

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

**RECEIVED**  
**JUL 28 2005**

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

July 25, 2005

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

**RE: APPLICATION FOR PERMIT TO DRILL**  
**CHAPITA WELLS UNIT 1070-34**  
**SW/NW, SEC. 34, T9S, R23E**  
**UINTAH COUNTY, UTAH**  
**LEASE NO.: U-37943**  
**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 28 2005

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.  
**U-37943**

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No.  
**CHAPITA WELLS UNIT 1070-34**

9. API Well No.  
**43-047-36929**

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**

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

4. Location of Well (Report location clearly and in accordance with any State requirements. \*)  
At surface **1905' FNL, 733' FWL**  
At proposed prod. Zone  
**643495X 39.994524 SW/NW**  
**44282924 -109.319156**

11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 34, T9S, R23E,  
S.L.B.&M.**

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

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

15. Distance from proposed\* location to nearest property or lease line, ft. **733'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**600**

17. Spacing Unit dedicated to this well

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

19. Proposed Depth  
**8610'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5281.0 FEET GRADED GROUND**

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

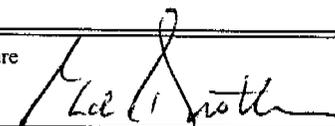
23. Estimated duration  
**45 DAYS**

24. Attachments

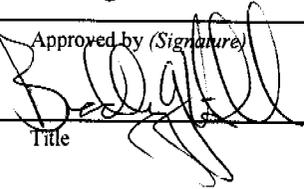
Attachments

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 25, 2005**

Title **Agent**

Approved by (Signature)  Name (Printed/Typed) **BRADLEY G. HILL** Date **08-01-05**  
Title Office

**Federal Approval of this Action is Necessary**

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.

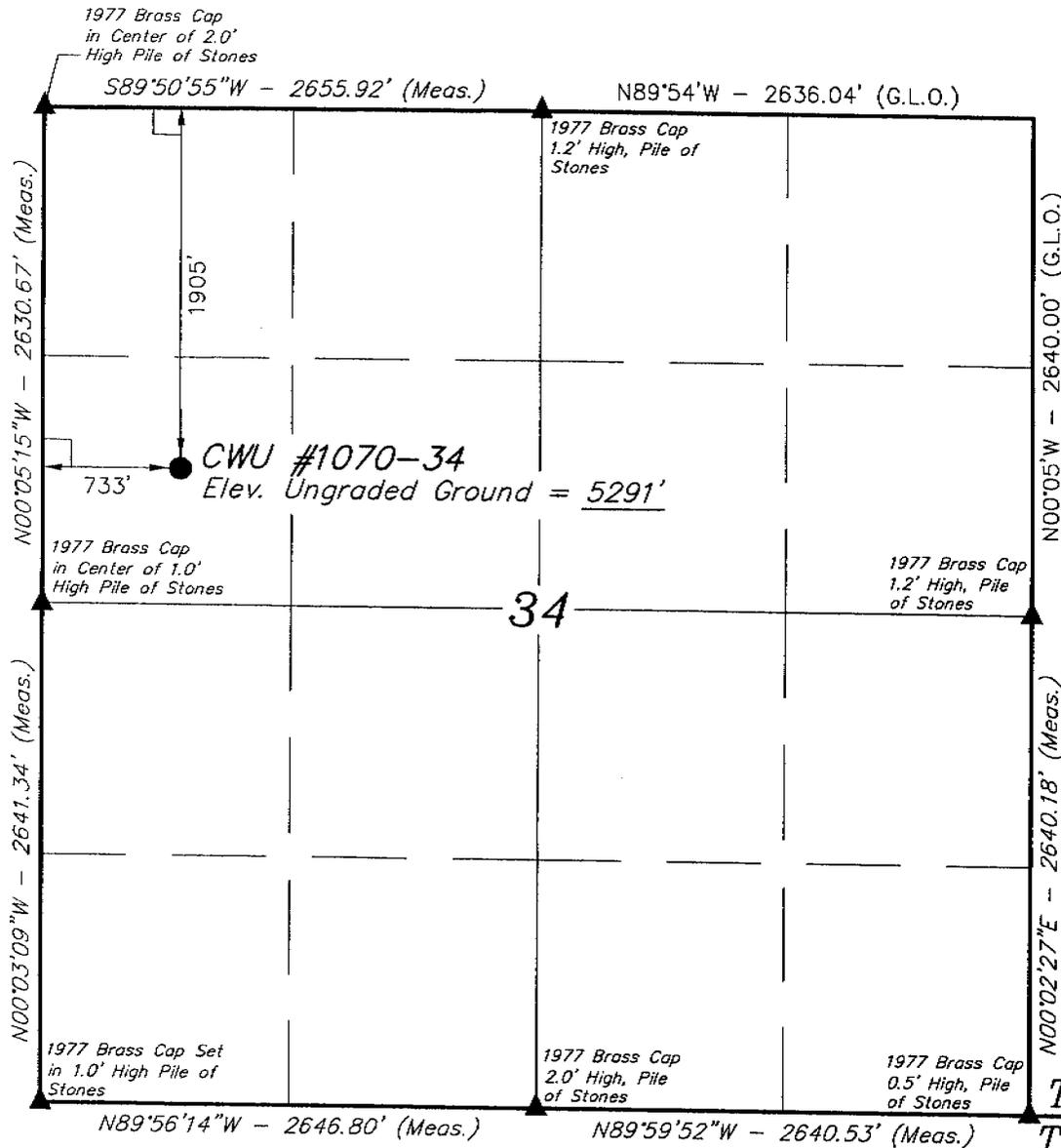
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

