX PUMPS.
17:30	20:00	2.5	ROTATE DRILLING FROM 9,151' TO 9,214' - ( 63' ) - WITH 8M TO 26M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 25.20 FT/ HR RATE. TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS.
20:00	21:00	1.0	RIG REPAIR IE; CLEAR LCM PRODUCT FROM TRIPLEX PUMPS SUCTION LINES @ PITS & CENTRIFICAL CHARGE PUMP RELATED PLUMBING.
21:00	06:00	9.0	ROTATE DRILLING FROM 9,214' TO 9,330' - ( 116' ) - WITH 8M TO 30M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 12.88 FT/ HR RATE. TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS.

BASIC DRILLING UNIT NO. 31 = 20 DAYS / NO LOST TIME ACCIEDENTS.

MUD WEIGHT 9.3+ LB/ GAL

VISCOSITY 38 SEC/ QT

SAFETY MEETING; SNUB-LINE USAGE / CHECKING CROWN-O-MATIC SAFETY DEVICE

NO 2 DYED DIESEL FUEL = 500 GALLONS ? / 24 HR PERIOD

LITHOLOGY:

RECENT FORMATION DRILL TOP @ 8,670' - ( KMV MIDDLE PRICE RIVER ).  
 40% SHALE  
 50% SANDSTONE  
 10% SILTSTONE  
 MAXIMUM GAS SHOW OF 3,794U @ 8,892'

**11-08-2006**      **Reported By**      G HARVEY

<b>Daily Costs: Drilling</b>	\$32,799	<b>Completion</b>	\$0	<b>Daily Total</b>	\$32,799
<b>Cum Costs: Drilling</b>	\$1,049,128	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$1,052,270

**MD**      9,391    **TVD**      9,391    **Progress**      61    **Days**      16    **MW**      9.3    **Visc**      38.0

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

**Activity at Report Time: TOH**

Start	End	Hrs	Activity Description
06:00	13:00	7.0	ROTATE DRILLING FROM 9,330' TO 9,391' - ( 61' ) - WITH 8M TO 30M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 8.71 FT/ HR RATE. TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS.
13:00	15:00	2.0	CIRCULATE & CONDITIONS DRILLING FLUIDS / MIX 1 1/4 LB/ GAL HEAVY DRILL PIPE PILL.
15:00	16:15	1.25	PUMP & SPOT 65 BBLs OF 10.6 LB/ GAL DRILL PIPE PILL - ( APPROX 1,480' OF BHA COVERAGE ). BREAK OUT & SECURE KELLY IN SOCK. DROP TOTCO SINGLE-SHOT MECHANICAL SURVEY TOOL. SAFETY MEETING. CHECK FOR FLOW-OK.
16:15	23:30	7.25	ATTEMPT TO PULL OUT OF HOLE WITH DRILL PIPE / STICKY CONDITIONS OFF BOTTOM / WORK DRILL STRING WITH NO SUCCESS / KELLY-UP & BREAK SLOW STROKE CIRCULATION. PULL OUT OF HOLE KELLYING DOWN WITH 13 SINGLE JOINTS OF 4 1/2" XH DRILL. MINIMAL ROTATION TORQUE WITH CIRCULATION. KELLY DOWN 2 SINGLES OF DRILL PIPE WITH NO CIRCULATION OR ROTATION. BREK OUT KELLY & SECURE IN SOCK. INSPECT DEADLINE CROWN SHEAVE FOR SIDE PLAY MOVEMENT & TIGHTEN.
23:30	00:15	0.75	MIX / PUMP & SPOT DRILL PIPE PILL THROUGH DRILL PIPE X-OVER SWAGE. SURFACE GAS STATIC.
00:15	06:00	5.75	TRIP OUT OF HOLE WITH 122 DERRICK STANDS - ( DOUBLES ) - OF 4 1/2" XH DRILL PIPE / BREAK OUT ROTATING HEAD RUBBER.

**11-09-2006**      **Reported By**      G HARVEY

<b>Daily Costs: Drilling</b>	\$29,147	<b>Completion</b>	\$0	<b>Daily Total</b>	\$29,147
<b>Cum Costs: Drilling</b>	\$1,078,275	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$1,081,417

**MD**      9,391    **TVD**      9,391    **Progress**      0    **Days**      17    **MW**      9.5    **Visc**      35.0

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

**Activity at Report Time: REPAIRS**

Start	End	Hrs	Activity Description
06:00	09:00	3.0	TRIP OUT OF HOLE WITH QUAIL RENTAL TOOL 4 1/2" XH X 42 LB/ FT TRI-SPIRAL HWDP & SMITH RENTAL DRILLING JARS. STAND BACK 6 1/2" OD X 90 LB/ FT SLICK OD DRILL COLLARS.
09:00	11:00	2.0	BREAK OUT & LAY DOWN WEAK MUD MOTOR & HCC 7 7/8" OD 506-Z "PDC" DRILL BIT - (SHOULDER WEAR / FLAT SURFACE CUTTERS). PICK UP & RUN IN HOLE WITH RE-BUILT HCC 7 7/8" OD 506-Z "PDC" BIT DRESSED WITH 6 QTY 16/32" JETS. STEEL STRAP & CALIPER HUNTING 6 1/2" OD STRAIGHT HOUSING MUD MOTOR WITH 0.16 GPR COEFICIENT.
11:00	15:30	4.5	TRIP IN HOLE WITH BHA, HWDP & RIG 4 1/2" OD X 16.6 LB/ FT DRILL PIPE. KELLY-UP & BREAK CIRCULATION @ 3,803'.
15:30	16:00	0.5	SERVICE RIG.
16:00	18:30	2.5	RIG DECK MOTORS PRODUCING WHITE/ GREY SMOKE FROM EXHAUST. BASIC MECHANICS TROUBLE SHOOT FUEL / INJECTOR FAILURE.

18:30 21:00 2.5 POOH WITH 45 DERRICK STANDS OF DRILL PIPE / BIT DEPTH =2,496'. CIRCULATE TOP OF HOLE WITH CENTRIFUGAL PUMPS.  
 21:00 06:00 9.0 RIG REPAIR IE; CAT MECHANICS AVAILABLE NEXT DAY MID-MORNING.

BASIC DRILLING UNIT NO 31 = 22 DAYS / NO LOST TIME ACCIEDENTS

MUD WEIGHT 9.5 LB/ GAL  
 VISCOSITY 38 SEC/ QT  
 SAFETY MEETING; TRIPPING DERRICK STANDS  
 DELIVERED 6,500 GALLONS OF NO 1- 30% & NO 2 - 70% DYED DIESEL FUEL  
 NO. 2 DYED DIESEL FUEL 500 GALLONS / 24 HR PERIOD

LITHOLOGY:  
 RECENT FORMATION DRILL TOP @ 8,670' - ( KMV MIDDLE PRICE RIVER ).  
 30% SHALE  
 60% SANDSTONE  
 10% SILTSTONE  
 MAXIMUM GAS SHOW OF 197U

<b>11-10-2006</b>	<b>Reported By</b>	G HARVEY									
<b>Daily Costs: Drilling</b>	\$33,514	<b>Completion</b>	\$0	<b>Daily Total</b>	\$33,514						
<b>Cum Costs: Drilling</b>	\$1,111,790	<b>Completion</b>	\$3,142	<b>Well Total</b>	\$1,114,932						
<b>MD</b>	9,391	<b>TVD</b>	9,391	<b>Progress</b>	0	<b>Days</b>	18	<b>MW</b>	9.4	<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: WASHING/REAMING

