

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

July 7, 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  
SOUTH CHAPITA 18-3  
NW/NW, SEC. 3, T10S, R23E  
UINTAH COUNTY, UTAH  
LEASE NO.: UTU-80613  
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 13 2005

S. Chapita 18-3 B

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

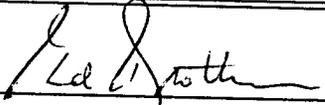
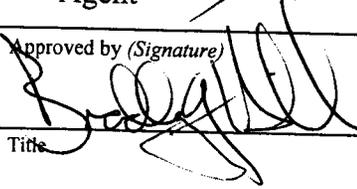
**APPLICATION FOR PERMIT TO DRILL OR REENTER**

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>UTU-80613</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>SOUTH CHAPITA 18-3</b>
3b. Phone No. (Include area code) <b>(435)789-0790</b>		9. API Well No. <b>43-047-36904</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>555' FNL, 859' FWL</b> At proposed prod. Zone <b>6435584 39, 983758 NW/NW (Lot 4)</b> <b>44270984 -109.318690</b>		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>23.84 MILES SOUTHEAST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 3, T10S, R23E, S.L.B.&amp;M.</b>
15. Distance from proposed* location to nearest property or lease line, ft. <b>555'</b> (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease <b>642</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>8350'</b>	13. State <b>UTAH</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5332.4 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	17. Spacing Unit dedicated to this well <b>320</b>
24. Attachments		20. BLM/BIA Bond No. on file <b>NM-2308</b>
23. Esti mated 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:

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) <b>Ed Trotter</b>	Date <b>July 7, 2005</b>
Title <b>Agent</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>BRADLEY G. HILL ENVIRONMENTAL SCIENTIST III</b>	Date <b>07-18-05</b>
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**

**JUL 13 2005**

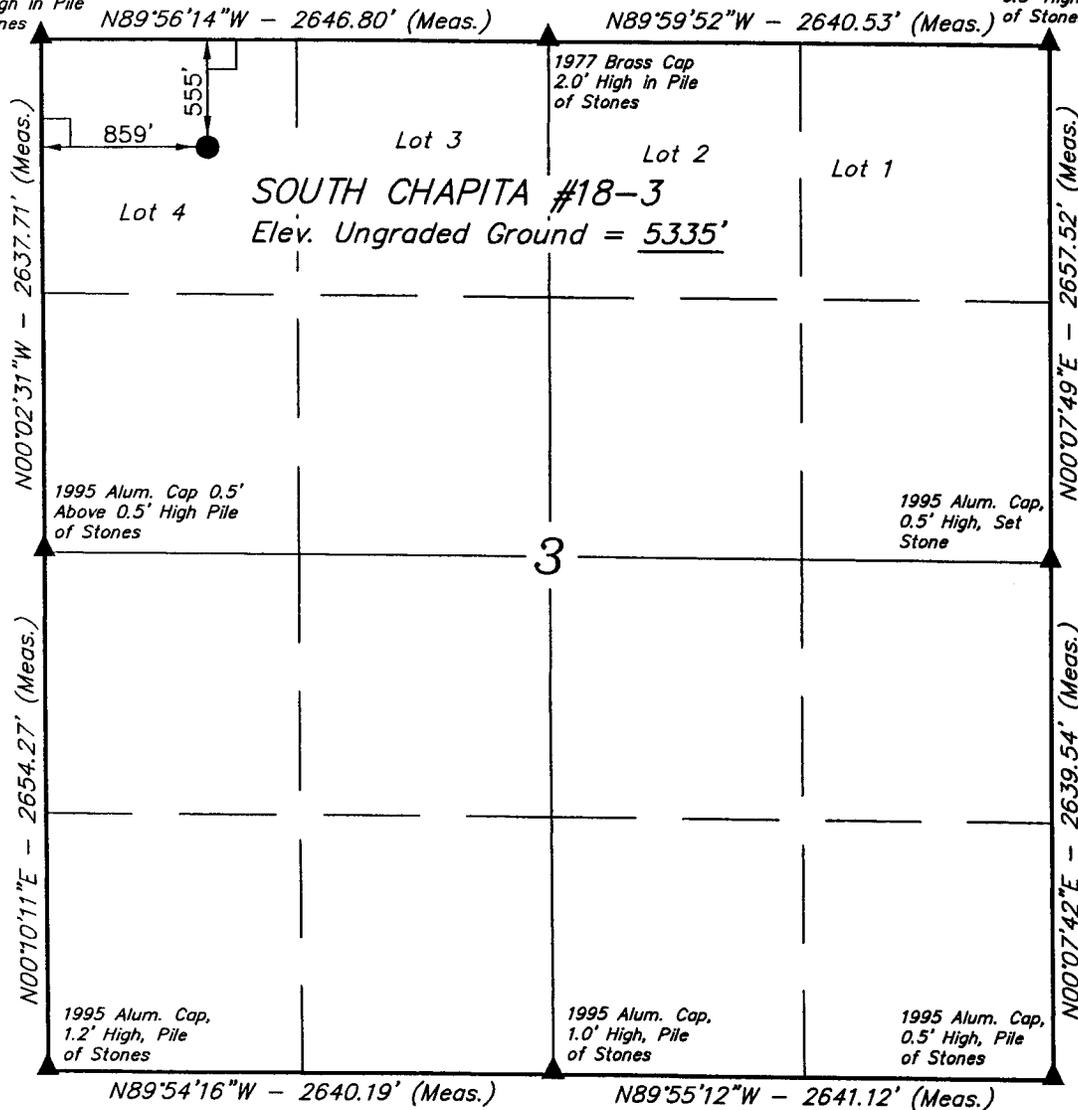
DIV. OF OIL, GAS & MINING

**RECEIVED**

# T10S, R23E, S.L.B.&M.

1977 Brass Cap  
1.0' High in Pile  
of Stones

1977 Brass Cap  
0.5' High, Pile  
of Stones



### LEGEND:

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

(AUTONOMOUS NAD 27)  
 LATITUDE = 39°59'01.40" (39.983722)  
 LONGITUDE = 109°19'07.50" (109.318750)

## EOG RESOURCES, INC.

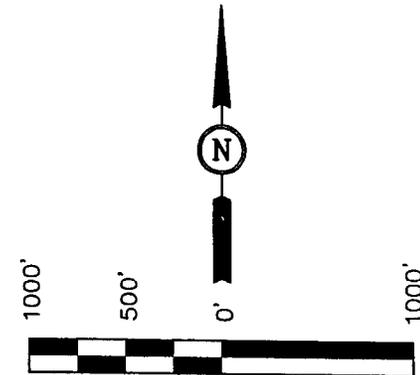
Well location, SOUTH CHAPITA #18-3, located as shown in the NW 1/4 NW 1/4 of Section 3, T10S, R23E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

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

### BASIS OF BEARINGS

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



SCALE

### CERTIFICATE

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

*[Signature]*

REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

REVISED: 4-2-04

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

SCALE 1" = 1000'	DATE SURVEYED: 02-16-04	DATE DRAWN: 2-25-04
PARTY K.K. K.G. C.G.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**  
**SOUTH CHAPITA 18-3**  
**NW/NW, SEC. 3, T10S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River	1,543'
Wasatch	4,191'
North Horn	6,068'
Island	6,333'
KMV Price River	6,609'
KMV Price River Middle	7,139'
KMV Price River Lower	7,791'
Sego	8,252'

Estimated TD: 8,350' or 200'± below Sego top

**Anticipated BHP: 4,540 Psig**

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<b><u>HOLE SIZE</u></b>	<b><u>INTERVAL</u></b>	<b><u>LENGTH</u></b>	<b><u>SIZE</u></b>	<b><u>WEIGHT</u></b>	<b><u>GRADE</u></b>	<b><u>THREAD</u></b>	<b><u>RATING FACTOR</u></b>		
							<b><u>COLLAPSE</u></b>	<b><u>BURST</u></b>	<b><u>TENSILE</u></b>
12-1/4"	0' – 2,300'KB±	2,300'±	9-5/8"	36.0#	J-55	ST&C	2020 Psi	3520 Psi	394,000#
7-7/8"	2,300'± – TD	8,350±	4-1/2"	11.6#	N-80	LT&C	6350 Psi	7780 Psi	223,000#

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

All casing will be new or inspected.

**5. Float Equipment:**

**Surface Hole Procedure (0' - 2300'±)**

Guide Shoe

Insert Float Collar (PDC drillable)

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

**Production Hole Procedure (2300'± - TD):**

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-1/2", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. (50± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**EIGHT POINT PLAN**  
**SOUTH CHAPITA 18-3**  
**NW/NW, SEC. 3, T10S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**6. MUD PROGRAM**

**Surface Hole Procedure (Surface - 2300'±):**

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

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

**7. VARIANCE REQUESTS:**

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 approximately 75' in length.

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD. Cased hole evaluation logs will be run in lieu of open hole logs.

**9. CEMENT PROGRAM:**

**Surface Hole Procedure (Surface - 2300'±):**

**Lead:** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl<sub>2</sub>, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft<sup>3</sup>/sk. yield, 23 gps water.

**Tail:** Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft<sup>3</sup>/sk., 5.2 gps water.

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

**EIGHT POINT PLAN**  
**SOUTH CHAPITA 18-3**  
**NW/NW, SEC. 3, T10S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

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

**Lead:** 410 sks: 35:65 Poz "G" w/4% D20 (Bentonite), 2% D174 (Extender), 0.2% D65 (Dispersant), 0.2% D46 (Antifoam), 0.75% D112 (Fluid Loss Additive), 0.200% D13 (Retarder), 0.25 pps D29 (cello flakes) mixed at 13.0 ppg, 1.75 ft<sup>3</sup>/sk., 9.19 gps water.

**Tail:** 545 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft<sup>3</sup>/sk., 5.9gps water.

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

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**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.

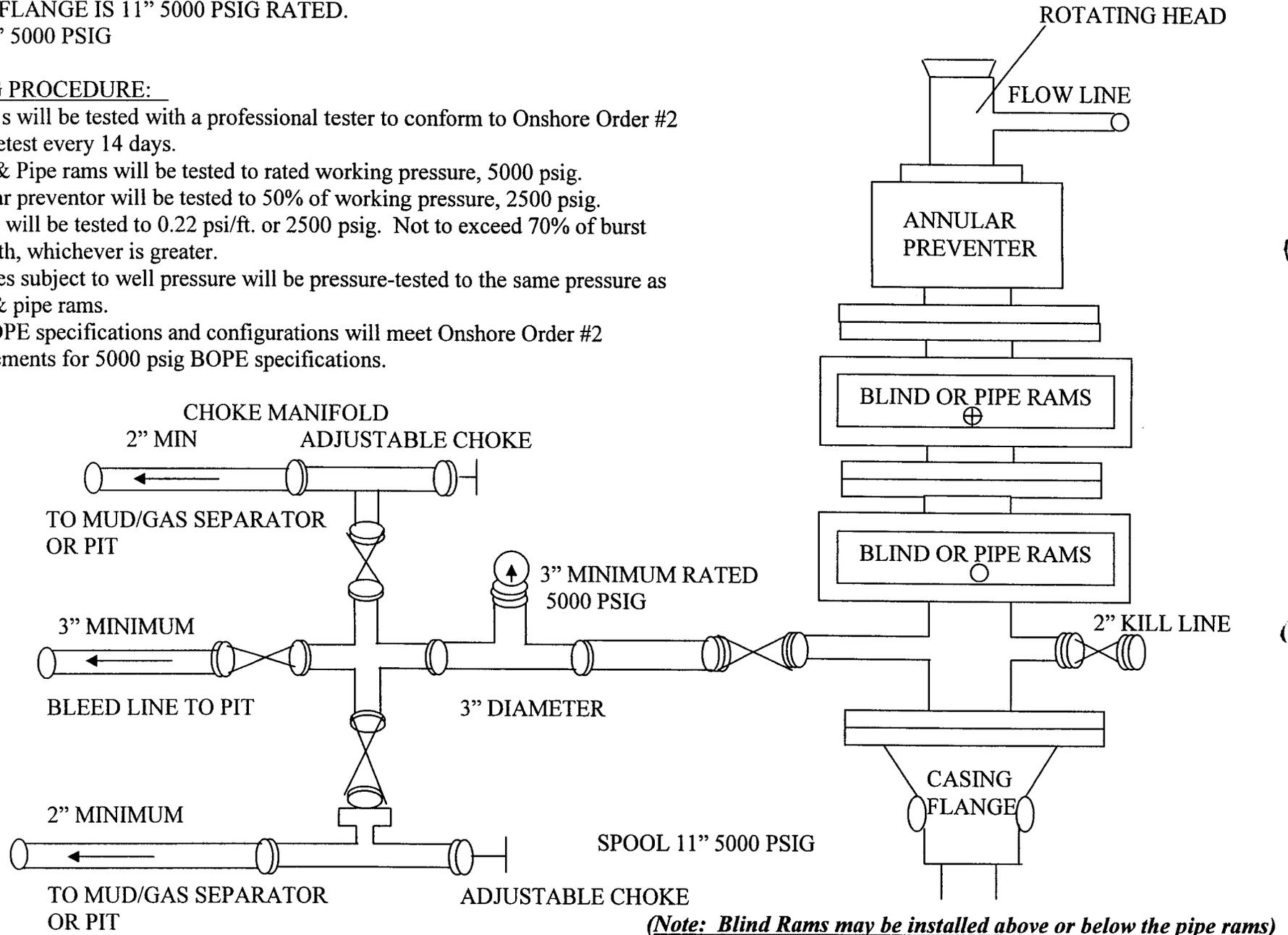
(Attachment: BOP Schematic Diagram)