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

EOG RESOURCES, INC.

Well location, CWU #1070-34, located as shown in the SW 1/4 NW 1/4 of Section 34, T9S, R23E, S.L.B.&M. Uintah County, Utah.

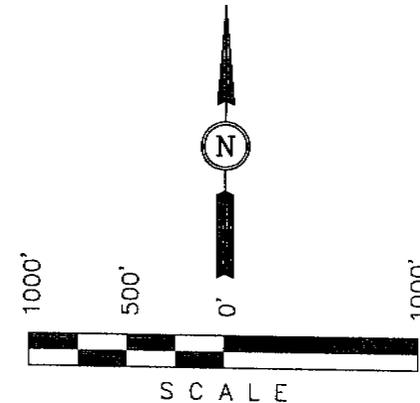


## BASIS OF ELEVATION

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, UTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

## BASIS OF BEARINGS

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



## 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

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

SCALE 1" = 1000'	DATE SURVEYED: 07-01-05	DATE DRAWN: 07-06-05
PARTY T.B. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE EOG RESOURCES, INC.	

## LEGEND:

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

(NAD 83)  
 LATITUDE = 39°59'40.06" (39.994461)  
 LONGITUDE = 109°19'11.59" (109.319886)

(NAD 27)  
 LATITUDE = 39°59'40.18" (39.994494)  
 LONGITUDE = 109°19'09.15" (109.319208)

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1070-34**  
**SW/NW, SEC. 34, T9S, R23E, S.L.B.&M.**  
**UINTAH COUNTY, UTAH**

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

<b>FORMATION</b>	<b>DEPTH (KB)</b>
Green River FM	1,433'
Wasatch	4,303'
North Horn	6,169'
Island	6,452'
KMV Price River	6,700'
KMV Price River Middle	7,280'
KMV Price River Lower	7,927'
Sego	8,408'

Estimated TD: **8,610' or 200'± below Sego top**

**Anticipated BHP: 4,700 Psig**

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>LENGTH</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
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	8,610±	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. (30± total). Thread lock float shoe, top and bottom of float collar, and top of 2<sup>nd</sup> joint.

**EIGHT POINT PLAN**  
**CHAPITA WELLS UNIT 1070-34**  
**SW/NW, SEC. 34, T9S, 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**  
**CHAPITA WELLS UNIT 1070-34**  
**SW/NW, SEC. 34, T9S, 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:** 585 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.