Start	End	Hrs	Activity Description
06:00	17:00	11.0	RIG REPAIR IE; WAIT ON BASIC ENERGY SERVICES MECHANIC / CHANGE OUT DAMAGED FUEL INJECTORS ON NO 1 DECK MOTOR. NOTE; BOTH DECK MOTORS RUNNING WITH REDUCED PERFORMANCE CAPABILITIES.
17:00	19:30	2.5	TRIP IN HOLE WITH DRILL STRING TO 5,667'.
19:30	23:30	4.0	EQUIPMENT REPAIR IE; LIGHT PLANT FAILURE ON NO. 1 GENERATOR & BACK UP NO. 2 GENERATOR. BASIC ENERGY SERVICES FIELD MECHANIC CALLED OUT FROM RANGELY CO. TO REPAIR. REPLACE SILT PACKED FUEL FILTERS & WORK ON FAULTY FUEL INJECTORS. CONTINUE OPERATIONS. SAFETY MEETING IE; MOVING DRILL STRING IN DARKNESS TO AVOID POSSIBLE WELL-BORE CONDITIONS.
23:30	00:30	1.0	TRIP IN HOLE WITH DRILL STRING TO 5,667'.
00:30	01:30	1.0	KELLY-UP & BREAK CIRCULATION WITH REDUCED PUMP RATES TO CIRCULATE STIFF HIGH VIS DRILLING FLUID IN RIG PITS. BREAK OUT KELLY & SECURE IN SOCK. CHECK FOR FLOW/OK.
01:30	04:30	3.0	TRIP IN HOLE WITH DRILL STRING TO 8,957'. ENCOUNTER BRIDGING & DOWNWARD RESISTANCE IN WELL-BORE.
04:30	06:00	1.5	KELLY-UP & BREAK CIRCULATION WITH REDUCED PUMP RATES TO CIRCULATE WELL-BORE CLEAR OF GAS & BRIDGEING. CONTINUE TO KELLY-IN WITH SINGLES OF DRILL PIPE CIRCULATING WELL-BORE CLEAN. NOTE; WASH / REAMING DEPTH @ 9,022' @ 06:00 HR AM 10 NOVEMBER 2006.

BASIC DRILLING UNIT NO 31 = 23 DAYS / NO LOST TIME ACCIEDENTS

MUD WEIGHT 9.5 LB/ GAL.  
 VISCOSITY 36 SEC/ QT

SAFETY MEETING; DRILL STRING MOVEMENT WITH LIMITED LIGHTING & VISABILITY.  
 NO 1-(30%) - NO 2 -(70%) - DYED/ BLENDED DIESEL FUEL = 417 GALLONS / 24 HR PERIOD

LITHOLOGY:

RECENT FORMATION DRILL TOP @ 8,670' - ( KMV MIDDLE PRICE RIVER ).  
 30% SHALE  
 60% SANDSTONE  
 10% SILTSTONE  
 MAXIMUM GAS SHOW OF 2,239U

<b>11-11-2006</b>		<b>Reported By</b>		<b>G HARVEY</b>							
<b>Daily Costs: Drilling</b>		\$36,341		<b>Completion</b>	\$0		<b>Daily Total</b>	\$36,341			
<b>Cum Costs: Drilling</b>		\$1,148,131		<b>Completion</b>	\$3,142		<b>Well Total</b>	\$1,151,273			
<b>MD</b>	9,975	<b>TVD</b>	9,975	<b>Progress</b>	584	<b>Days</b>	19	<b>MW</b>	9.4	<b>Visc</b>	43.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

**Activity at Report Time: DRILLING**

<b>Start</b>	<b>End</b>	<b>Hrs</b>	<b>Activity Description</b>
06:00	08:00	2.0	WASH & REAM KELLYING IN WITH SINGLES OF DRILL PIPE FROM 9,022' TO 9,281'. BRIDGEING OFF CIRCULATION / ATTEMPT TO PULL FREE FROM OBSTRUCTION / FOUND DRAW-WORKS CLUTCH PLATES GLAZED & UNUSABLE DUE TO PRE-EXISTING OIL SEEPAGE SPRAY COATING FRICTION DISC'S.
08:00	12:00	4.0	RIG REPAIR IE: BASIC ENERGY SERVICES MECHANIC ORDERED OUT. CIRCULATE & CONDITION DRILLING FLUIDS WHILE BUILDING VOLUME. RE-GAIN FULL WELL-BORE CIRCULATION ALLOWING SURFACE ROTARY TO BE OBTAINED TO LESSON STICKY CONDITIONS / UNABLE TO RAISE DRILL STRING. LOCK-OUT, TAG-OUT OF DRAW WORKS RELATED EQUIPMENT. DISASSEMBLE CLUTCH ASSEMBLY / CLEAN & INSPECT. REPLACE WITH NEW DISC ASSEMBLY / ADJUST FRICTION. USED CLUTCH READY IF NEEDED TO CONTINUE DRILLING OPERATIONS.
12:00	13:30	1.5	WASH & REAM KELLYING IN WITH 4 QTY SINGLES OF DRILL PIPE FROM 9,281' TO 9,391'.
13:30	14:30	1.0	CIRCULATE, CONDITION & BUILD PIT VOLUME. INSPECT REPAIRED CLUTCH / OK.
14:30	23:45	9.25	ROTATE DRILLING FROM 9,391' TO 9,792' - ( 431' ) - WITH 12M TO 25M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 46.59 FT/ HR RATE. NOTE; GRADUALLY RAISING DRILLING FLUID WEIGHT PROPERTIES FROM 9.3+ LB/ GAL - 37 VIS TO 9.6 LB/ GAL - 39 VIS. TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS.
23:45	01:00	1.25	DRILLING AHEAD WITH PARTIAL RETURNS - ( 30% ) - FROM 9,792' TO 9,824'. LOSS OF 200 BBL'S OF 9.6 LB/ GAL MUD. BUILD VOLUME & SWEEP WELL-BORE WITH FIBER SEAL, FIBER PLUG & ANCO-SORB POLYMER. MUD WEIGHT REDUCED TO 9.5 LB/ GAL WITH 38 VIS ALLOWING 90%+ CIRCULATING RETURNS.
01:00	03:45	2.75	ROTATE DRILLING FROM 9,824' TO 9,940' - ( 116' ) - WITH 12M TO 25M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 42.18 FT/ HR RATE. NOTE; TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS.
03:45	05:15	1.5	CIRCULATE, CONDITION & BUILD SAFE CIRCULATING PIT VOLUME. LOSSES OF 1 TO 1 1/4 BPM OCCURING.
05:15	06:00	0.75	ROTATE DRILLING FROM 9,940' TO 9,975' - ( 35' ) - WITH 12M TO 25M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 43.75 FT/ HR RATE. NOTE; TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS.

BASIC DRILLING UNIT NO 31 = 24 DAYS / NO LOST TIME ACCIDENTS

MUD WEIGHT 9.5 LB/ GAL

VISCOSITY 38 SEC/ QT

SAFETY MEETING; MOUSE HOLE TORQUED DRILL PIPE CONNECTIONS.

NO 1-(30%) - NO 2 -(70%) - DYED/ BLENDED DIESEL FUEL 916 GALLONS / 24 HR PERIOD

LITHOLOGY:

RECENT FORMATION DRILL TOP @ 9,448' - ( KMV LOWER PRICE RIVER )

30% SHALE

60% SANDSTONE

10% SILTSTONE

MAXIMUM GAS SHOW OF 9,447U @ 9,437'

BACK GROUND GAS AVG 5,930U

11-12-2006		Reported By		G HARVEY							
<b>Daily Costs: Drilling</b>		\$34,268		<b>Completion</b>	\$0		<b>Daily Total</b>	\$34,268			
<b>Cum Costs: Drilling</b>		\$1,182,399		<b>Completion</b>	\$3,142		<b>Well Total</b>	\$1,185,541			
<b>MD</b>	10,231	<b>TVD</b>	10,231	<b>Progress</b>	256	<b>Days</b>	20	<b>MW</b>	9.6	<b>Visc</b>	34.0
<b>Formation :</b>			<b>PBTD : 0.0</b>			<b>Perf :</b>		<b>PKR Depth : 0.0</b>			
<b>Activity at Report Time: PUMP DRILL PIPE PILL</b>											
Start	End	Hrs	Activity Description								
06:00	17:45	11.75	ROTATE DRILLING FROM 9,975' TO 10,231' - ( 256' ) - WITH 12M TO 25M COMPRESSION ON BIT / 32 RPM TO 55 RPM SURFACE / MOTOR RPM = 60. PENETRATION RATE AVG = 21.79 FT/ HR RATE. NOTE: TORQUE/ BREAK & RE-TORQUE NEW 4 1/2" DRILL PIPE TOOL JOINTS. REACHED TD NCW 300-26 @ 17:38 HR PM 11 NOVEMBER 2006.								
17:45	19:30	1.75	CIRCULATE BOTTOM'S UP FOR SAMPLES, CIRCULATE WELL-BORE CLEAR OF GAS. ENCOUNTERING DRILLING FLUID GAINS.								
19:30	21:30	2.0	TRANSFER 150 BBLs. OF 9.6 LB/ GAL - 40 VIS DRILLING FLUID TO RENTAL 400 BBL VERTICAL STORAGE TANK.								
21:30	22:00	0.5	MIX & PUMP 65 BBLs. OF 10.6 LB/ GAL - 42 VIS DRILLING FLUID DOWN DRILL STRING AS EVACUATION PILL.								
22:00	00:30	2.5	BREAK OUT & SECURE KELLY IN SOCK. SHORT TRIP DRILL STRING WITH 36 STANDS OF 4 1/2" XH DRILL PIPE / END OF BIT @ 7,911.85'. NOTE: 15M DRAG ONLY ON SECOND STAND OFF BOTTOM. TRIP IN HOLE / KELLY-UP & WASH 5' OF FILL TO BOTTOM.								
00:30	05:30	5.0	CONTINUE CIRCULATING & CONDITIONING DRILLING FLUIDS / CIRCULATE GAS CLEAR OF WELL-BORE. MIX & TRANSFER 12.5 LB/ GAL- VIS = 40. TO UPRIGHT TANK TO BUILD UNIFORM WEIGHT & VOLUME. CURRENT STATUS OF RIG PITS NOT ALLOWING BULK HOPPER MIXING. MIX & TRANSFER 85 BBLs OF 10.6 LB/ GAL - 42 VIS DRILLING FLUID INTO RIG TRIP TANK TO ACCOMMODATE PIPE DISPLACEMENT DURING DRILL PIPE LAY DOWN OPERATIONS.								
05:30	06:00	0.5	BEGIN TRANSFER OF 240+ BBLs. 12.5 LB/ GAL DRILLING FLUID TO PILL TANK & PUMP TO SPOT WELL-BORE PILL ON BOTTOM.								