## 5000 PSIG DIAGRAM

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

### TESTING PROCEDURE:

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



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

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

Company/Operator: EOG Resources, Inc.  
Well Name & Number: South Chapita 18-3  
Lease Number: UTU-80613  
Location: 555' FNL & 859' FWL, NW/NW, Sec. 3,  
T10S, R23E, S.L.B.&M., Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

## **THIRTEEN POINT SURFACE USE PROGRAM**

### **1. EXISTING ROADS**

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 23.84 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### **2. PLANNED ACCESS ROAD**

- A. The access road will be approximately 100 feet 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 - 2\*
- B. Producing wells - 2\*
- C. Shut in wells - 1\*

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

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

A. **ON WELL PAD**

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

B. **OFF WELL PAD**

- 1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
- 2. A 4" OD steel above ground natural gas pipeline will be laid approximately 92' from proposed location to a point in the NW/NW of Section 3, T10S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands, thus a Right-of-Way grant will be required.
- 3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
- 4. **The gas pipeline for this location shall be placed as close to the road as practicable.**
- 5. 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 Southwest side of the location.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective,

earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

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

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

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

6. **SOURCE OF CONSTRUCTION MATERIAL**

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

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

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

Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

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

**On BLM administered land:**

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

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

8. **ANCILLARY FACILITIES**

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

9. **WELLSITE LAYOUT**

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.
- D. The approved seed mixture for this location is:
  - Wyoming Big Sage – 3 pounds per acre
  - Gardner Salt Bush – 3 pounds per acre
  - Indian Rice Grass – 2 pounds per acre
  - Hi-Crest Crested Wheat Grass – 1 pound per acre
  - Shad Scale – 3 pounds per acre.

The reserve pit will be located on the Northeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the Southeast 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 2 and 8, as well as Northeast and Northwest of Corner #6. Upon completion of construction, the stockpiled topsoil from the location will be broadcast

seeded with the approved seed mixture for this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the Northeast.

Corners #2, #6, & #8 will be rounded off to minimize excavation.

### **FENCING REQUIREMENTS:**

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

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

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

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

## 10. PLANS FOR RESTORATION OF SURFACE

### A. PRODUCING LOCATION

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

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

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

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

### B. DRY HOLE/ABANDONED LOCATION

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

## 11. SURFACE OWNERSHIP

Access road: Federal

Location: Federal

## 12. OTHER INFORMATION

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:
- whether the materials appear eligible for the National Register of Historic Places;
  - the mitigation measures the operator will likely have to undertake before the site can be used.
  - a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

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

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

**Additional Surface Stipulations**

**The gas pipeline for this location shall be placed as close to the road as practicable.**

**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 **South Chapita 18-3 well, located in the NW/NW of Section 3, T10S, R23E, Uintah County, Utah; Lease #UTU-80613;** and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is provided under Bond #NM 2308.

7-7-2005  
Date

  
Agent

EOG RESOURCES, INC.  
SOUTH CHAPITA #18-3  
SECTION 3, T10S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 4.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 1.0 MILES TO THE BEGINNING OF THE PROPOSED ROAD RE-ROUTE TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.1 MILES TO AN EXISTING ROAD TO THE SOUTH; TURN LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE BEGINNING OF THE PROPOSED ACCESS FOR THE SC #5-3 TO THE SOUTHWEST FOLLOW ROAD FLAGS IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 100' TO THE BEGINNING OF THE PROPOSED ACCESS TO THE SOUTH; FOLLOW ROAD FLAGS IN A SOUTHERLY DIRECTION APPROXIMATELY 100' TO THE PROPOSED LOCATION.

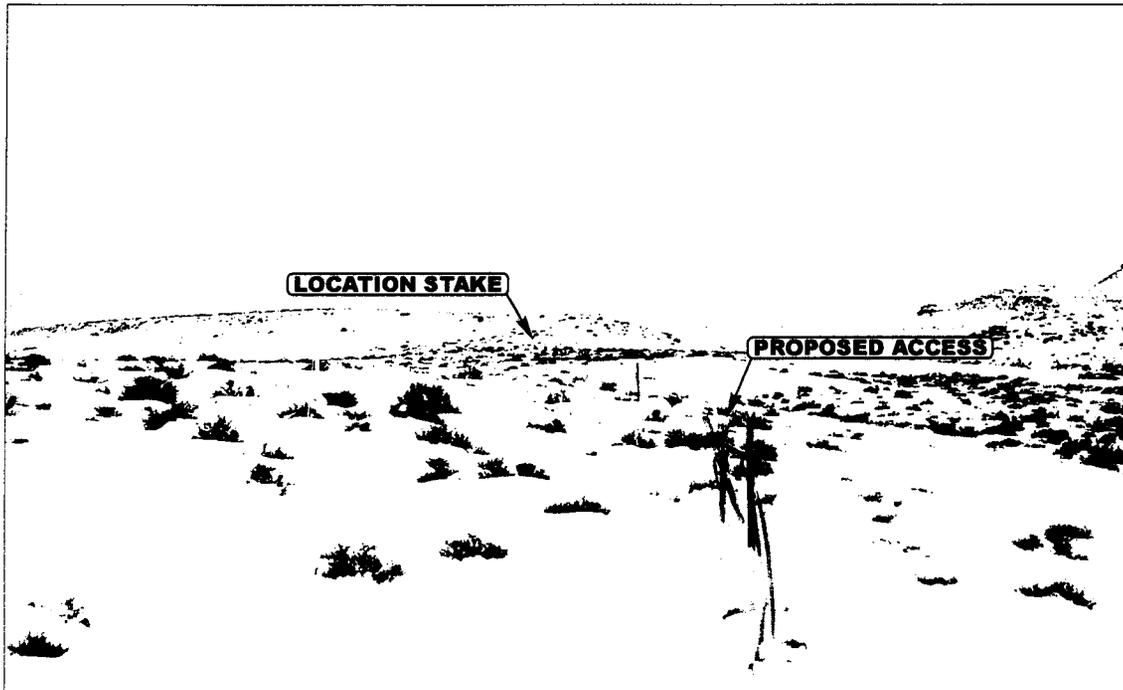
TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 54.8 MILES.

**EOG RESOURCES, INC.**  
**SOUTH CHAPITA #18-3**  
**LOCATED IN UINTAH COUNTY, UTAH**  
**SECTION 3, T10S, R23E, S.L.B.&M.**



**PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE**

**CAMERA ANGLE: NORTHWESTERLY**



**PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS**

**CAMERA ANGLE: SOUTHERLY**



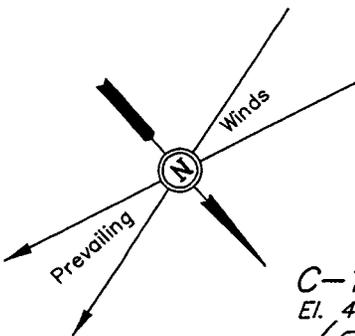
- Since 1964 -

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

LOCATION PHOTOS	02	27	04	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: D.K.	DRAWN BY: P.M.	REVISED: 00-00-00		

# EOG RESOURCES, INC.

LOCATION LAYOUT FOR  
 SOUTH CHAPITA #18-3  
 SECTION 3, T10S, R23E, S.L.B.&M.  
 555' FNL 859' FWL



SCALE: 1" = 50'  
 DATE: 2-25-04  
 Drawn By: C.G.

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

Existing Drainage

Approx. Top of Cut Slope

Approx. Toe of Fill Slope

F-6.1'  
 El. 26.3'

Sta. 3+25

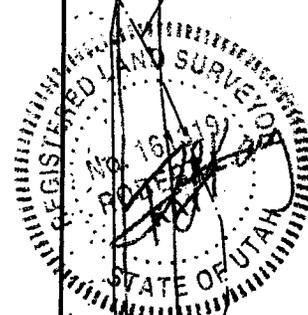
C-10.6'  
 El. 43.0'

Topsoil Stockpile

C-4.7'  
 El. 37.1'

Round Corners as needed

Existing Drainage



FLARE PIT

C-4.9'  
 El. 37.3'

C-2.8'  
 El. 35.2'

DOG HOUSE

135'

Sta. 1+50

Fl. 36.0'  
 C-15.6'  
 (btm. pit)

20' WIDE BENCH

29'

36'

RIG

WATER

F-10.5'  
 El. 21.9'

15' WIDE BENCH

Pit Capacity With 2' of Freeboard is ± 12,250 Bbls.

SLOPE = 1-1/2 : 1

C-3.9'  
 El. 36.3'

MUD TANKS

PUMP

MUD SHED

HOPPER

POWER

TOOLS

FUEL

TOILET

TRAILER  
 FUEL

top soil pile  
 old stock pile

RESERVE PITS (12' Deep)

Sta. 0+18

TRASH

C-2.1'  
 El. 34.5'

STORAGE TANK

Sta. 0+00

El. 33.2'  
 C-12.8'  
 (btm. pit)

20' WIDE BENCH

C-3.5'  
 El. 35.9'

Proposed Access Road

F-12.2'  
 El. 20.2'

Elev. Ungraded Ground at Location Stake = 5335.2'  
 Elev. Graded Ground at Location Stake = 5332.4'