BASIC DRILLING UNIT NO 31 = 25 DAYS / NO LOST TIME ACCIDENTS

MUD WEIGHT 9.6 LB/ GAL, 12.5 PILL - ( 240+ BBLs )

VISCOSITY 40 SEC/ QT

SAFETY MEETING; MOUSE HOLE TORQUED DRILL PIPE CONNECTIONS

NO 1-(30%) - NO 2 -(70%) - DYED/ BLENDED DIESEL FUEL 916 GALLONS / 24 HR PERIOD

LITHOLOGY:

RECENT FORMATION DRILL TOP @ 10,121' - ( SEGO )  
 40% SHALE  
 50% SANDSTONE  
 10% SILTSTONE  
 MAXIMUM GAS SHOW OF 7,627U @ 10,186'  
 BACK GROUND GAS AVG 6,500U

**11-13-2006**      **Reported By**      G HARVEY

**Daily Costs: Drilling**      \$34,331      **Completion**      \$0      **Daily Total**      \$34,331

**Cum Costs: Drilling**      \$1,216,731      **Completion**      \$3,142      **Well Total**      \$1,219,873

**MD**      10,231      **TVD**      10,231      **Progress**      0      **Days**      21      **MW**      9.7      **Visc**      33.0

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

**Activity at Report Time:** RIH 4 1/2" PROD CSG

Start	End	Hrs	Activity Description
06:00	08:30	2.5	CIRCULATE & CONDITION DRILLING FLUIDS / GAS VOLUME LOW IN WELL-BORE. REPAIR PORTABLE TRANSFER PUMP & CONTINUE TO TRANSFER 12.5 LB/ GAL DRILLING MUD FROM 400 BBL VERTICAL STORAGE TANK. PUMP & SPOT 240 BBLs OF 12.5 LB/ GAL - 42 VIS DRILLING FLUID DOWN DRILL STRING - ( CALCULATED FORMATION COVERAGE TO 3,031' RKB LEAVING CALCULATED 10.5 LB/ GAL HYDRO-STATIC ON BOTTOM ) - FLUSHED WITH 6 BBLs OF 9.7 LB/ GAL DRILLING FLUID TO CLEAR SURFACE CIRCULATING RELATED EQUIPMENT. MOVE IN & RIG UP CALIPER CASING LAY DOWN EQUIPMENT & PERSONNEL.
08:30	09:00	0.5	BREAK OUT KELLY / SECURE IN SOCK & BLOW CLEAN WITH AIR. DROP TOTCO SINGLE SHOT MECHANICAL SURVEY TOOL. SAFETY MEETING.
09:00	18:00	9.0	PULL OUT OF HOLE SINGLING DOWN WITH 285 JOINTS OF RIG 4 1/2" XH X 16.60 LB/ FT DRILL PIPE. NOTE; UNABLE TO MAINTAIN PROPER FLUID DISPLACEMENT VOLUMES DUE TO DOWN HOLE SEEPAGE. CONTINUE TO KEEP HOLE FULL & BALANCED WITH 8.55 LB/ GAL RESERVE PIT FLUIDS AIDING IN LOWERING FREE-BOARD VOLUMES IN RESERVE PIT.
18:00	19:30	1.5	BREAK OUT & LAY DOWN SAVER-SUB, KELLY, KELLY VALVE & QUILL X-OVER.
19:30	20:30	1.0	PULL OUT OF HOLE SINGLING DOWN WITH 30 JOINTS OF QUAIL RENTAL 4 1/2" XH X 42.00 LB/ FT TRI-SPIRAL HEAVY WEIGHT DRILL PIPE. LAY DOWN SMITH RENTAL 6 1/2" OD IN-STRING DRILLING JARS.
20:30	22:00	1.5	PULL OUT OF HOLE SINGLING DOWN WITH 5 QTY 6 1/2" OD XH X 92.00 LB/ FT SLICK OD DRILL COLLARS, DRAINED STRAIGHT MUD MOTOR & UN-DAMAGED 7 7/8" OD HCC 506-Z "PDC" DRILL BIT. WELL-BORE STATIC.
22:00	00:00	2.0	RIG DOWN LAY DOWN RELATED EQUIPMENT / RIG UP PRODUCTION CASING EQUIPMENT / SAFETY MEETING. NOTE; UTILIZE RIG FORK LIFT AS AN EXTENDED CAT-WALK TO SUPPORT PRODUCTION CASING PLACED IN RETRIEVAL BASKET.
00:00	00:30	0.5	PICK UP & MAKE UP 4 1/2" 8rd LT& C GUIDE SHOE TO 4 1/2" OD X 11.60 LB/ FT HC P-110 8rd LT & C PRODUCTION CASING SHOE JOINT WITH 4 1/2" X 7 7/8" CENTRALIZER SECURED 6' UP FROM GUIDE SHOE / INSTALL 4 1/2" 8rd LT& C AUTO-FILL FLOAT COLLAR. APPLY THREAD LOCK ADHESIVE TO ALL SHOE TRACK RELATED JEWELRY.
00:30	06:00	5.5	PICK UP & SINGLE IN WITH 134 JOINTS OF NEW 4 1/2" OD X 11.60 LB/ FT HC P-110 8rd LT& C PRODUCTION CASING. NOTE; ALL TUBULARS CLEANED, DRIFTED & STEEL STRAP MEASURED. FILL CASING WITH 9.7 LB/ GAL - 38 VIS DRILLING FLUID EVERY 2,000' ±. TWO SHORT MARKER PUP JOINTS INSTALLED.
06:00		18.0	

**11-14-2006**      **Reported By**      KENNY HARRIS

**Daily Costs: Drilling**      \$34,331      **Completion**      \$0      **Daily Total**      \$34,331

**Cum Costs: Drilling**      \$1,251,062      **Completion**      \$3,142      **Well Total**      \$1,254,204

**MD**      10,231      **TVD**      10,231      **Progress**      0      **Days**      22      **MW**      0.0      **Visc**      0.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIGGING DOWN

Start	End	Hrs	Activity Description
06:00	11:00	5.0	TRIP RUN CSG.10230'
11:00	11:30	0.5	R/D CASING CREWS
11:30	12:00	0.5	LAND MANDREL HANGER
12:00	12:30	0.5	CIRCULATE FOR AND DROP BALLS AND CONDITION MUD
12:30	17:00	4.5	CEMENTING WITH 545 SKS. OF G FOR LEAD= 13.0 PPG. AND 1615 SKS. G+ TAIL= 14.1 PPG.50/50 POZ G LEAD YEALD 1.75 AND TAIL YEALD 1.29 AND DISPLACE WITH FRESH WATER BUMP PLUG @ 2500 PSI. AND TEST CASING TO 3500 PSI
17:00	18:00	1.0	LAND LANDING JOINT AND TEST SAME AND L/D LANDING JT.
18:00	00:00	6.0	WASHING PITS AND RELEASE RIG
00:00	06:00	6.0	MIRU/RDMO

11-21-2006 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$44,200	Daily Total	\$44,200
Cum Costs: Drilling	\$1,251,062	Completion	\$47,342	Well Total	\$1,298,404

MD	10,231	TVD	10,231	Progress	0	Days	23	MW	0.0	Visc	0.0
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Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time:

Start	End	Hrs	Activity Description
06:00	06:00	24.0	20-NOV-2006 MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTB TO 950'. EST CEMENT TOP @ 2800'. RD SCHLUMBERGER.

11-23-2006 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$1,990	Daily Total	\$1,990
Cum Costs: Drilling	\$1,251,062	Completion	\$49,332	Well Total	\$1,300,394

MD	10,231	TVD	10,231	Progress	0	Days	24	MW	0.0	Visc	0.0
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Formation : MESAVERDE PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRAC

Start	End	Hrs	Activity Description
10:00	11:00	1.0	NU 10M FRAC TREE. PRESSURE TEST FRAC TREE & CASING TO 8500 PSIG, HELD OK. PREP FOR FRAC .

11-28-2006 Reported By HOOLEY

Daily Costs: Drilling	\$0	Completion	\$900	Daily Total	\$900
Cum Costs: Drilling	\$1,251,062	Completion	\$50,232	Well Total	\$1,301,294

MD	10,231	TVD	10,231	Progress	0	Days	24	MW	0.0	Visc	0.0
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Formation : MESAVERDE PBTB : 10171.0 Perf : 8856-10022 PKR Depth : 0.0

Activity at Report Time: FRAC MESAVERDE.

Start	End	Hrs	Activity Description
06:00	17:30	11.5	SICP 0 PSIG. RU CUTTERS WL. PERFORATED LPR FROM 10022'-21', 10014'-15', 9985'-86', 9977'-78', 9971'-72', 9957'-58', 9931'-32', 9906'-07', 9872'-73', 9820'-21', 9770'-71' AND 9748'-49' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4988 GAL YF125ST+ PAD, 44474 GAL YF125ST+ & YF118ST+ WITH 129880# 20/40 SAND @ 1-5 PPG. MTP 7654 PSIG. MTR 52.9 BPM. ATP 5967 PSIG. ATR 46.8 BPM. ISIP 3300 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9710'. PERFORATED LPR FROM 9687'-88', 9662'-63', 9637'-38', 9623'-24', 9612'-13', 9593'-95', 9564'-65', 9538'-39', 9511'-12', 9480'-81', 9433'-34', 9425'-26' AND 9412'-13' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4991 GAL YF125ST+ PAD, 51528 GAL YF125ST+ & YF118ST+ WITH 169492# 20/40 SAND @ 1-6 PPG. MTP 8356 PSIG. MTR 50.5 BPM. ATP 7092 PSIG. ATR 44.5 BPM. ISIP 4090 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9380'. PERFORATED MPR FROM 9355'-56', 9347'-48', 9337'-38', 9329'-30', 9308'-09', 9305'-06', 9297'-98', 9289'-90', 9280'-81', 9270'-71', 9255'-56', 9235'-36', 9227'-28' AND 9215'-16' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4985 GAL YF125ST+ PAD, 52669 GAL YF125ST+ & YF118ST+ WITH 167151# 20/40 SAND @ 1-5 PPG. MTP 8371 PSIG. MTR 50.0 BPM. ATP 6806 PSIG. ATR 47.2 BPM. ISIP 5280 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9200'. PERFORATED MPR FROM 9180'-82', 9168'-70', 9143'-44', 9130'-31', 9110'-11', 9100'-01', 9092'-93', 9082'-83', 9061'-62' AND 9052'-53' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4996 GAL YF123ST+ PAD, 42726 GAL YF123ST+ & YF118ST+ WITH 131425# 20/40 SAND @ 1-6 PPG. MTP 8231 PSIG. MTR 50.1 BPM. ATP 6369 PSIG. ATR 46.4 BPM. ISIP 2960 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9025'. PERFORATED MPR FROM 9003'-04', 8997'-98', 8987'-88', 8971'-72', 8950'-51', 8938'-39', 8925'-26', 8911'-12', 8900'-01', 8887'-88', 8874'-75' AND 8856'-57' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4982 GAL YF123ST+ PAD, 63500 GAL YF123ST+ & YF118ST+ WITH 237918# 20/40 SAND @ 1-6 PPG. MTP 7194 PSIG. MTR 51.2 BPM. ATP 5074 PSIG. ATR 48.8 BPM. ISIP 2690 PSIG. RD SCHLUMBERGER.

SDFN.

<b>11-29-2006</b>	<b>Reported By</b>	HOOLEY									
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$383,343	<b>Daily Total</b>	\$383,343						
<b>Cum Costs: Drilling</b>	\$1,251,062	<b>Completion</b>	\$433,575	<b>Well Total</b>	\$1,684,637						
<b>MD</b>	10,231	<b>TVD</b>	10,231	<b>Progress</b>	0	<b>Days</b>	25	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 10171.0</b>		<b>Perf : 7868-10022</b>			<b>PKR Depth : 0.0</b>				

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	17:00	11.0	SICP 1820 PSIG. RUWL. SET 10K CFP AT 8750'. PERFORATED UPR FROM 8725'-26', 8715'-16', 8698'-8700', 8612'-14', 8568'-69', 8555'-56', 8539'-40', 8522'-23', 8504'-05' & 8495'-96' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4989 GAL YF123ST+ PAD, 50632 GAL YF123ST+ & YF118ST+ WITH 168021# 20/40 SAND @ 1-6 PPG. MTP 6295 PSIG. MTR 49.6 BPM. ATP 4558 PSIG. ATR 47.2 BPM. ISIP 2690 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8416'. PERFORATED UPR FROM 8388'-89', 8355'-56', 8323'-24', 8305'-06', 8278'-79', 8271'-72', 8266'-67', 8203'-04', 8194'-95', 8186'-87', 8170'-71' & 8153'-54' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 7295 GAL YF123ST+ PAD, 56503 GAL YF123ST+ & YF118ST+ WITH 170300# 20/40 SAND @ 1-6 PPG. MTP 7065 PSIG. MTR 52.0 BPM. ATP 4198 PSIG. ATR 42.0 BPM. ISIP 2506 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8125'. PERFORATED UPR FROM 8101'-02', 8089'-90', 8076'-77', 8068'-69', 8056'-57', 8043'-44', 8021'-22', 8010'-11', 7915'-17', 7888'-90' & 7868'-70' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2924 GAL YF123ST+ PAD, 47207 GAL YF123ST+ & YF118ST+ WITH 162455# 20/40 SAND @ 1-6 PPG. MTP 7316 PSIG. MTR 50.1 BPM. ATP 5089 PSIG. ATR 47.5 BPM. ISIP 2560 PSIG. RDMO SCHLUMBERGER.

RUWL. SET 10K CBP AT 7845'. BLED OFF PRESSURE. RDWL. SDFN.

<b>11-30-2006</b>	<b>Reported By</b>	HISLOP								
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$51,067	<b>Daily Total</b>	\$51,067					

**Cum Costs: Drilling** \$1,251,062      **Completion** \$484,642      **Well Total** \$1,735,705  
**MD** 10,231 **TVD** 10,231 **Progress** 0 **Days** 24 **MW** 0.0 **Visc** 0.0  
**Formation : MEASEVERDE**      **PBTD : 10171.0**      **Perf : 7868' - 10,022'**      **PKR Depth : 0.0**

**Activity at Report Time: DRILL CFPS**

**Start**    **End**      **Hrs**    **Activity Description**  
 06:00    16:00    10.0    MIRU ROYAL RIG #2. SICIP 0 PSIG. ND FRAC VALVE. NU BOP. RIH WITH 3-7/8" MILL TOOTH BIT, 1 - JT 2-3/8", N-80, 8RD, 4.7#, XN, 238 JTS TBG TO CBP. SWI. SDFD.