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

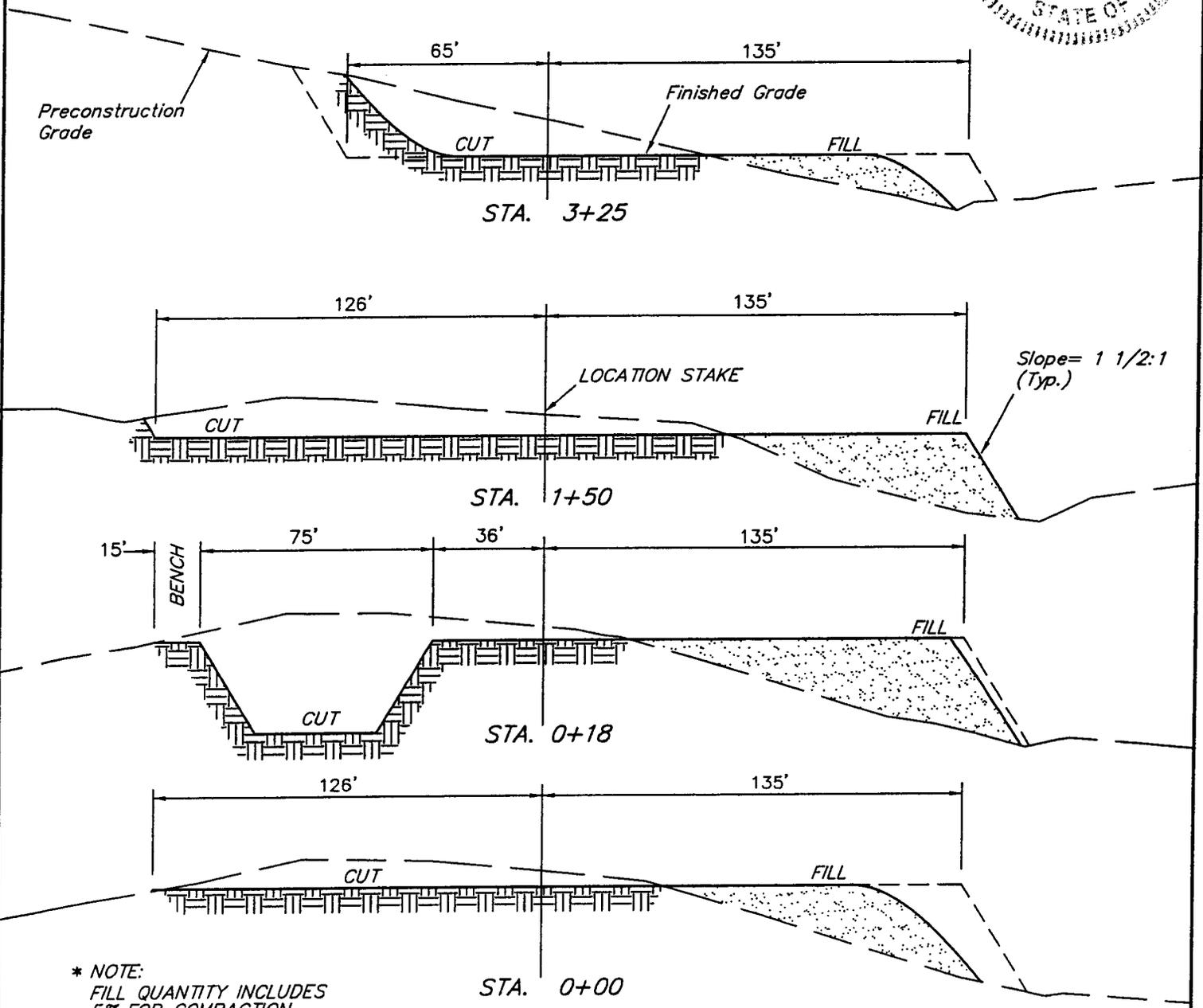
EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR  
 SOUTH CHAPITA #18-3  
 SECTION 3, T10S, R23E, S.L.B.&M.  
 555' FNL 859' FWL



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

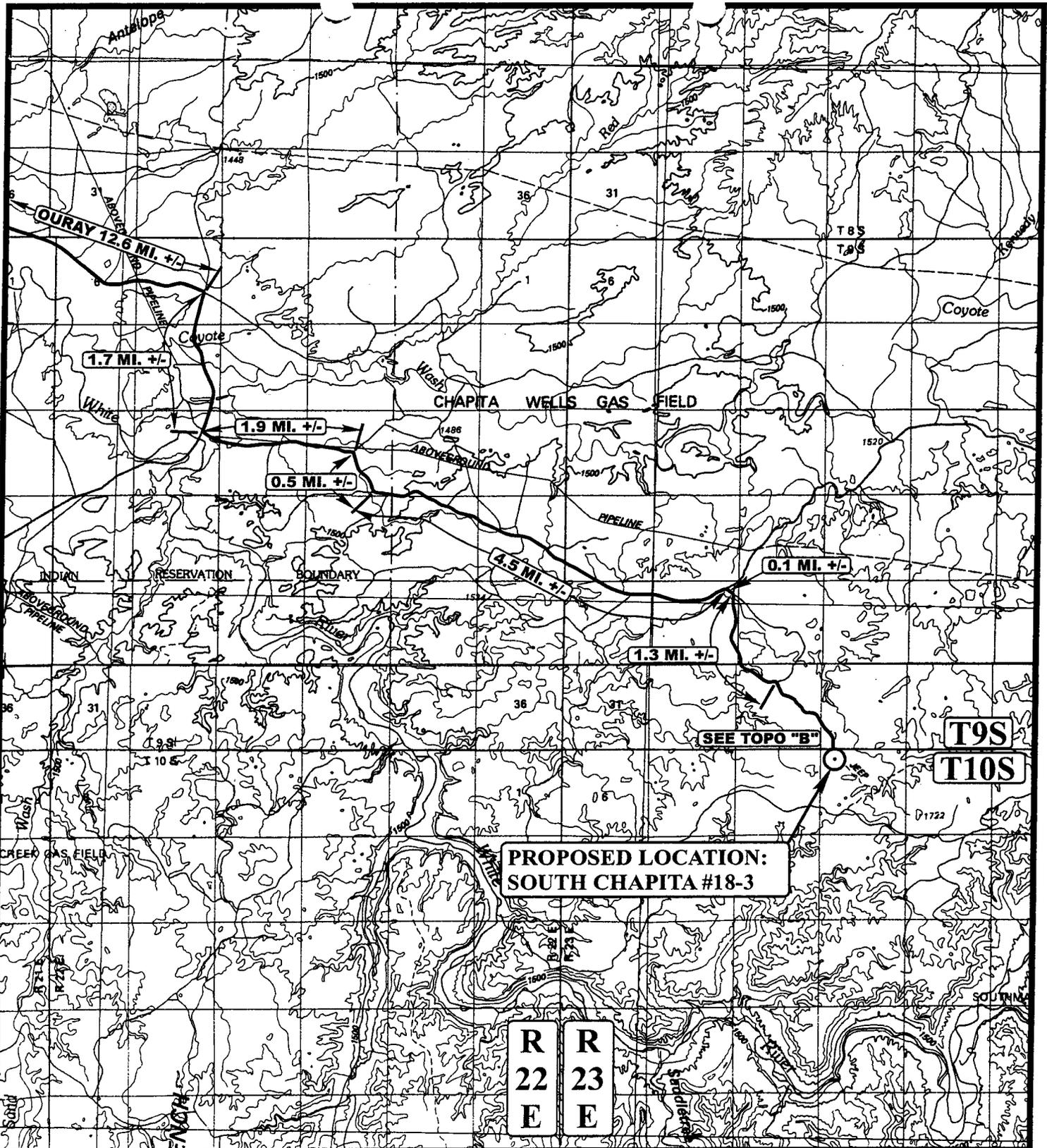
DATE: 2-25-04  
 Drawn By: C.G.



\* NOTE:  
 FILL QUANTITY INCLUDES  
 5% FOR COMPACTION

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,610 Cu. Yds.	EXCESS MATERIAL	= 3,270 Cu. Yds.
Remaining Location	= 8,620 Cu. Yds.	Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,270 Cu. Yds.
TOTAL CUT	= 10,230 CU.YDS.	EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.
FILL	= 6,960 CU.YDS.		



**LEGEND:**

⊙ PROPOSED LOCATION



**EOG RESOURCES, INC.**

**SOUTH CHAPITA #18-3**  
**SECTION 3, T10S, R23E, S.L.B.&M.**  
**555' FNL 859' FWL**



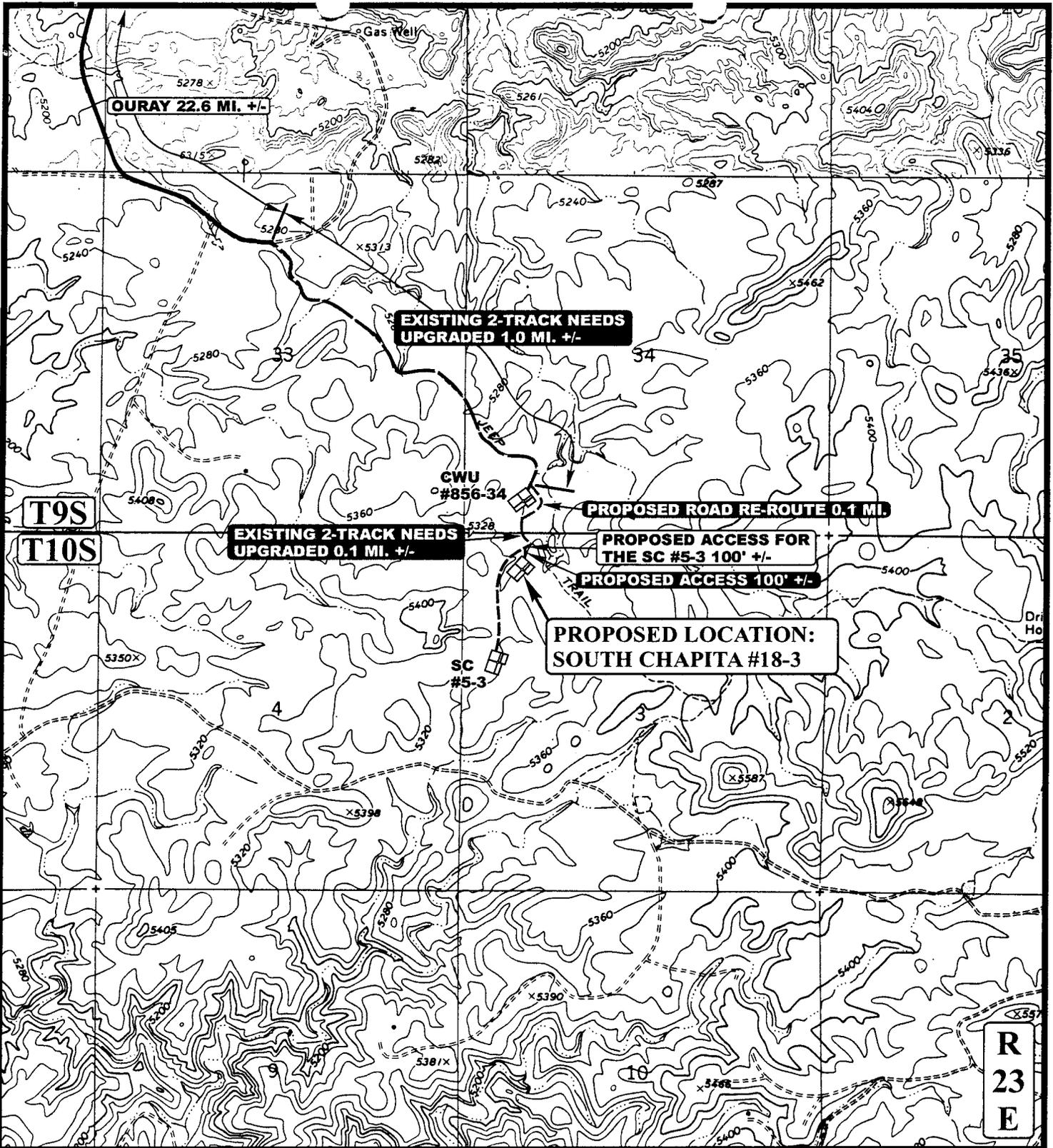
**Utah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

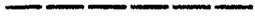
<b>02</b>	<b>27</b>	<b>04</b>
MONTH	DAY	YEAR

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





**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD
-  EXISTING 2-TRACK NEEDS UPGRADED
-  PROPOSED ROAD RE-ROUTE



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

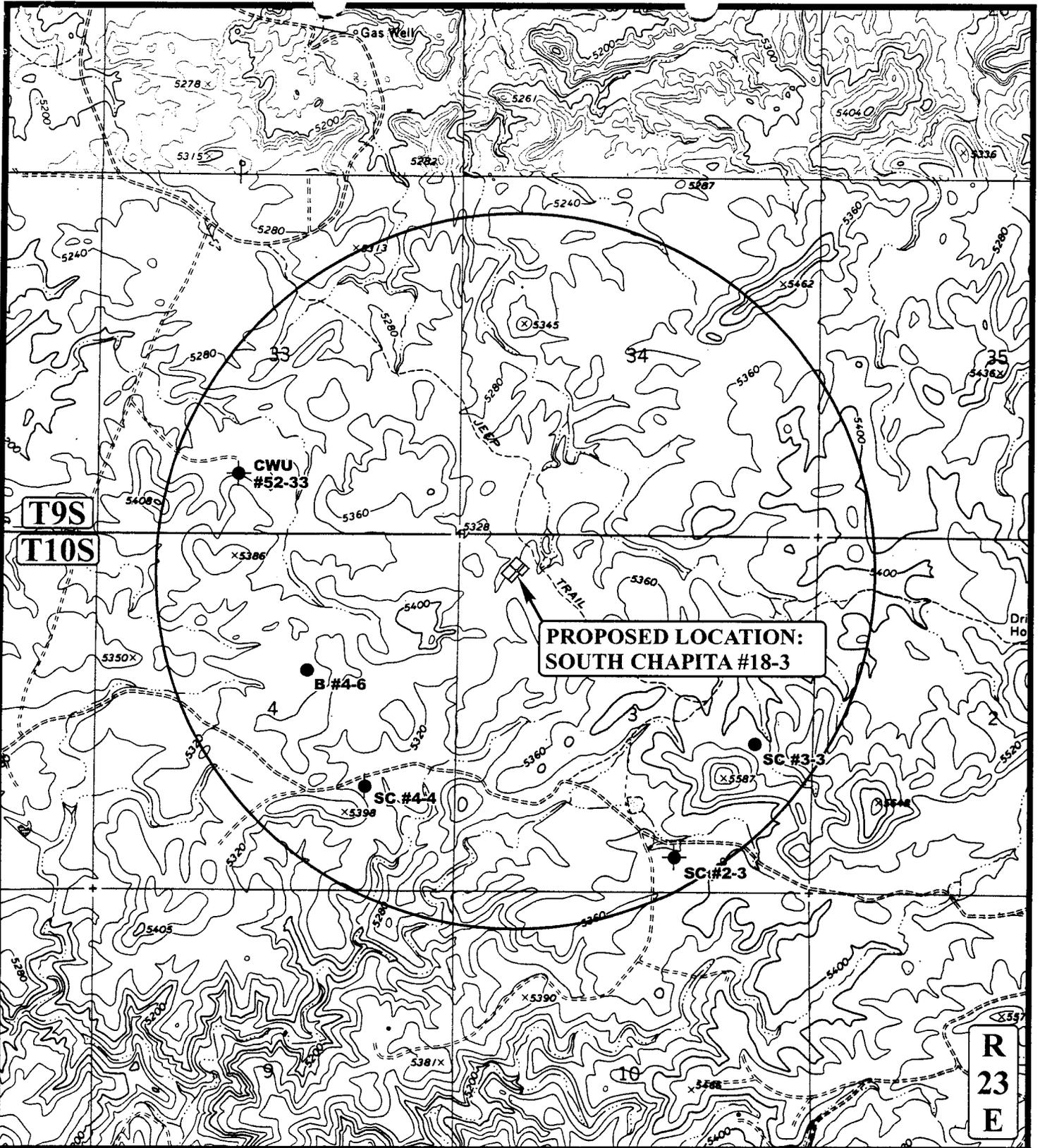


**EOG RESOURCES, INC.**

**SOUTH CHAPITA #18-3**  
 SECTION 3, T10S, R23E, S.L.B.&M.  
 555' FNL 859' FWL

TOPOGRAPHIC MAP  
 02 27 04  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: P.M. REVISED: 00-00-00





**LEGEND:**

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

**EOG RESOURCES, INC.**

**SOUTH CHAPITA #18-3**  
**SECTION 3, T10S, R23E, S.L.B.&M.**  
**555' FNL 859' FWL**

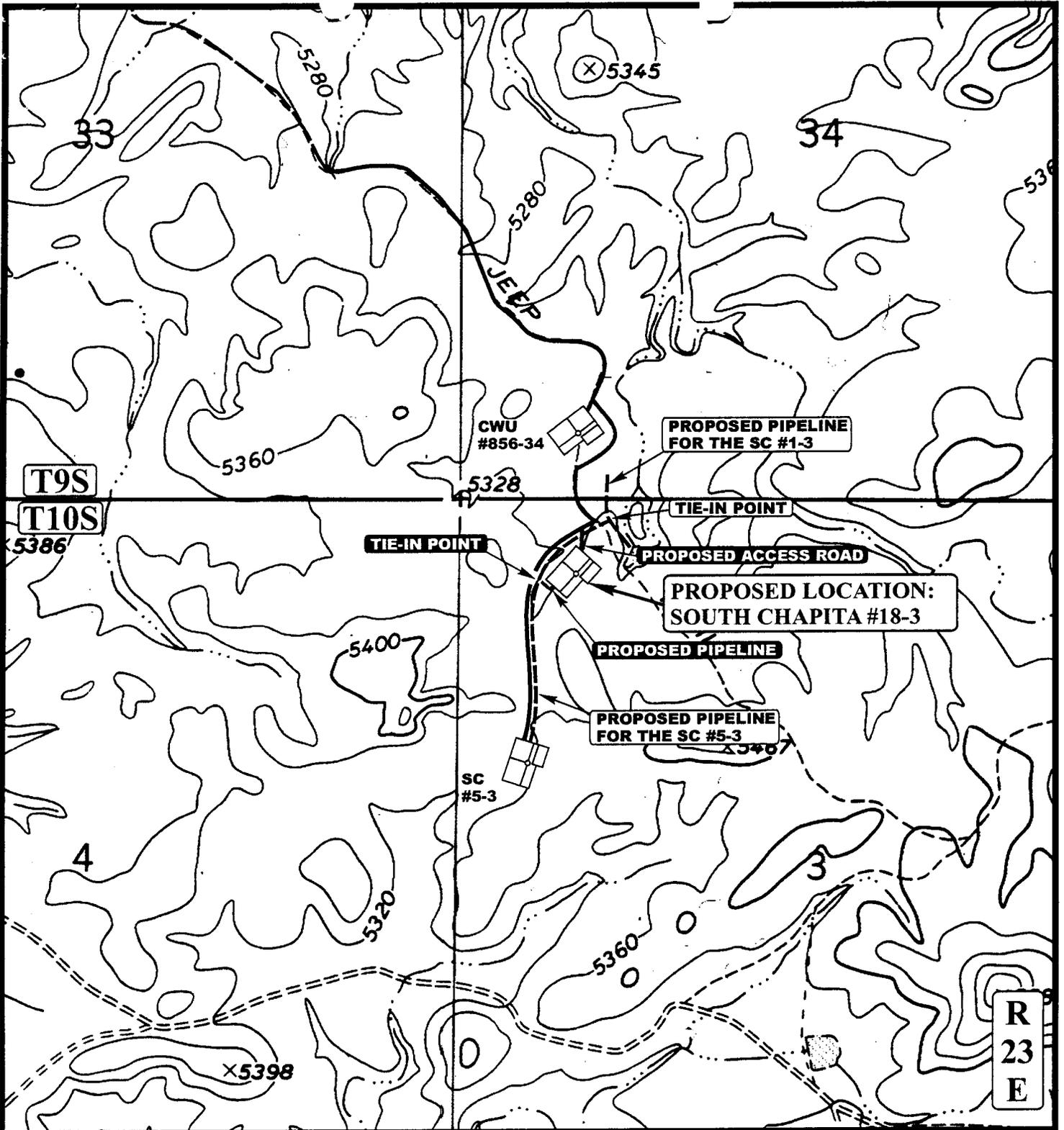
**U&L S** Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



TOPOGRAPHIC MAP	02 MONTH	27 DAY	04 YEAR
SCALE: 1" = 2000'	DRAWN BY: P.M.		REVISED: 00-00-00

C

TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 92' +/-

**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING PIPELINE
- - - - PROPOSED PIPELINE



**EOG RESOURCES, INC.**

**SOUTH CHAPITA #18-3**  
**SECTION 3, T10S, R23E, S.L.B.&M.**  
**555' FNL 859' FWL**



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

**TOPOGRAPHIC** 02 27 04  
**MAP** MONTH DAY YEAR  
 SCALE: 1" = 1000' DRAWN BY: P.M. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/13/2005

API NO. ASSIGNED: 43-047-36904

WELL NAME: S CHAPITA 18-3  
 OPERATOR: EOG RESOURCES INC ( N9550 )  
 CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:  
 NWNW 03 100S 230E  
 SURFACE: 0555 FNL 0859 FWL  
 BOTTOM: 0555 FNL 0859 FWL  
 UINTAH  
 NATURAL BUTTES ( 630 )

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

LEASE TYPE: 1 - Federal  
 LEASE NUMBER: UTU-80613  
 SURFACE OWNER: 1 - Federal  
 PROPOSED FORMATION: PRRV  
 COALBED METHANE WELL? NO

LATITUDE: 39.98376  
 LONGITUDE: -109.3187

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

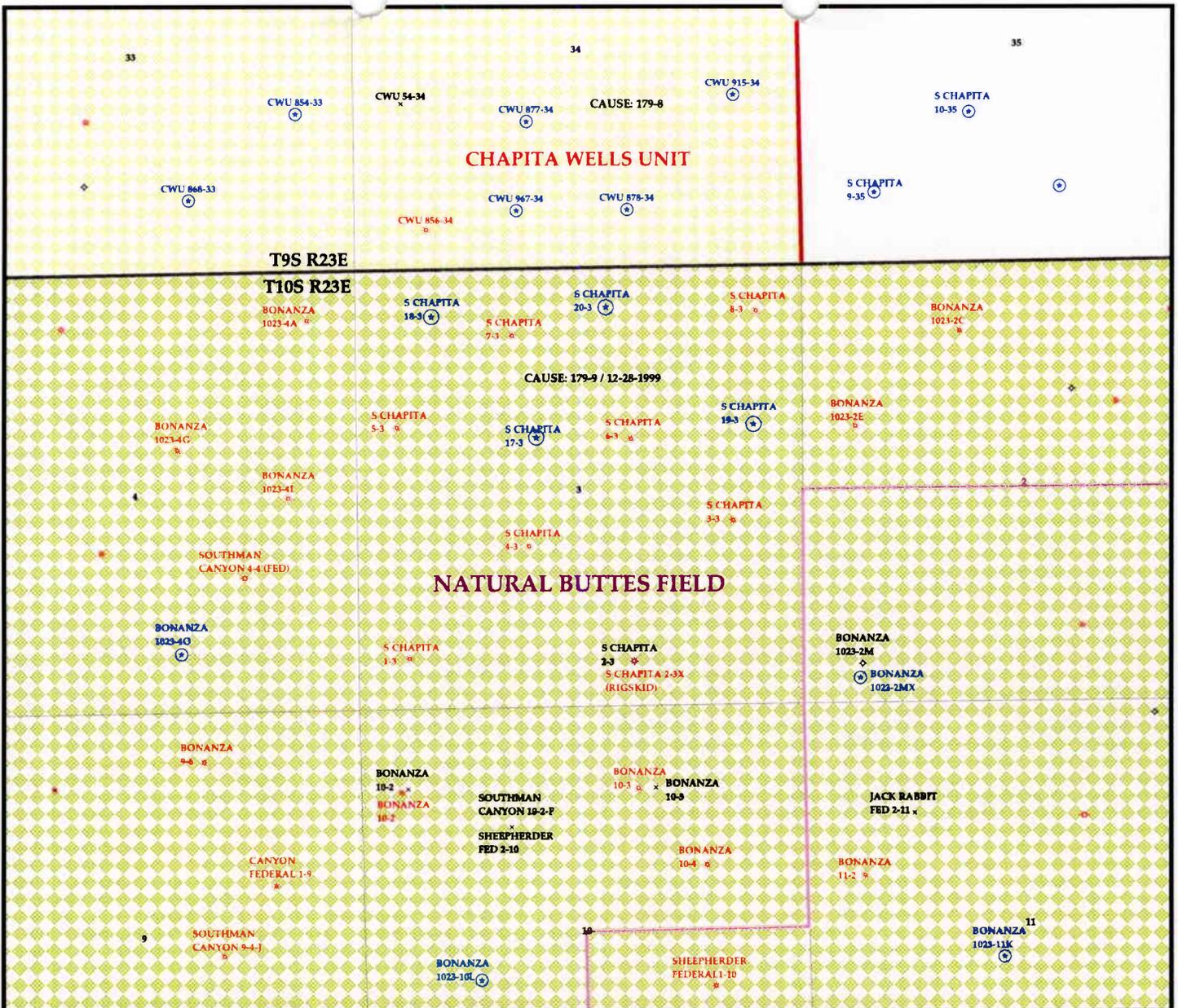
R649-3-3. Exception

Drilling Unit  
 Board Cause No: 179-9  
 Eff Date: 12-28-1999  
 Siting: 140' front drilling & 920' for other wells.