12-01-2006      **Reported By**      HISLOP

**DailyCosts: Drilling** \$0      **Completion** \$91,570      **Daily Total** \$91,570  
**Cum Costs: Drilling** \$1,251,062      **Completion** \$576,212      **Well Total** \$1,827,275  
**MD** 10,231 **TVD** 10,231 **Progress** 0 **Days** 25 **MW** 0.0 **Visc** 0.0  
**Formation : MEASEVERDE**      **PBTD : 10171.0**      **Perf : 7868' - 10,022'**      **PKR Depth : 0.0**

**Activity at Report Time: PREP TO RIH W/PUMP THROUGH PLUG**

**Start**    **End**      **Hrs**    **Activity Description**  
 06:00    18:00    12.0    SICIP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7845', 8125', 8416', 8750', 9025', 9200', 9380' & 9710'. FLOAT NOT HOLDING. LEFT WELL FLOWING UP ANNULUS.

FLOWED 13 HRS. 16/64" CHOKE. FCP 1400 PSIG. 61 BFPH. RECOVERED 61 BLW. 10294 BLWTR.

12-02-2006      **Reported By**      HISLOP

**DailyCosts: Drilling** \$0      **Completion** \$12,523      **Daily Total** \$12,523  
**Cum Costs: Drilling** \$1,251,062      **Completion** \$588,735      **Well Total** \$1,839,798  
**MD** 10,231 **TVD** 10,231 **Progress** 0 **Days** 26 **MW** 0.0 **Visc** 0.0  
**Formation : MEASEVERDE**      **PBTD : 10171.0**      **Perf : 7868' - 10,022'**      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

**Start**    **End**      **Hrs**    **Activity Description**  
 06:00    06:00    24.0    SITP 1600 PSIG. FCP1400 PSIG. KILLED TBG W/45 BBLS BRINE WATER. RU DELSCO WL & SET 1.875" PUMP THROUGH PLUG IN XN NIPPLE @ 9672'. RDWL. RIH. CLEANED OUT TO 10134'. LANDED TUBING @ 7862' KB. ND BOP. NU TREE. RUWL. RETRIEVED PLUG. RDWL. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 12 HRS. 16/64" CHOKE. FTP 1300 PSIG. CP 1700 PSIG. 54 BFPH. RECOVERED 637 BLW. 9363 BLWTR.

TUBING DETAIL    LENGTH

PUMP OFF SUB    .91'  
 1 JT 2-3/8" 4.7# N-80 TBG    32.62'  
 XN NIPPLE    1.10'  
 239 JTS 2-3/8" 4.7# N-80 TBG    7807.14'  
 BELOW KB    20.00'  
 LANDED @    7861.77' KB

12-03-2006      **Reported By**      HISLOP

**DailyCosts: Drilling** \$0      **Completion** \$2,575      **Daily Total** \$2,575  
**Cum Costs: Drilling** \$1,251,062      **Completion** \$591,310      **Well Total** \$1,842,373  
**MD** 10,231 **TVD** 10,231 **Progress** 0 **Days** 27 **MW** 0.0 **Visc** 0.0

Formation : MEASEVERDE      PBTB : 10171.0      Perf : 7868' - 10,022'      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 1175 PSIG. CP 2200 PSIG. 45 BFPH. RECOVERED 1060 BLW. 8303 BLWTR.

12-04-2006      Reported By      HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,575	Daily Total	\$2,575
Cum Costs: Drilling	\$1,251,062	Completion	\$593,885	Well Total	\$1,844,948

MD	10,231	TVD	10,231	Progress	0	Days	28	MW	0.0	Visc	0.0
----	--------	-----	--------	----------	---	------	----	----	-----	------	-----

Formation : MEASEVERDE      PBTB : 10171.0      Perf : 7868' - 10,022'      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 1175 PSIG. CP 2550 PSIG. 32 BFPH. RECOVERED 776 BBLS. 7527 BLWTR. MODERATE CONDENSATE.

12-05-2006      Reported By      HISLOP

Daily Costs: Drilling	\$0	Completion	\$5,572	Daily Total	\$5,572
Cum Costs: Drilling	\$1,251,062	Completion	\$599,458	Well Total	\$1,850,521

MD	10,231	TVD	10,231	Progress	0	Days	29	MW	0.0	Visc	0.0
----	--------	-----	--------	----------	---	------	----	----	-----	------	-----

Formation : MEASEVERDE      PBTB : 10171.0      Perf : 7868' - 10,022'      PKR Depth : 0.0

Activity at Report Time: SI - WO FACILITIES

Start	End	Hrs	Activity Description
06:00	13:00	7.0	FLOWED 7 HRS. 16/64" CHOKE. FTP 1200 PSIG. CP 2550 PSIG. 25 BFPH. RECOVERED 180 BLW. 7347 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 12/4/06

12-18-2006      Reported By      DUANE COOK

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$1,251,062	Completion	\$599,458	Well Total	\$1,850,521

MD	10,231	TVD	10,231	Progress	0	Days	30	MW	0.0	Visc	0.0
----	--------	-----	--------	----------	---	------	----	----	-----	------	-----

Formation : MEASEVERDE      PBTB : 10171.0      Perf : 7868' - 10,022'      PKR Depth : 0.0

Activity at Report Time: INITIAL PRODUCTION - ON SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	12/16/06 INITIAL PRODUCTION. OPENING PRESSURE: TP 1650 PSIG & CP 3000 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 12:45 HRS, 12/15/06. FLOWED 256 MCFD RATE ON 12/64" CHOKE.

12/17/06 FLOWED 237 MCF, 50 BC & 180 BW IN 24 HRS ON 12/64" CHOKE, TP 1500 PSIG, CP 2850 PSIG.

12/18/06 FLOWED 326 MCF, 64 BC & 290 BW IN 24 HRS ON 12/64" CHOKE, TP 1525 PSIG, CP 2800 PSIG.

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 **2137' FSL & 694' FWL (NWSW) 40.092533 LAT 109.414281 LON**

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

At total depth **Same**

14. Date Spudded **09/28/2006** 15. Date T.D. Reached **11/11/2006** 16. Date Completed **12/15/2006**  
 D & A  Ready to Prod.

5. Lease Serial No.  
**U-059**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No.  
**North Chapita 300-26**

9. AFI Well No.  
**43-047-36835**

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

11. Sec., T., R., M., on Block and Survey or Area **Sec. 26-T8S-R22E**

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

17. Elevations (DF, RKB, RT, GL)\*  
**4817' NAT GL**

18. Total Depth: MD **10,231** 19. Plug Back T.D.: MD **10,171** 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	0-2551		700 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-10,216		2160 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	7862							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7868	10,022	9748-10,022		3/spf	
B)			9412-9688		2/spf	
C)			9215-9356		2/spf	
D)			9052-9182		3/spf	

26. Perforation Record

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

Depth Interval	Amount and Type of Material
9748-10,022	49,627 GALS GELLED WATER & 129,880# 20/40 SAND
9412-9688	56,684 GALS GELLED WATER & 169,492# 20/40 SAND
9215-9356	57,819 GALS GELLED WATER & 167,151# 20/40 SAND
9052-9182	47,887 GALS GELLED WATER & 131,425# 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
12/15/2006	12/21/2006	24	→	40	349	280			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
12/64"	SI 1500	2500	→						PRODUCING GAS WELL

28a. Production - Interval B

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

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

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JAN 16 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	7868	10,022		Wasatch Chapita Wells Buck Canyon North Horn Upper Price River Middle Price River Lower Price River Sego	5273 5873 6544 7275 7850 8601 9363 10,036

32. Additional remarks (include plugging procedure):

**SEE ATTACHED SHEET.**

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

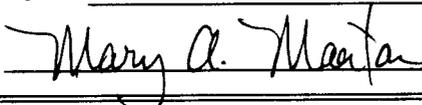
- Electrical/Mechanical Logs (1 full set req'd.)   
 Geologic Report   
 DST Report   
 Directional Survey  
 Sundry Notice for plugging and cement verification   
 Core Analysis   
 Other:

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 01/15/2007

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.

**North Chapita 300-26 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8856-9004	3/spf
8495-8726	3/spf
8153-8389	3/spf
7868-8102	2/spf

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

8856-9004	68,647 GALS GELLED WATER & 237,918# 20/40 SAND
8495-8726	55,786 GALS GELLED WATER & 168,021# 20/40 SAND
8153-8389	63,963 GALS GELLED WATER & 170,300# 20/40 SAND
7868-8102	50,296 GALS GELLED WATER & 162,455# 20/40 SAND

Perforated the Lower Price River from 9748-9749', 9770-9771', 9820-9821', 9872-9873', 9906-9907', 9931-9932', 9957-9958', 9971-9972', 9977-9978', 9985-9986', 10014-10015' & 10021-10022' w/ 3 spf.