R649-3-11. Directional Drill

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

STIPULATIONS: 1-Federal Approved  
 \_\_\_\_\_  
 \_\_\_\_\_



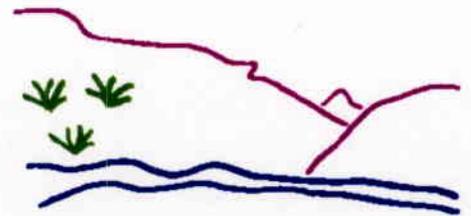
OPERATOR: EOG RESOURCES INC (N9550)

SEC: 3 T. 10S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 179-9 / 12-28-1999



Utah Oil Gas and Mining



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

PREPARED BY: DIANA WHITNEY  
DATE: 15-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 18, 2005

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

Re: South Chapita 18-3 Well, 555' FNL, 859' FWL, NW NW,  
Sec. 3, T. 10 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36904.

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** South Chapita 18-3  
**API Number:** 43-047-36904  
**Lease:** UTU-80613

**Location:** NW NW                      **Sec.** 3                      **T.** 10 South                      **R.** 23 East

**Conditions of Approval**

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

JUL 12 2005

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

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

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

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

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface **555' FNL, 859' FWL NW/NW (Lot 4)**  
At proposed prod. Zone

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

15. Distance from proposed\* location to nearest property or lease line, ft. **555'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**642**

17. Spacing Unit dedicated to this well  
**320**

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

19. Proposed Depth  
**8350'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5332.4 FEET GRADED GROUND**

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

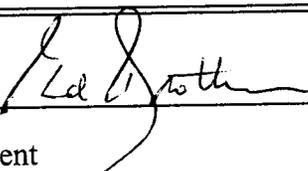
23. Estimated duration  
**45 DAYS**

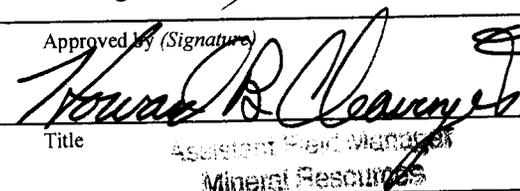
24. Attachments

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 **July 7, 2005**  
Title **Agent**

Approved by (Signature)  Name (Printed/Typed) **Howard R. Cleary** Date **01/21/2006**  
Title **Assistant Field Manager Mineral Resources** Office **DIV. OF OIL, GAS & MINING**

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

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

\*(Instructions on page 2)

**CONDITIONS OF APPROVAL ATTACHED**

NOTICE OF APPROVAL



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**

<b>Company:</b>	<b>EOG Resources, Inc.</b>	<b>Location:</b>	<b>Lot 4, Sec. 3, T10S, R23E</b>
<b>Well No:</b>	<b>South Chapita 18-3</b>	<b>Lease No:</b>	<b>UTU-80613</b>
<b>API No:</b>	<b>43-047-36904</b>	<b>Agreement:</b>	<b>N/A</b>

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)**

1. 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.
2. As a Best Management Practice (BMP), the pipeline shall be buried within the identified construction width of an access corridor that contains the access road and pipelines. Exceptions to this BMP may be granted where laterally extensive, hard indurated bedrock, such as sandstone, is at or within 2 feet of the surface; and, soil types with a poor history of successful rehabilitation).
3. Prior to abandonment of a buried pipeline, the operator will obtain authorization from the appropriate regulatory agency. BLM will determine whether the pipeline and all above ground pipeline facilities shall be removed and unsalvageable materials disposed of at approved sites or abandoned in place. Reshaping and revegetation of disturbed land areas will be completed where necessary.

## **DOWNHOLE CONDITIONS OF APPROVAL**

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

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

1.

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

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

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

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

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

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

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended

for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.

7. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

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

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

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

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

**Please submit an electronic copy of all logs run on this well in LAS format to [UT\\_VN\\_Welllogs@BLM.gov](mailto:UT_VN_Welllogs@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 and Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil and Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil and Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - d. Date well was placed in a producing status (date of first production for which royalty will be paid).
  - e. The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
  - f. The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
  - g. Unit agreement and / or participating area name and number, if applicable.
  - h. Communitization agreement number, if applicable.
13. Any venting or flaring of gas will be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
14. All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, will be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
15. Pursuant to Onshore Oil and Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method should be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

16. Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: S CHAPITA 18-3

Api No: 43-047-36904 Lease Type: FEDERAL

Section 03 Township 10S Range 23E County UINTAH

Drilling Contractor ROCKER DRILLING RIG # 1

### **SPUDDED:**

Date 04/04/06

Time 1:00 PM

How DRY

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

Reported by DALL COOK

Telephone # (435) 828-3630

Date 04/04/2006 Signed CHD

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

**ENTITY ACTION FORM**

Operator: EOG RESOURCES Operator Account Number: N 9550  
 Address: P.O. BOX 1815  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-9111

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36903	SOUTH CHAPITA 17-03		SENW	3	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
PA	99999	15289	4/3/2006			4/6/06	
Comments: <u>PRRU = MVRO</u> — <u>K</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-013-33007	ARGYLE 1-26D		NWSE	26	11S	13E	DUCHESNE
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
PA	99999	15290	3/29/2006			4/6/06	
Comments: <u>BLKHK = MVRO</u> <b>CONFIDENTIAL</b> <u>K</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36904	SOUTH CHAPITA 18-3		NWNW	3	10S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
D	99999	15291	4/4/2006				
Comments: <u>PRRU = MVRO</u> — <u>K</u>							

**ACTION CODES:**

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

Kaylene R. Gardner

Name (Please Print)

Signature

Regulatory Assistant

Title

4/6/2006

Date

(5/2000)

**RECEIVED**

**APR 06 2006**

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

3a. Address  
**P.O. Box 1815 Vernal, UT 84078**

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

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

**555 FNL 859 FWL (NW/NW) S.L.B.&M  
SECTION 3, T10S, R23E 39.983722 LAT 109.318750 LON**

5. Lease Serial No.  
**UTU 80613**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**SOUTH CHAPITA 18-3**

9. API Well No.  
**43-047-36904**

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

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

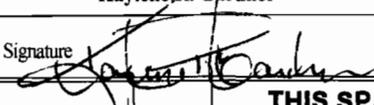
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other <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 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. spud a 20" surface hole at the referenced location 4/4/2006 at 1:00 p.m. Dall Cook, representative for EOG, notified Matt Baker of the Vernal BLM office and Carol Daniels of the Utah Division of Oil Gas and Mining of the spud 4/4/2006 @ 11:00 a.m.**

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

Name (Printed/Typed) <b>Kaylene R. Gardner</b>	Title <b>Regulatory Assistant</b>
Signature 	Date <b>04/06/2006</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**  
**APR 07 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  
**P.O. Box 1815 Vernal, UT 84078**

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

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

**555 FNL 859 FWL (NW/NW) S.L.B.&M  
SECTION 3, T10S, R23E 39.983722 LAT 109.318750 LON**

5. Lease Serial No.  
**UTU 80613**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**SOUTH CHAPITA 18-3**

9. API Well No.  
**43-047-36904**

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

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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. 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.**

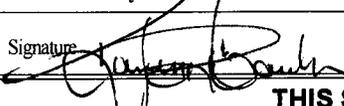
**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

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

**Kaylene B. Gardner**

Title **Regulatory Assistant**

Signature



Date

**04/06/2006**

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

Approved by \_\_\_\_\_

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

Title

Date

Office

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

(Instructions on page 2)

**RECEIVED**

**APR 07 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. UTU 80613
2. Name of Operator EOG RESOURCES, INC.		6. If Indian, Allottee or Tribe Name
3a. Address 600 17th St., 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)  555 FNL 859 FWL (NWNW) S.L.B.&M Sec. 3-T10S-R23E, 39.983722 LAT -109.318750 LON		8. Well Name and No. South Chapita 18-3
		9. API Well No. 43-047-36904
		10. Field and Pool, or Exploratory Area NATURAL BUTTES
		11. County or Parish, State UINTAH COUNTY, UT

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

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

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.)

No drilling activity has occurred since spud 4/4/2006.

EOG Resources, Inc. operates under Nationwide Bond #2308.

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

Name (Printed/Typed) Mary Maestas	Title Operations clerk
Signature <i>Mary Maestas</i>	Date 04/10/2006

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

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

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(Instructions on page 2)

**RECEIVED**

**APR 11 2006**

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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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>UTU 80613</b>
2. Name of Operator <b>EOG RESOURCES, INC.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>600 17th St., 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>555 FNL 859 FWL (NW/NW) S.L.B.&amp;M SECTION 3, T10S, R23E 39.983722 LAT 109.318750 LON</b>		8. Well Name and No. <b>SOUTH CHAPITA 18-3</b>
		9. API Well No. <b>43-047-36904</b>
		10. Field and Pool, or Exploratory Area <b>NATURAL BUTTES</b>
		11. County or Parish, State <b>UINTAH COUNTY, UTAH</b>

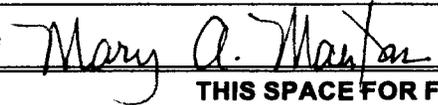
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

TYPE OF SUBMISSION	TYPE OF ACTION			
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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 type="checkbox"/> Other _____
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
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**The referenced well was turned to sales on 7/18/2006. Please see the attached well chronology 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) <b>Mary A. Maestas</b>	Title <b>Operations Clerk</b>
Signature 	Date <b>07/19/2006</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.

**RECEIVED**

(Instructions on page 2)

**JUL 26 2006**

DIV. OF OIL, GAS & MINING

# WELL CHRONOLOGY REPORT

Report Generated On: 07-19-2006

<b>Well Name</b>	SCW 18-03	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS DEEP	<b>API #</b>	43-047-36904	<b>Well Class</b>	ISA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	05-23-2006	<b>Class Date</b>	07-18-2006
<b>Tax Credit</b>	N	<b>TVD / MD</b>	8,350/ 8,350	<b>Property #</b>	054588
<b>Water Depth</b>	0	<b>Last CSG</b>	2.375	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,345/ 5,332				
<b>Location</b>	Section 3, T10S, R23E, NWNW, 555 FNL & 859 FWL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	87.5

**AFE No** 302723      **AFE Total** 1,942,200      **DHC / CWC** 818,700/ 1,123,500

**Rig Contr** TRUE      **Rig Name** TRUE #27      **Start Date** 07-19-2005      **Release Date** 05-29-2006

07-19-2005      **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

06:00      06:00      24.0      LOCATION DATA  
555' FNL & 859' FWL (NW/NW)  
SECTION 3, T10S, R23E  
UINTAH COUNTY, UTAH  
  
LAT 39.983722, LONG 109.318750 (NAD 27)  
  
TRUE RIG #27  
OBJECTIVE: 8350' TD, MESAVERDE  
DW/GAS  
CHAPITA WELLS DEEP PROSPECT  
DD&A: CHAPITA DEEP  
NATURAL BUTTES FIELD  
  
LEASE: UTU-80613  
ELEVATION: 5335.2' NAT GL, 5332.4' PREP GL (DUE TO ROUNDING 5332' IS THE PREP GL), 5345' KB (13')  
  
EOG WI 100%, NRI 87.5%

04-06-2006      **Reported By** ED TROTTER

**Daily Costs: Drilling** \$40,382      **Completion** \$0      **Daily Total** \$40,382

**Cum Costs: Drilling** \$40,382      **Completion** \$0      **Well Total** \$40,382  
**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:** WO BUCKET RIG

**Start**    **End**    **Hrs**    **Activity Description**  
 06:00    06:00    24.0 5335' NAT GL, CUT AT STAKE 2.8'

MI CRAIG'S ROUSTABOUT SERVICE. BUILD ACCESS ROAD & LOCATION. LINED RESERVE PIT. WO BUCKET RIG.