Perforated the Lower Price River from 9412-9413', 9425-9426', 9433-9434', 9480-9481', 9511-9512', 9538-9539', 9564-9565', 9593-9595', 9612-9613', 9623-9624', 9637-9638', 9662-9663' & 9687-9688' w/ 2 spf.

Perforated the Middle Price River from 9215-9216', 9227-9228', 9235-9236', 9255-9256', 9270-9271', 9280-9281', 9289-9290', 9297-9298', 9305-9306', 9308-9309', 9329-9330', 9337-9338', 9347-9348' & 9355-9356' w/ 2 spf.

Perforated the Middle Price River from 9052-9053', 9061-9062', 9082-9083', 9092-9093', 9100-9101', 9110-9111', 9130-9131', 9143-9144', 9168-9170' & 9180-9182' w/ 3 spf.

Perforated the Middle Price River from 8856-8857', 8874-8875', 8887-8888', 8900-8901', 8911-8912', 8925-8926', 8938-8939', 8950-8951', 8971-8972', 8987-8988', 8997-8998' & 9003-9004' w/ 3 spf.

Perforated the Upper Price River from 8495-8496', 8504-8505', 8522-8523', 8539-8540', 8555-8556', 8568-8569', 8612-8614', 8698-8700', 8715-8716' & 8725-8726' w/ 3 spf.

Perforated the Upper Price River from 8153-8154', 8170-8171', 8186-8187', 8194-8195', 8203-8204', 8266-8267', 8271-8272', 8278-8279', 8305-8306', 8323-8324', 8355-8356' & 8388-8389' w/ 3 spf.

Perforated the Upper Price River from 7868-7870', 7888-7890', 7915-7917', 8010-8011', 8021-8022', 8043-8044', 8056-8057', 8068-8069', 8076-8077', 8089-8090' & 8101-8102' w/ 2 spf.

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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>U-059</b>
2. Name of Operator <b>EOG Resources, Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>600 17th Street, Suite 1000N, Denver, CO 80202</b>	3b. Phone No. (include area code) <b>303-824-5526</b>	7. If Unit or CA/Agreement, Name and/or No.
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>2137' FSL &amp; 694' FWL (NWSW) Sec. 26-T8S-R22E 40.092533 LAT 109.414281 LON</b>		8. Well Name and No. <b>North Chapita 300-26</b>
		9. API Well No. <b>43-047-36835</b>
		10. Field and Pool, or Exploratory Area <b>Natural Buttes/Wasatch/Mesaverde</b>
		11. County or Parish, State <b>Uintah County, UT</b>

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

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

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

**The referenced well was turned to sales 12/1/2006.**

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) <b>Mary A. Maestas</b>	Title <b>Regulatory Assistant</b>
Signature 	Date <b>08/01/2007</b>

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

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

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

(Instructions on page 2)

**RECEIVED**

**AUG 06 2007**

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

Form 3160-4  
(April 2004)

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-059**

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

8. Lease Name and Well No. **North Chapita 300-26**

9. AFI Well No. **43-047-36835**

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

11. Sec., T., R., M., on Block and Survey or Area **Sec. 26-T8S-R22E**

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

14. Date Spudded **09/28/2006** 15. Date T.D. Reached **11/11/2006** 16. Date Completed **12/01/2006**  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\* **4817' NAT GL**

18. Total Depth: MD **10,231** 19. Plug Back T.D.: MD **10,171** 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	0-2551		700 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-10,216		2160 sx			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2-3/8"	7862							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7868	10,022	9748-10,022		3/spf	
B)			9412-9688		2/spf	
C)			9215-9356		2/spf	
D)			9052-9182		3/spf	

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

Depth Interval	Amount and Type of Material
9748-10,022	49,627 GALS GELLED WATER & 129,880# 20/40 SAND
9412-9688	56,684 GALS GELLED WATER & 169,492# 20/40 SAND
9215-9356	57,819 GALS GELLED WATER & 167,151# 20/40 SAND
9052-9182	47,887 GALS GELLED WATER & 131,425# 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
12/01/2006	12/21/2006	24	→	40	349	280			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	Production Method
12/64"	1500	2500	→						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	Production Method
			→						

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

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AUG 06 2007

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Mesaverde	7868	10,022		Wasatch Chapita Wells Buck Canyon North Horn Upper Price River Middle Price River Lower Price River Sego	5273 5873 6544 7275 7850 8601 9363 10,036

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 08/01/2007

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.

**North Chapita 300-26 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8856-9004	3/spf
8495-8726	3/spf
8153-8389	3/spf
7868-8102	2/spf

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

8856-9004	68,647 GALS GELLED WATER & 237,918# 20/40 SAND
8495-8726	55,786 GALS GELLED WATER & 168,021# 20/40 SAND
8153-8389	63,963 GALS GELLED WATER & 170,300# 20/40 SAND
7868-8102	50,296 GALS GELLED WATER & 162,455# 20/40 SAND

Perforated the Lower Price River from 9748-9749', 9770-9771', 9820-9821', 9872-9873', 9906-9907', 9931-9932', 9957-9958', 9971-9972', 9977-9978', 9985-9986', 10014-10015' & 10021-10022' w/ 3 spf.

Perforated the Lower Price River from 9412-9413', 9425-9426', 9433-9434', 9480-9481', 9511-9512', 9538-9539', 9564-9565', 9593-9595', 9612-9613', 9623-9624', 9637-9638', 9662-9663' & 9687-9688' w/ 2 spf.

Perforated the Middle Price River from 9215-9216', 9227-9228', 9235-9236', 9255-9256', 9270-9271', 9280-9281', 9289-9290', 9297-9298', 9305-9306', 9308-9309', 9329-9330', 9337-9338', 9347-9348' & 9355-9356' w/ 2 spf.

Perforated the Middle Price River from 9052-9053', 9061-9062', 9082-9083', 9092-9093', 9100-9101', 9110-9111', 9130-9131', 9143-9144', 9168-9170' & 9180-9182' w/ 3 spf.

Perforated the Middle Price River from 8856-8857', 8874-8875', 8887-8888', 8900-8901', 8911-8912', 8925-8926', 8938-8939', 8950-8951', 8971-8972', 8987-8988', 8997-8998' & 9003-9004' w/ 3 spf.

Perforated the Upper Price River from 8495-8496', 8504-8505', 8522-8523', 8539-8540', 8555-8556', 8568-8569', 8612-8614', 8698-8700', 8715-8716' & 8725-8726' w/ 3 spf.

Perforated the Upper Price River from 8153-8154', 8170-8171', 8186-8187', 8194-8195', 8203-8204', 8266-8267', 8271-8272', 8278-8279', 8305-8306', 8323-8324', 8355-8356' & 8388-8389' w/ 3 spf.

Perforated the Upper Price River from 7868-7870', 7888-7890', 7915-7917', 8010-8011', 8021-8022', 8043-8044', 8056-8057', 8068-8069', 8076-8077', 8089-8090' & 8101-8102' w/ 2 spf.

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.  
UTU059

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.

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
NORTH CHAPITA 300-26

2. Name of Operator  
EOG RESOURCES INC

Contact: MARY A. MAESTAS  
E-Mail: mary\_maestas@eogresources.com

9. API Well No.  
43-047-36835

3a. Address  
600 17TH STREET SUITE 1000N  
DENVER, CO 80202

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

10. Field and Pool, or Exploratory  
NATURAL BUTTES/WASATCH/MV

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
Sec 26 T8S R22E NWSW 2137FSL 694FWL  
40.09253 N Lat, 109.41428 W Lon

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

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

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" 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 recomplate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

EOG Resources, Inc. requests authorization to use a low-profile evaporation unit in the reserve pit for the referenced location.

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

14. I hereby certify that the foregoing is true and correct.  
**Electronic Submission #60942 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature *Mary A. Maestas* Date 06/18/2008

**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**  
JUN 20 2008

DIV. OF OIL, GAS & MINING

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>  <b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-059
<b>SUNDRY NOTICES AND REPORTS ON WELLS</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.	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>  <b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 300-26
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047368350000
<b>3. ADDRESS OF OPERATOR:</b> 600 17th Street, Suite 1000 N , Denver, CO, 80202	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2137 FSL 0694 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 26 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES  <b>COUNTY:</b> UINTAH  <b>STATE:</b> UTAH

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

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> <b>NOTICE OF INTENT</b> Approximate date work will start:	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input checked="" type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion: 7/31/2009	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
	<input type="checkbox"/> REPERFORATE CURRENT FORMATION	<input type="checkbox"/> SIDETRACK TO REPAIR WELL	<input type="checkbox"/> TEMPORARY ABANDON
	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input checked="" type="checkbox"/> OTHER	OTHER: Pit closure

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

The reserve pit on the referenced location was closed on 7/31/2009 as per the APD procedure.