**04-07-2006**      **Reported By**      COOK/BARNES

**Daily Costs: Drilling** \$0                      **Completion** \$0                      **Daily Total** \$0  
**Cum Costs: Drilling** \$40,382              **Completion** \$0                      **Well Total** \$40,382  
**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 MIRU ROCKER DRILLING RIG #1. SPUD WELL @ 1:00 PM, 4/4/2006. DRILLED 17.5" HOLE TO 40". RAN 40' OF 14", CONDUCTER PIPE. CEMENTED CONDUCTER TO SURFACE WITH READY MIX CEMENT.

DALL COOK NOTIFIED MIKE LEE W/BLM & CORAL DANIELS W/UDOGM OF WELL SPUD ON 4/4/2006 @ 11:00 AM.

**05-18-2006**      **Reported By**      COOK/BARNES

**Daily Costs: Drilling** \$183,931              **Completion** \$0                      **Daily Total** \$183,931  
**Cum Costs: Drilling** \$224,313              **Completion** \$0                      **Well Total** \$224,313  
**MD** 1,945    **TVD** 1,945    **Progress** 0    **Days** 0    **MW** 0.0    **Visc** 0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** WORT

**Start**    **End**    **Hrs**    **Activity Description**  
 06:00    06:00    24.0 MIRU CRAIGS AIR RIG # 2. DRILLED 12-1/4" HOLE TO 1985' GL. RAN 45 JTS (1903.10') 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 @ 1945' KB. RDMO CRAIGS AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 140 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 225 SX (46 BBLs) OF CLASS G CEMENT W/2% CaCl2 & 1/4# SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/146 BBLs FRESH WATER. BUMPED PLUG W/500# @ 2:34 PM, 4/13/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS TO SURFACE.

TOP JOB #1. MIXED & PUMPED 100 SX (20.4 BBLs) OF CLASS G CEMENT W/4% CaCl2 & 1/4# SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 1/2 HOURS.

TOP JOB #2. MIXED & PUMPED 125 SX (25.6 BBLs) OF CLASS G CEMENT W/4% CaCl2 & 1/4# SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 1/2 HOURS

TOP JOB #3. MIXED & PUMPED 225 SX (46 BBLs) OF CLASS G CEMENT W/2% CaCl2 & 1/4# SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 1/4 HOURS

TOP JOB #4. MIXED & PUMPED 225 SX (46 BBLs) OF CLASS G CEMENT W/2% CACL2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HOURS.

TOP JOB # 5. MIXED & PUMPED 125 SX (25.6 BBLs) OF CLASS G 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. RDMO BIG 4 CEMENTERS.

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

MIRU SLICK LINE UNIT & SURVEY TOOL. RAN IN HOLE & TAGGED @ 1820'. PICKED UP & TOOK SURVEY @ 1810', 1 DEGREE.

JERRY BARNES NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 4/11/2006 AT 2:40 PM.

05-20-2006      Reported By      DAVID FOREMAN

<b>Daily Costs: Drilling</b>	\$1,080	<b>Completion</b>	\$1,050	<b>Daily Total</b>	\$2,130						
<b>Cum Costs: Drilling</b>	\$225,393	<b>Completion</b>	\$1,050	<b>Well Total</b>	\$226,443						
<b>MD</b>	1,945	<b>TVD</b>	1,945	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: RDMO

Start	End	Hrs	Activity Description
05:00	06:00	1.0	RU RD SERVICE TOOLS.

05-21-2006      Reported By      DAVID FOREMAN

<b>Daily Costs: Drilling</b>	\$24,468	<b>Completion</b>	\$0	<b>Daily Total</b>	\$24,468						
<b>Cum Costs: Drilling</b>	\$249,861	<b>Completion</b>	\$1,050	<b>Well Total</b>	\$250,911						
<b>MD</b>	1,945	<b>TVD</b>	1,945	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: RIG MOVE

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RIG DOWN WAIT ON DAYLIGHT.

05-22-2006      Reported By      DAVID FOREMAN

<b>Daily Costs: Drilling</b>	\$66,332	<b>Completion</b>	\$0	<b>Daily Total</b>	\$66,332						
<b>Cum Costs: Drilling</b>	\$316,193	<b>Completion</b>	\$1,050	<b>Well Total</b>	\$317,243						
<b>MD</b>	1,945	<b>TVD</b>	1,945	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>							

Activity at Report Time: WO DAYLIGHT

Start	End	Hrs	Activity Description
06:00	18:00	12.0	PRE MOVE SAFETY MEETING & J.S.A. W/ ALL PERSONNEL FINISH RIG DOWN MOVE RIG TO NEW LOCATION RIG UP MOVE 100% RIG UP 90% RIG REPAIRS CHANGE OUT RAISE LINE FOR DERRICK SUCTION MODULE #2 PUMP
18:00	06:00	12.0	WO DAY LIGHT

05-23-2006      Reported By      DAVID FOREMAN

<b>Daily Costs: Drilling</b>	\$45,383	<b>Completion</b>	\$0	<b>Daily Total</b>	\$45,383
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**Cum Costs: Drilling** \$361,577 **Completion** \$1,050 **Well Total** \$362,627  
**MD** 1,945 **TVD** 1,945 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** RU DRILLING

Start	End	Hrs	Activity Description
06:00	10:00	4.0	RIG UP & RIG REPAIR RAISE DERRICK @ 10:00 AM.
10:00	16:00	6.0	CONT. TO RIG UP & NIPPLE UP BOP. RIG ON DAYWORK AT 10:00 AM, 5/22/06.
16:00	23:00	7.0	TEST BOP. CHECK MANIFOLD, KILL LINE, CHOKE LINE, UPPER KELLY VALVE, LOWER KELLY VALVE, INSIDE BOP, SAFETY VALVE, ALL TO 250/5000 PSI, MUD LINE KELLY HOSE, TO 250/3000 PSI. HY DRILL 250/2500, CSG.1500, GOOD TEST, FUNCTION TESTED KOOMEY CHARGE IN BOTTLES DOWN BELOW SAFE ZONE. CHARGE BOTTLES, ONE BOTTLE BAD, BUSTED BLADDER NEED TO REPAIR ASAP. LEAK IN KILL LINE CHECK VALVE REPAIRED. LEAK IN MUD LINE UNION TIGHTEN.
23:00	00:00	1.0	JSA & SAFETY MEETING ALL PERSONNEL. RIG UP PICK UP MACHINE. INSTALL WEAR BUSHING.
00:00	04:30	4.5	PICK UP BHA & DRILL PIPE 1X1, GOING IN HOLE TAG @ 1851' CIRC.
04:30	05:00	0.5	INSTALL ROT HEAD.
05:00	06:00	1.0	DRILLING CEMENT & PLUG FROM 1851' TO 1869'.

FUEL USED 495 GALS, FUEL ON HAND 4505 GALS  
 SAFETY MEETING: RIG UP/PINCH POINTS/PICK UP BHA  
 NO ACCIDENTS, NO INCIDENTS

**05-24-2006** **Reported By** PAUL WHITE

**Daily Costs: Drilling** \$30,984 **Completion** \$1,050 **Daily Total** \$32,034  
**Cum Costs: Drilling** \$392,562 **Completion** \$2,100 **Well Total** \$394,662  
**MD** 3,495 **TVD** 3,495 **Progress** 1,530 **Days** 1 **MW** 0.0 **Visc** 0.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILL CEMENT AND FLOAT EQUIPMENT, SHOE AT 1965'. DRILL TO 1975'.
09:00	09:30	0.5	RUN FORMATION INTEGRITY TEST TO 11.5 PPG EQUIVELENT MUD WT.
09:30	17:00	7.5	DRILL FROM 1975' TO 2485', 510' @ 7.5 HRS, 68 FPH, 420 GPM.
17:00	17:30	0.5	SURVEY AT 2407', 2 DEG.
17:30	06:00	12.5	DRILL FROM 2485' TO 3495', 1010' @ 12.5 HRS, 80.8 FPH.

NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING: TSM WITH LAY DOWN CREW/HOUSEKEEPING

06:00 18.0 SPUD 7-7/8" HOLE AT 9:30 AM, 5/23/06

**05-25-2006** **Reported By** PAUL WHITE

**Daily Costs: Drilling** \$33,527 **Completion** \$0 **Daily Total** \$33,527  
**Cum Costs: Drilling** \$423,018 **Completion** \$2,100 **Well Total** \$425,118  
**MD** 5,010 **TVD** 5,010 **Progress** 1,515 **Days** 2 **MW** 9.4 **Visc** 35.0  
**Formation :** **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

**Activity at Report Time:** DRILLING

Start	End	Hrs	Activity Description
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06:00 06:30 0.5 DRILL TO 3487'.  
 06:30 07:00 0.5 SURVEY AT 3409', 2.25 DEG.  
 07:00 12:00 5.0 DRILL FROM 3487' TO 3921', 434', 5 HRS @ 86 FPH.  
 12:00 12:30 0.5 SERVICE RIG.  
 12:30 06:00 17.5 DRILL FROM 3921' TO 5010', 1089', 17.5 HRS @ 62.2 FPH, 420 GPM, MOTOR RPM 67, MUD WT 9.4, VIS 35.

NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING: CHANGING OUT AIRFLEX/CATWALK SAFETY  
 HELD BOP DRILL 1.5 MIN AMAS

05-26-2006 Reported By PAUL WHITE

Daily Costs: Drilling \$32,123 Completion \$0 Daily Total \$32,123  
 Cum Costs: Drilling \$455,142 Completion \$2,100 Well Total \$457,242

MD 6.050 TVD 6.050 Progress 1,050 Days 3 MW 9.6 Visc 36.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL FROM 5010' TO 5307', 297', 5 HRS @ 59.4 FPH.
11:00	11:30	0.5	SERVICE RIG. CHECK CROWN-O-MATIC.
11:30	06:00	18.5	DRILL FROM 5307' TO 6050', 743' 18.5 HRS @ 40 FPH, 420 GPM, MOTOR RPM 68, ROTARY RPM 50, MUD WT 9.6 VIS 37.

USED 972 GAL FUEL, 2543 GAL USABLE ON HAND  
 NO ACCIDENTS OR INCIDENTS  
 SAFETY MEETING: MIXING CHEMICALS  
 BOP DRILL 1.5 MIN. AMAS

05-27-2006 Reported By PAUL WHITE

Daily Costs: Drilling \$34,732 Completion \$0 Daily Total \$34,732  
 Cum Costs: Drilling \$489,874 Completion \$2,100 Well Total \$491,974

MD 7,200 TVD 7,200 Progress 1,150 Days 4 MW 9.7 Visc 44.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING (KMV PRICE RIVER MIDDLE)

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL 6050' TO 6339', 289' 5.5 HRS. 52 FPH. 420 GPM, MOTOR RPM 68, ROTART RPM 55.
11:30	12:00	0.5	SERVICE RIG, CHECK COM.
12:00	06:00	18.0	DRILL 6339' TO 7200' 861' 18 HRS. 47 FPH. 410 GPM. MUD WT. 9.8 VIS 33.