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

**FOR RECORD ONLY**  
August 10, 2009

<b>NAME (PLEASE PRINT)</b> Mary Maestas	<b>PHONE NUMBER</b> 303 824-5526	<b>TITLE</b> Regulatory Assistant
<b>SIGNATURE</b> N/A		<b>DATE</b> 8/6/2009

<b>STATE OF UTAH</b> DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS, AND MINING	<b>FORM 9</b>
<b>SUNDRY NOTICES AND REPORTS ON WELLS</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.	<b>5. LEASE DESIGNATION AND SERIAL NUMBER:</b> U-059
	<b>6. IF INDIAN, ALLOTTEE OR TRIBE NAME:</b>
	<b>7. UNIT or CA AGREEMENT NAME:</b>
<b>1. TYPE OF WELL</b> Gas Well	<b>8. WELL NAME and NUMBER:</b> N CHAPITA 300-26
<b>2. NAME OF OPERATOR:</b> EOG Resources, Inc.	<b>9. API NUMBER:</b> 43047368350000
<b>3. ADDRESS OF OPERATOR:</b> 1060 East Highway 40 , Vernal, UT, 84078	<b>PHONE NUMBER:</b> 435 781-9111 Ext
<b>4. LOCATION OF WELL FOOTAGES AT SURFACE:</b> 2137 FSL 0694 FWL <b>QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:</b> Qtr/Qtr: NWSW Section: 26 Township: 08.0S Range: 22.0E Meridian: S	<b>9. FIELD and POOL or WILDCAT:</b> NATURAL BUTTES
	<b>COUNTY:</b> UINTAH
	<b>STATE:</b> UTAH

**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> Approximate date work will start: 11/24/2009	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> CASING REPAIR
<input type="checkbox"/> <b>SUBSEQUENT REPORT</b> Date of Work Completion:	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> CHANGE WELL NAME
<input type="checkbox"/> <b>SPUD REPORT</b> Date of Spud:	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> CONVERT WELL TYPE
<input type="checkbox"/> <b>DRILLING REPORT</b> Report Date:	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> NEW CONSTRUCTION
	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> PLUG BACK
	<input type="checkbox"/> PRODUCTION START OR RESUME	<input checked="" type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> RECOMPLETE DIFFERENT FORMATION
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	<input type="checkbox"/> TUBING REPAIR	<input type="checkbox"/> VENT OR FLARE	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> WATER SHUTOFF	<input type="checkbox"/> SI TA STATUS EXTENSION	<input type="checkbox"/> APD EXTENSION
	<input type="checkbox"/> WILDCAT WELL DETERMINATION	<input type="checkbox"/> OTHER	OTHER: _____

**12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.**  
 EOG Resources, Inc. respectfully requests authorization to use the attached well specific Interim Reclamation Plan.

Accepted by the  
 Utah Division of  
 Oil, Gas and Mining  
**FOR RECORD ONLY**  
 November 23, 2009

<b>NAME (PLEASE PRINT)</b> Mickenzie Gates	<b>PHONE NUMBER</b> 435 781-9145	<b>TITLE</b> Operations Clerk
<b>SIGNATURE</b> N/A	<b>DATE</b> 11/24/2009	



# Conservation Seeding & Restoration, Inc.

## EOG Resources, Inc., Vernal, UT Interim Reclamation Plan

September 25, 2009

**Location:** North Chapita 300-26  
Uintah County, Utah  
Section 26, Township 8S, Range 22E

**2009 Reclamation Actions:** **Annual Reclamation Monitoring:**  
On 28 August 2009, North Chapita 300-26 was monitored to assess reclamation conditions. At the time of monitoring there was no vegetation established in the designated restoration areas. During monitoring one close-up picture of the soil surface and four landscape pictures were taken (Appendix I).

### GPS Monitoring:

During annual monitoring GPS data was collected to measure the initial, reclamation, and road disturbance areas. The initial and reclamation area for North Chaptia 300-26 pad is 3.69 and 2.54 acres, respectively. The road disturbance is 0.17 acres. The total disturbance area for this facility is 3.86 acres (Appendix II).

### Weed Control:

Halogeton (*Halogeton glomeratus*) and Russian thistle (*Salsola kali*) thistle were controlled with a broadleaf herbicide 2,4-D (2,4-D low volatility ester) in the reclamation and long-term disturbance and along the spur road on 20 July 2009. The table below shows the area and amount of 2,4-D herbicide that was applied.

**Table 1.** Halogeton and Russian thistle were controlled on North Chapita 300-26 using 2,4-D Herbicide. The total acres treated was 0.60.

Area	Gallons (2,4-D Herbicide)	Acres
Reclamation	30	0.60
Long-term	0	0.0
Road	0	0.0
<b>TOTAL</b>	<b>30</b>	<b>0.60</b>

## Re-Vegetation Plan

**2009  
Reclamation  
Plan:**

***Seedbed Preparation:***

At the time of monitoring soils in the reclamation area had a physical crusting. In an effort to alleviate this physical crust and high pH (which is common in the area) the seedbed surface will be amended with sulfur and gypsum. The application rate will be 200 and 1000 lbs per acre, respectively. In addition a liquid mixture of humic and fulvic acids and tea compost extract will be applied to the soil surface around the time of fall seeding.

***Re-vegetation:***

The interim reclamation area (2.54) will be seeded with an interim seed mix (Table 2). Seeding of the reclamation area will occur in late fall when the soil temperatures are consistently below 55°F. This is to prevent seed from germinating before the spring growing season. The seed mix that will be used was designed specifically for the vegetation present in the adjacent community.

There is a berm to the north east of the well head that has evidence of soil erosion (Figure 1). This area should be seeded and stabilized to prevent further erosion and ensure site stability.

**Table 2.** The reclamation area for North Chapita 300-26 will be re-vegetated with the Interim Sandy Seed Mix. The application rate of each species is measured by pounds of pure live seeds per acre (PLS lbs/ac.)

<b>Interim Sandy Seed Mix</b>		
<b>Species</b>	<b>Common Name</b>	<b>PLS lbs/ac.</b>
<i>Achnatherum hymenoides</i>	Indian ricegrass	5.0
<i>Cleome serrulata</i>	Rocky mountain bee plant	1.0
<i>Hesperostipa comata</i>	needle and thread grass	3.0
<i>Oenothera pallida</i>	pale evening primrose	0.50
<i>Plueraphis jamesii</i>	James' galleta	5.0
<i>Sphaeralcea munroana</i>	Munro's globemallow	0.50
<i>Sporobolus airoides</i>	alkali sacaton	2.0
<b>Total PLS lbs/acre:</b>		<b>17.0</b>

**Figure 1. The berm to the north east of the well head has unstable soils.**



**RECEIVED** November 24, 2009

## Future Reclamation Plan

**Monitoring** Beginning in 2010, effectiveness monitoring will be carried out to assess if implemented reclamation activities have advanced restoration toward reclamation goals and objectives. Additionally monitoring data will be used to assess compliance with the reclamation plan objectives stated in the GRD Reclamation Guidelines on an annual basis. An annual reclamation report containing monitoring data, reclamation activities taken, and compliance with the reclamation objectives will be submitted to the Authorized Officer.

The spring after fall seeding a subsequent application of liquid organic mixture with the inclusion of fish emulsion will be applied to the seeded area to provide a further boost for soil microbes and nutrients needed for plant growth. Further applications of a liquid organic soil amendment will be based on observations made during annual monitoring and/or results from a soil analysis.

**Control of Undesirable Species**

*Interim reclamation area*

A broadleaf herbicide will be used to control noxious weeds and other undesirable species such as halogeton (*Halogeton glomeratus*). Spraying of herbicide will begin in late spring when target weeds are large enough to be effectively killed and/or seed production stymied. Application of herbicide will continue as needed until late summer before plants are able to set viable seed.

*Final reclamation area*

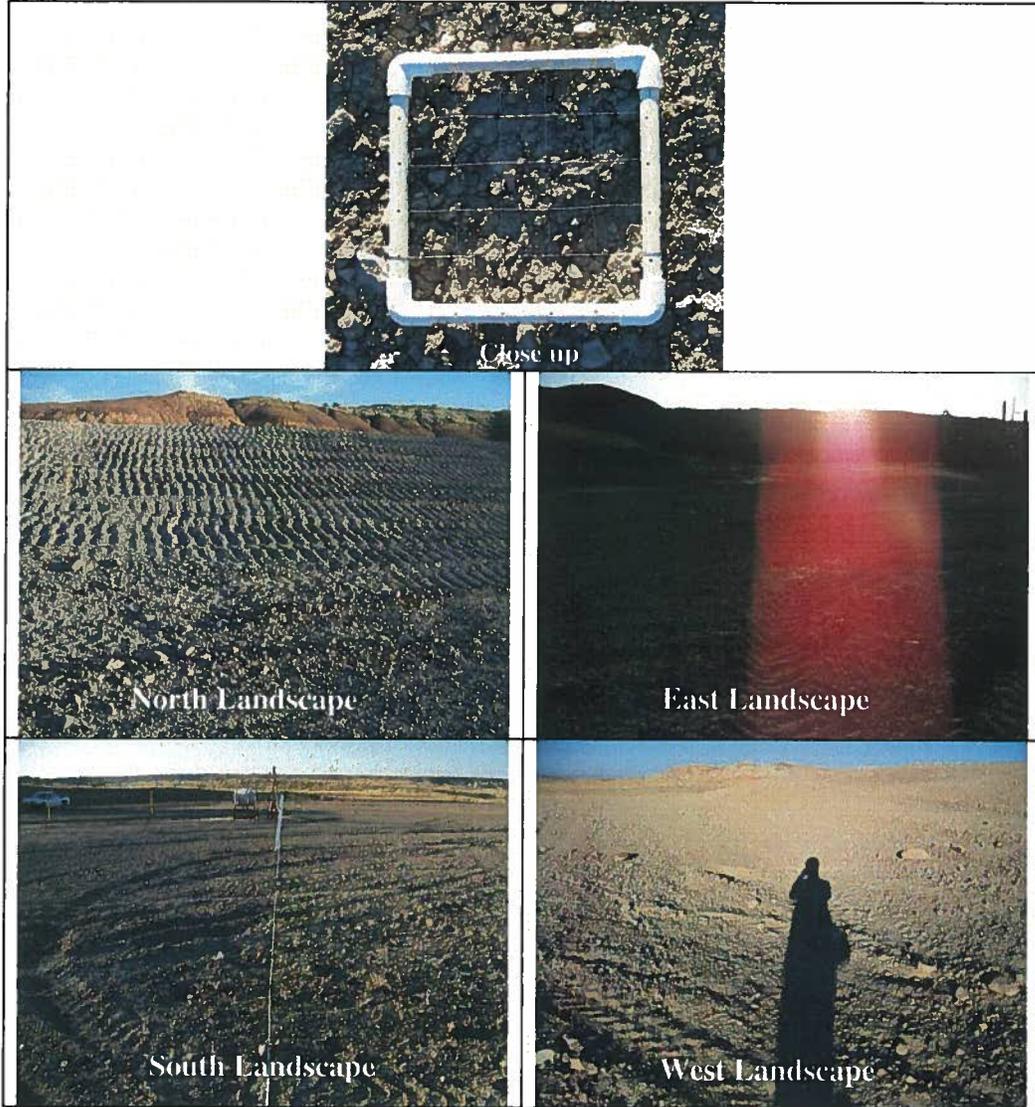
Undesirable and noxious species will be controlled in the final reclamation area. As a safety precaution a biannual pre-emergent herbicide will be applied as 10-15 foot weed free buffer zone around well infrastructure. If weeds emerge between dragging and pre-emergent herbicide treatments, a broadleaf herbicide will be applied to control weed occurrences across the entire final reclamation area.

**Reclamation Action Plan**

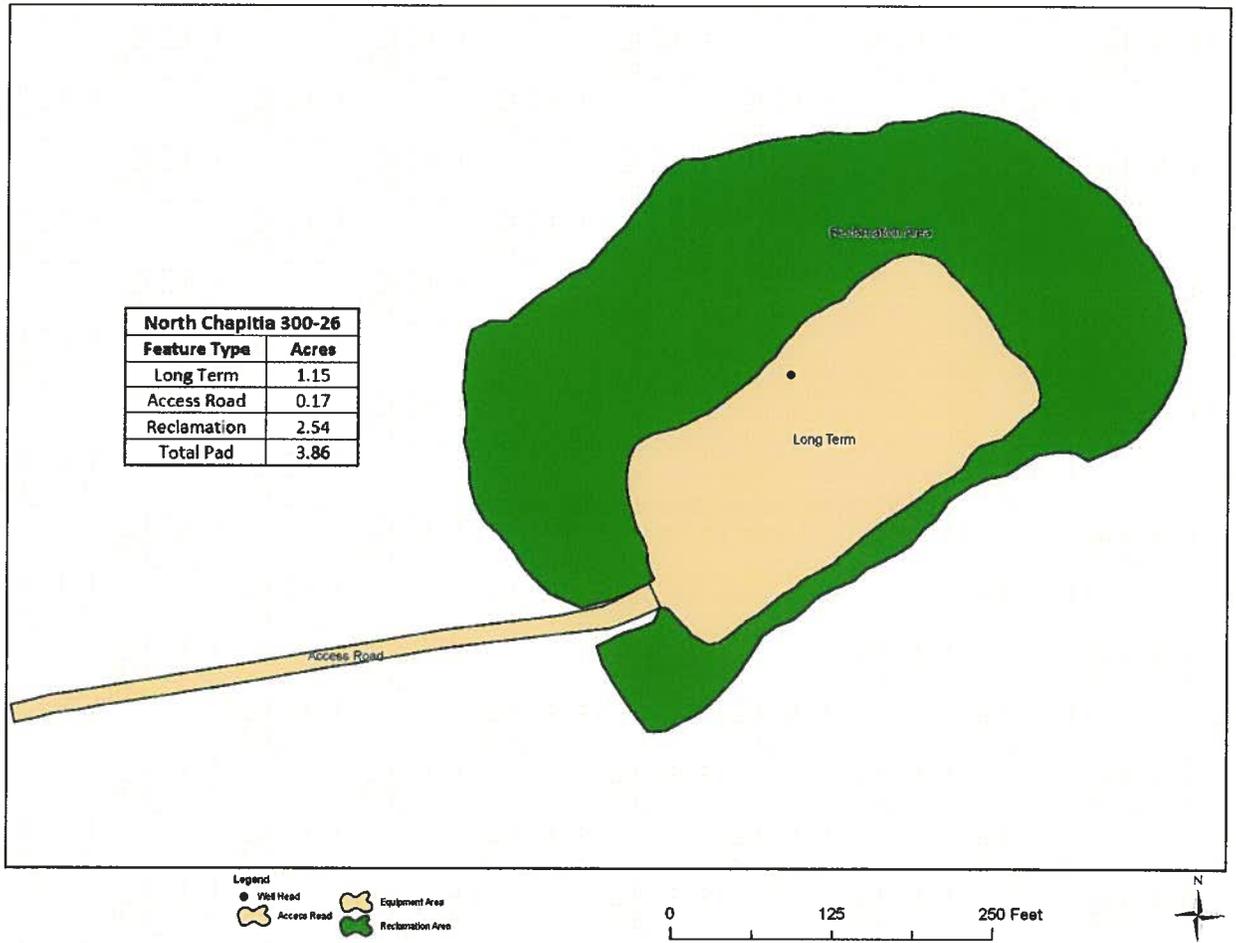
This well reclamation plan is designed to provide a course of action to stabilize soils, build soil biota, and restore temporary wildlife habitat and forage during the interim period between well construction and plug and abandonment. The reclamation plan provides a building block for restoring properly functioning self-perpetuating diverse native plant community. In subsequent years, reclamation activities will focus on vegetation recruitment and the development of a diverse plant community. Reclamation activities will continue until a location has reached the reclamation objectives as stated by the GRD Reclamation Guidelines.

## Appendix I:

Pictures were taken at North Chapita 300-26 during annual monitoring on 28 August 2009. The pictures were taken 30 meters north of the well head.



## Appendix II:



RECEIVED November 24, 2009