CASING ARRIVING THIS AM.  
 BOP DRILLS HELD 1 1/2 MIN. ALL MEN AT STATIONS.  
 NO ACCIDENTS OR INCIDENTS.  
 SAFETY MEETING TOPICS: BOP DRILL PROCEDURES, HOUSEKEEPING.

FUEL USED 1047 GAL. USUABLE FUEL ON HAND 1496 GAL.

05-28-2006 Reported By PAUL WHITE

<b>Daily Costs: Drilling</b>	\$60,290	<b>Completion</b>	\$8,034	<b>Daily Total</b>	\$68,324
<b>Cum Costs: Drilling</b>	\$550,164	<b>Completion</b>	\$10,134	<b>Well Total</b>	\$560,298
<b>MD</b>	7,675	<b>TVD</b>	7,675	<b>Progress</b>	475
				<b>Days</b>	5
				<b>MW</b>	10.0
				<b>Visc</b>	39.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: TRIP IN HOLE W/NEW BIT

Start	End	Hrs	Activity Description
06:00	06:30	0.5	REPLACE SWAB IN #2 PUMP.
06:30	10:30	4.0	DRILL F/ 7183' TO 7369' 186' 4 HRS. 46.5 FPH. 420 GPM.
10:30	11:00	0.5	SERVICE RIG, CHECK COM.
11:00	20:00	9.0	DRILL 7369' TO 7675', 306' 9 HRS, 34 FPH. PREPARE FOR BIT TRIP. RAISE MUD WT TO 10.2 PPG FOR TRIP.
20:00	20:30	0.5	PUMP PILL.
20:30	21:00	0.5	DROP SURVEY AND REMOVE ROTATING HEAD.
21:00	06:00	9.0	TRIP FOR BIT. LAY DOWN TWO 3 PT REAMERS. RETRIEVE SURVEY. CHANGE BIT AND RIH AT REPORT TIME.

NO ACCIDENTS OR INCIDENTS.

SAFETY MEETING TOPICS: CREW COMMUNICATION, PUMP WORK.

FUEL USED 784 GAL. 4000 GAL DELIVERED, USABLE FUEL ON HAND 4712 GAL.

05-29-2006 Reported By PAUL WHITE

<b>Daily Costs: Drilling</b>	\$27,378	<b>Completion</b>	\$1,969	<b>Daily Total</b>	\$29,347
<b>Cum Costs: Drilling</b>	\$577,543	<b>Completion</b>	\$12,103	<b>Well Total</b>	\$589,646
<b>MD</b>	8,350	<b>TVD</b>	8,350	<b>Progress</b>	675
				<b>Days</b>	6
				<b>MW</b>	10.3
				<b>Visc</b>	45.0
<b>Formation :</b>	<b>PBTD : 0.0</b>		<b>Perf :</b>	<b>PKR Depth : 0.0</b>	

Activity at Report Time: LAYING DOWN DRILL PIPE

Start	End	Hrs	Activity Description
06:00	07:00	1.0	RIH W/BIT #2 HC506Z.
07:00	12:30	5.5	DRILL 7675' TO 8004', 329' 5.5 HRS, 59.8 FPH. 420 GPM. 68 MOTOR RPM, 50 ROTARY RPM.
12:30	13:00	0.5	SERVICE RIG, CK COM.
13:00	20:00	7.0	DRILL 8004' TO 8350' TD, 346' 7 HRS, 49 FPH. REACHED TD AT 8:00 PM, 5/28/06.
20:00	20:30	0.5	CIRCULATE AND PUMP PILL. INCREASE MUD WT TO 10.8 PPG.
20:30	21:00	0.5	MADE 10 STAND SHORT TRIP. HOLE IN GOOD CONDITION NO FILL.
21:00	22:30	1.5	CIRCULATE BOTTOMS UP AND PUMP PILL. RAISE MUD WT TO 10.7 PPG.
22:30	06:00	7.5	LAY DOWN DRILL PIPE.

NO ACCIDENTS OR INCIDENTS.

SAFETY MEETING TOPICS: TSM WITH LAYDOWN CREW. WORKING WITH PIPE TROUGH, NOT RELEASING ELEVATORS TOO SOON. STAYING AWAY FROM "V" DOOR RAMP.

NOTIFY MICHAEL LEE W/VERNAL BLM AND CAROLE DANIELS W/STATE DNR OF INTENTION TO RUN AND CEMENT 4.5" PRODUCTION CASING.

05-30-2006 Reported By PAUL WHITE

<b>Daily Costs: Drilling</b>	\$39,139	<b>Completion</b>	\$130,195	<b>Daily Total</b>	\$169,334
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**Cum Costs: Drilling** \$616,682      **Completion** \$142,298      **Well Total** \$758,980  
**MD** 8,350    **TVD** 8,350    **Progress** 0    **Days** 7    **MW** 0.0    **Visc** 0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: WO COMPLETION**

Start	End	Hrs	Activity Description
06:00	08:00	2.0	LAY DOWN DRILL PIPE, HEAVY WALL AND BHA.
08:00	10:00	2.0	PULL WEAR RING, RIG UP CASING CREW.
10:00	15:30	5.5	RAN 208 TOTAL JOINTS OF 4.5", 11.6#, N-80, LTC CASING AS FOLLOWS: 1 AUTO FILL FLOAT SHOE SET @ 8,335', 1 SHOE JOINT SET @ 8,293', 1 AUTO FILL FLOAT COLLAR SET @ 8,291', 39 JOINTS OF 4.5" CASING, 1 MARKER JOINT SET @ 6720', 56 JOINTS OF 4.5" CASING, 1 MARKER JOINT SET @ 4467', 112 JOINTS OF 4.5" CASING. RUN 30 CENTRALIZERS AS FOLLOWS: 1- 5' ABOVE SHOE ON JOINT #1, ON TOP OF JOINT #2, THEN EVERY 2ND JOINT. 30 CENTRILIZERS TOTAL.
15:30	16:00	0.5	TAG W/CASING AT 8339'. MAKE UP LANDING JT AND MANDREL HANGER. RIG UP TO CIRCULATE.
16:00	17:00	1.0	CIRCULATE FOR CEMENT.
17:00	20:30	3.5	WAITING ON SCHLUMBERGER.
20:30	22:00	1.5	PRESSURE TEST LINES TO 4500 PSI & CEMENT AS FOLLOWS: PUMPED 20 BBLS CHEMICAL WASH, 20 BBLS FRESH WATER, 140 BBLS, 265 SACKS OF LEAD, 10.0% D020, 0.2% D167, 0.2% D046, 0.5%D013, 0.125% D130, 0.5% D065, SLURRY MIXED AT 11.5 PPG. FOLLOWED BY 315 BBLS, 1370 SACKS OF TAIL, 50/50 POZ G 2.0% EXTENDER, .20% DISPERSANT, .20% FLUID LOSS, .10% ANTIFOAM, 14.10 PPG, 5.964 GPS WATER, 1.29 CFPS, PUMPED TAIL CEMENT @ 6.0 BPM, 400 PSI.  DISPLACED AS FOLLOWS: PUMPED 127.9 BBLS @ 6 BPM & 1800 PSI, & FINAL 10 BBLS @ 2 BPM & 2000 PSI. BUMPED PLUG @ 2200 HOURS WITH 3000 PSI. TESTED FLOATS, FLOATS HELD.
22:00	22:30	0.5	LAND MANDREL HANGER, FMC TESTED TO 5000 PSI.
22:30	00:00	1.5	CLEAN MUD PITS AND NIPPLE DOWN. RDRT. TRUCKS SCHEDULED FOR RIG MOVE ON WEDNESDAY. MOVING CAMPS AND LOOSE LOADS TUESDAY 5/30/06. MOVING RIG TO CWU 961-33. WILL DROP FROM REPORT UNTIL COMPLETION COMMENCES.
00:00		24.0	RIG RELEASED FROM SCW 18-03 AT 2400 HRS, 5/29/06. CASING POINT COST \$616,682

**06-08-2006**      **Reported By**      MCCURDY

**Daily Costs: Drilling** \$0      **Completion** \$18,524      **Daily Total** \$18,524  
**Cum Costs: Drilling** \$616,682      **Completion** \$160,822      **Well Total** \$777,504  
**MD** 8,350    **TVD** 8,350    **Progress** 0    **Days** 8    **MW** 0.0    **Visc** 0.0  
**Formation : MESAVERDE**      **PBTD : 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	006/2/2006: RU SCHLUMBERGER. RAN RST/CBL/VDL/GR/CCL FROM PBTD TO 1000'. CEMENT TOP ABOVE SURFACE CASING SHOE. RD SCHLUMBERGER.  NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. PREP FOR FRAC.

**06-20-2006**      **Reported By**      MCCURDY

**Daily Costs: Drilling** \$0      **Completion** \$12,980      **Daily Total** \$12,980  
**Cum Costs: Drilling** \$616,682      **Completion** \$173,802      **Well Total** \$790,484  
**MD** 8,350    **TVD** 8,350    **Progress** 0    **Days** 9    **MW** 0.0    **Visc** 0.0  
**Formation : MESAVERDE**      **PBTD : 8291.0**                      **Perf : 6509-8171**                      **PKR Depth : 0.0**

**Activity at Report Time: FRAC UPR**

Start	End	Hrs	Activity Description
06:00	19:00	13.0	RU CUTTERS WIRELINE. PERFORATED LPR FROM 7848'-49', 7857'-58', 7870'-71', 7909'-10', 7917'-18', 7938'-39', 7953'-54', 8016'-17', 8030'-31', 8052'-53', 8100'-02' & 8169'-71' @ 2 SPF & 180° PHASING. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4952 GAL YF125ST+ PAD, 54730 GAL YF125ST+ & YF118ST+ WITH 191100# 20/40 SAND @ 1-6 PPG. MTP 5898 PSIG. MTR 50.7 BPM. ATP 4885 PSIG. ATR 48.9 BPM. ISIP 2730 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 7810'. PERFORATED MPR FROM 7590'-91', 7610'-11', 7653'-55', 7687'-89', 7710'-11', 7723'-24', 7749'-50', 7759'-61' & 7783'-84' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4951 GAL YF125ST+ PAD, 50321 GAL YF125ST+ & YF118ST+ WITH 168400# 20/40 SAND @ 1-6 PPG. MTP 6531 PSIG. MTR 49.5 BPM. ATP 5877 PSIG. ATR 40.4 BPM. ISIP 4000 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 7550'. PERFORATED MPR FROM 7293'-94', 7315'-16', 7330'-31', 7339'-40', 7376'-77', 7407'-08', 7420'-21', 7435'-36', 7447'-48', 7461'-62', 7475'-76', 7483'-84', 7500'-01' & 7518'-19' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4934 GAL YF125ST+ PAD, 64030 GAL YF125ST+ & YF118ST+ WITH 238400# 20/40 SAND @ 1-6 PPG. MTP 6055 PSIG. MTR 50.8 BPM. ATP 4750 PSIG. ATR 48.7 BPM. ISIP 2130 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 7254'. PERFORATED MPR FROM 7049'-50', 7062'-64', 7082'-84', 7133'-35', 7156'-57', 7163'-64', 7188'-89', 7209'-10', 7217'-18', 7225'-26' & 7235'-36' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 5814 GAL YF123ST+ PAD, 54246 GAL YF123ST+ & YF118ST+ WITH 191800# 20/40 SAND @ 1-6 PPG. MTP 6119 PSIG. MTR 50.3 BPM. ATP 5060 PSIG. ATR 46.7 BPM. ISIP 2280 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 6990'. PERFORATED UPR FROM 6769'-71', 6792'-93', 6818'-19', 6837'-38', 6853'-54', 6867'-68', 6890'-92', 6902'-04', 6944'-46' & 6955'-56' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4946 GAL YF123ST+ PAD, 62506 GAL YF123ST+ & YF118ST+ WITH 237400# 20/40 SAND @ 1-6 PPG. MTP 6501 PSIG. MTR 50.3 BPM. ATP 4646 PSIG. ATR 48.7 BPM. ISIP 2200 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 6735'. PERFORATED UPR FROM 6509'-10', 6533'-34', 6544'-45', 6557'-59', 6576'-77', 6600'-01' & 6712'-14' @ 2 SPF & 180° PHASING. RDWL. SDFN.

<b>06-21-2006</b>		<b>Reported By</b>		<b>MCCURDY</b>							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$345,946	<b>Daily Total</b>	\$345,946						
<b>Cum Costs: Drilling</b>	\$616,682	<b>Completion</b>	\$519,748	<b>Well Total</b>	\$1,136,430						
<b>MD</b>	8,350	<b>TVD</b>	8,350	<b>Progress</b>	0	<b>Days</b>	10	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>	<b>PBTD : 8291.0</b>		<b>Perf : 6087-8171</b>				<b>PKR Depth : 0.0</b>				

**Activity at Report Time: WO SERVICE UNIT**

Start	End	Hrs	Activity Description
06:00	12:00	6.0	SICP 910 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4952 GAL YF123ST+ PAD 50068 GAL YF123ST+ & YF118ST+ WITH 169200# 20/40 SAND @ 1-6 PPG. MTP 5427 PSIG. MTR 50.3 BPM. ATP 4299 PSIG. ATR 50 BPM. ISIP 2170 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP AT 6435'. PERFORATED UPR FROM 6087'-88', 6097'-98', 6128'-29', 6164'-65', 6179'-80', 6193'-94', 6218'-19', 6226'-27', 6241'-42', 6255'-56', 6271'-72', 6351'-52', 6370'-71' & 6404'-05' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4942 GAL YF123ST+ PAD 63518 GAL YF123ST+ & YF118ST+ WITH 235060# 20/40 SAND @ 1-6 PPG. MTP 4470 PSIG. MTR 50.3 BPM. ATP 3851 PSIG. ATR 50 BPM. ISIP 2100 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CBP AT 6054'. RDWL. BLEED OFF PRESSURE. SDFN. WO COMPLETION RIG.

06-23-2006 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$32,811	Daily Total	\$32,811
Cum Costs: Drilling	\$616,682	Completion	\$552,559	Well Total	\$1,169,241

MD	8,350	TVD	8,350	Progress	0	Days	11	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 8291.0	Perf : 6509-8171	PKR Depth : 0.0
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Activity at Report Time: DRILL CFPS

Start	End	Hrs	Activity Description
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06:00	18:00	12.0	MIRU ROYAL WELL SERVICE #1. SICP 0 PSIG. ND FRAC VALVE. NU BOP. RIH WITH 3 7/8" MILL TOOTH BIT, POBS, 1 JT 2 3/8", N-80, 8 RD, 4.7#, XN, 184 JTS 2 3/8" TUBING. TO CBP @ 6054'. SWI. SDFD.
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06-24-2006 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$60,760	Daily Total	\$60,760
Cum Costs: Drilling	\$616,682	Completion	\$613,319	Well Total	\$1,230,001

MD	8,350	TVD	8,350	Progress	0	Days	12	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 8291.0	Perf : 6509-8171	PKR Depth : 0.0
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Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	SITP 0 PSIG, SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6054', 6435', 6735', 6990', 7254', 7550' & 7810'. CLEANED OUT TO @ 8285'. LANDED TUBING @ 6082' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.
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FLOWED 14 HRS ON 16/64" CHOKE. FTP 1300 PSIG, CP 1800 PSIG, 39 BFPH. RECOVERED 527 BLW, 9095 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF BIT SUB .91'  
 1 JT 2-3/8" 4.7# N80 TBG 32.71'  
 XN NIPPLE 1.10'  
 185 JTS 2-3/8" 4.7# N80 TBG 6033.79'  
 BELOW KB 13.00'  
 LANDED @ 6081.51' KB

06-25-2006 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,350	Daily Total	\$2,350
Cum Costs: Drilling	\$616,682	Completion	\$615,669	Well Total	\$1,232,351

MD	8,350	TVD	8,350	Progress	0	Days	13	MW	0.0	Visc	0.0
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Formation : MESAVERDE	PBTD : 8291.0	Perf : 6509-8171	PKR Depth : 0.0
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Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	FLOWED 24 HRS ON 16/64" CHOKE. FTP 1400 PSIG, CP 2650 PSIG, 32 BFPH. RECOVERED 785 BLW, 8310 BLWTR.
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06-26-2006 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,350	Daily Total	\$2,350
Cum Costs: Drilling	\$616,682	Completion	\$618,019	Well Total	\$1,234,701

MD 8.350 TVD 8.350 Progress 0 Days 14 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTB : 8291.0 Perf : 6509-8171 PKR Depth : 0.0

Activity at Report Time: SI - WO FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS ON 16/64" CHOKE. FTP- 1350 PSIG, CP- 2550 PSIG. 22 BFPH. RECOVERED 626 BBLs, 7684 BLWTR. MODERATE CONDENSATE. SWI. @ 6:00 AM. WO FACILITIES.

FINAL COMPLETION DATE: 6/25/06

07-19-2006 Reported By RANCE RASMUSSEN

Daily Costs: Drilling	Completion	Daily Total
\$0	\$0	\$0
Cum Costs: Drilling	Completion	Well Total
\$616,682	\$618,019	\$1,234,701

MD 8.350 TVD 8.350 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTB : 8291.0 Perf : 6509-8171 PKR Depth : 0.0

Activity at Report Time: INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. SITP 2200 & SICP 2500 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 9:30 AM, 7/18/06. FLOWED 1173 QV MCF RATE ON 10/64" CHOKE.

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

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

5. Lease Serial No.  
**UTU-80613**  
 6. If Indian, Allottee or Tribe Name  
 7. Unit or CA Agreement Name and No.

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

8. Lease Name and Well No.  
**South Chapita 18-3**

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

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

9. AFI Well No.  
**43-047-36904**

4. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
 At surface **555' FNL & 859' FWL (NW/NW) 39.983722 LAT 109.318750 LON**  
 At top prod. interval reported below **Same**  
 At total depth **Same**

10. Field and Pool, or Exploratory  
**Natural Buttes/Mesaverde**  
 11. Sec., T., R., M., on Block and Survey or Area **Sec. 3-T10S-R23E**  
 12. County or Parish **Uintah County** 13. State **UT**

14. Date Spudded  
**04/04/2006**

15. Date T.D. Reached  
**05/28/2006**

16. Date Completed **07/18/2006**  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
**5335 NAT GL**

18. Total Depth: MD **8350'**  
TVD

19. Plug Back T.D.: MD **8291'**  
TVD

20. Depth Bridge Plug Set: MD  
TVD

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

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	0-1945		1025 sx			
7-7/8"	4-1/2"	11.6#	N-80	0-8335		1635 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"	6082							

25. Producing Intervals

26. Perforation Record

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	6087	8171	7848-8171		2/spf	
B)			7590-7784		2/spf	
C)			7293-7519		2/spf	
D)			7049-7236		2/spf	

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

Depth Interval	Amount and Type of Material
7848-8171	59,847 GALS GELLED WATER & 191,100# 20/40 SAND
7590-7784	55,437 GALS GELLED WATER & 168,400# 20/40 SAND
7293-7519	69,129 GALS GELLED WATER & 238,400# 20/40 SAND
7049-7236	60,225 GALS GELLED WATER & 191,800# 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
07/18/2006	07/24/2006	24	→	8	500	345			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 1600	2300	→						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	
	SI		→						

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

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	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	6087	8171		Wasatch Chapita Wells Buck Canyon North Horn Island Upper Price River Middle Price River Lower Price River Sego	4195 4729 5430 5903 5993 6069 7073 7768 8246

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 09/26/2006

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

**South Chapita 18-3 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

6769-6956	2/spf
6509-6714	2/spf
6087-6405	2/spf

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

6769-6956	67,617 GALS GELLED WATER & 237,400# 20/40 SAND
6509-6714	55,185 GALS GELLED WATER & 169,200# 20/40 SAND
6087-6405	68,625 GALS GELLED WATER & 235,060# 20/40 SAND

Perforated the Lower Price River from 7848'-49', 7857'-58', 7870'-71', 7909'-10', 7917'-18', 7938'-39', 7953'-54', 8016'-17', 8030'-31', 8052'-53', 8100'-02' & 8169'-71' w/ 2 spf.

Perforated the Middle Price River from 7590'-91', 7610'-11', 7653'-55', 7687'-89', 7710'-11', 7723'-24', 7749'-50', 7759'-61' & 7783'-84' w/ 2 spf.

Perforated the Middle Price River from 7293'-94', 7315'-16', 7330'-31', 7339'-40', 7376'-77', 7407'-08', 7420'-21', 7435'-36', 7447'-48', 7461'-62', 7475'-76', 7483'-84', 7500'-01', & 7518'-19' w/ 2 spf.

Perforated the Middle Price River from 7049'-50', 7062'-64', 7082'-84', 7133'-35', 7156'-57', 7163'-64', 7188'-89', 7209'-10', 7217'-18', 7225'-26' & 7235'-36' w/ 2 spf.

Perforated the Upper Price River from 6769'-71', 6792'-93', 6818'-19', 6837'-38', 6853'-54', 6867'-68', 6890'-92', 6902'-04', 6944'-46' & 6955'-56' w/ 2 spf.

Perforated the Upper Price River from 6509'-10', 6533'-34', 6544'-45', 6557'-59', 6576'-77', 6600'-01' & 6712'-14' w/ 2 spf.

Perforated the Upper Price River from 6087'-88', 6097'-98', 6128'-29', 6164'-65', 6179'-80', 6193'-94', 6218'-19', 6226'-27', 6241'-42', 6255'-56', 6271'-72', 6351'-52', 6370'-71' & 6404'-05' w/ 2 spf.

43-047-36904



January 22, 2006

**EOG Resources, Inc.**  
600 Seventeenth St., Ste. 1100 N  
Denver, CO 80202  
(303) 572-9000  
Fax (303) 824-5400

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

RE: SC #18-03  
T10S-R23E-Sec.3  
Uintah, Utah

Gentlemen:

Enclosed herewith are the following logs and data associated with the subject well:

RST Log Teperature Log  
Cement Bond Log Gamma Ray Colloar Log

If you have any questions, please do not hesitate to contact me.

Very truly yours,

EOG RESOURCES, INC.

Delores Montoya  
Exploration & Operations Senior Secretary  
Denver Office

Enc.  
Cc: Well File

RECEIVED  
JAN 30 2007  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-80613
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) 555' FNL & 859' FWL (NWNW) Sec. 3-T10S-R23E 39.983722 LAT 109.318750 LON		8. Well Name and No South Chapita 18-3
		9. API Well No. 43-047-36904
		10. Field and Pool, or Exploratory Area Natural Buttes/Wasatch/Mesaverde
		11. County or Parish, State Uintah County, Utah

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

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

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

The reserve pit on the referenced location was closed on 11/8/2006 as per the APD procedure.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Mary A. Maestas		Title Regulatory Assistant
Signature <i>Mary A. Maestas</i>		Date 02/06/2007

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

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

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

(Instructions on page 2)

RECEIVED

FEB 08 2007

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

3a. Address  
**P.O. Box 1815 Vernal, UT 84078**

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**555 FNL 859 FWL (NW/NW) S.L.B.&M  
SECTION 3, T10S, R23E 39.983722 LAT 109.318750 LON**

5. Lease Serial No.  
**UTU 80613**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**SOUTH CHAPITA 18-3**

9. API Well No.  
**43-047-36904**

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

11. County or Parish, State  
**UINTAH COUNTY, UTAH**

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

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

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

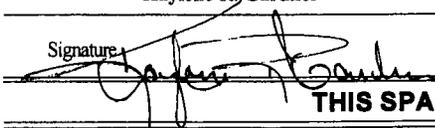
**EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.**

1. Natural Buttes Unit 21-20B SWD.
2. Ace Disposal
3. RN Industries.
4. Chapita Wells Unit 550-30N SWD (ROW # UTU 84418)

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

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

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

Signature  Date **04/02/2007**

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

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

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

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

(Instructions on page 2)

**RECEIVED**

**APR 05 2007**

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