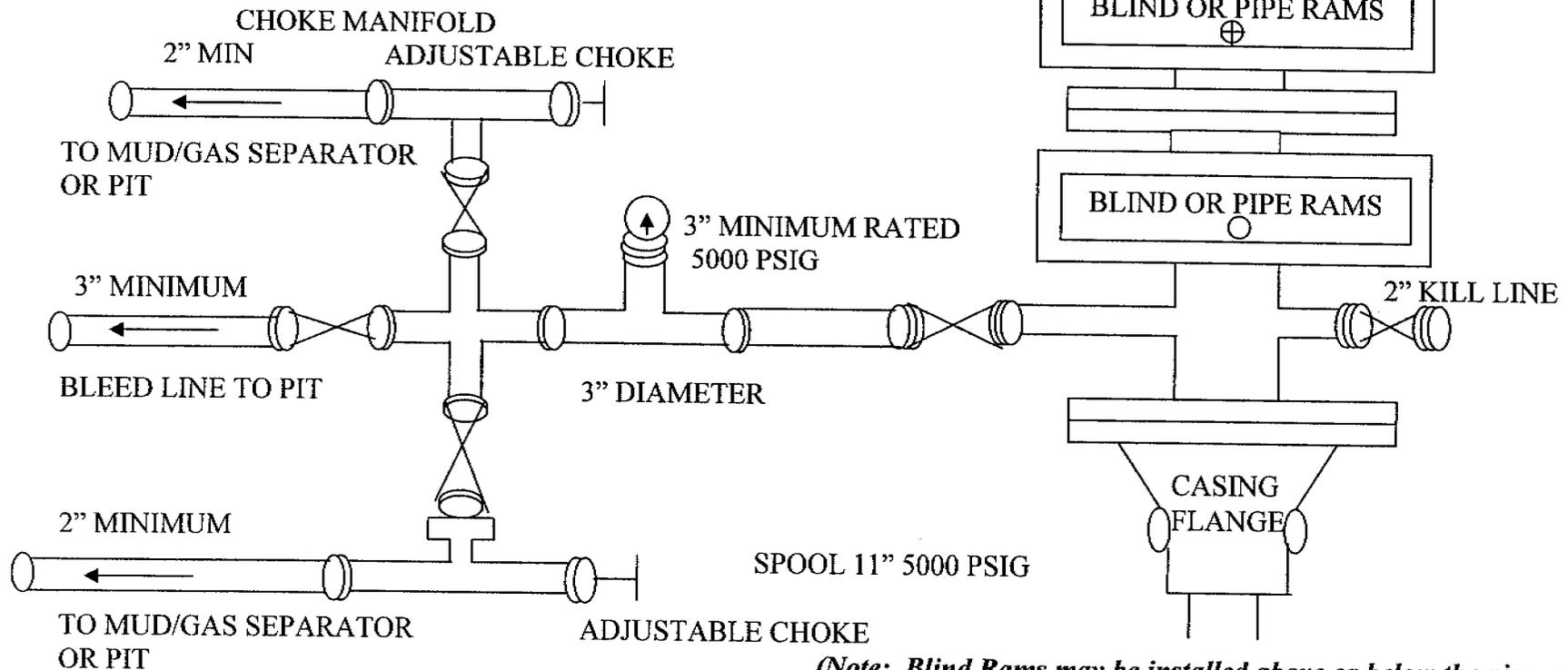
(Attachment: BOP Schematic Diagram)

## 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: Chapita Wells Unit 1070-34  
Lease Number: U-37943  
Location: 1905' FNL & 733' FWL, SW/NW, Sec. 34,  
T9S, R23E, S.L.B.&M., Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 24 miles southeast of Ouray, Utah - See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary. No off lease Right-of-Way will be required.

### 2. PLANNED ACCESS ROAD

- A. The access road will be approximately 0.2 miles in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. **A high water crossing will be placed in the drainage with a 24" culvert.** Other road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No 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 - 10\*

(\*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 1754' from proposed location to a point in the SE/NW of Section 34, T9S, R23E, where it will tie into Questar Pipeline Co.'s existing line. Proposed pipeline crosses Federal lands within the Chapita Wells Unit, thus a Right-of -Way grant will not be required.
3. Proposed pipeline will be a 4" OD steel, welded line laid on the surface.
4. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

The production facilities will be placed on the Northwest 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 – 2 pounds per acre
  - Needle & Thread Grass – 3 pounds per acre
  - Indian Rice Grass – 3 pounds per acre
  - Hi-Crest Crested Wheat Grass – 4 pounds per acre
  - Winter Fat – 1 pound per acre.

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

The stockpiled pit topsoil will be stored separate from the location topsoil Southwest of Corner #5. The stockpiled location topsoil will be stored Southeast of Corner #2. 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 Southeast.

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**

**A high water crossing will be placed in the drainage with a 24" culvert.**

**LESSEE'S OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION**

**PERMITTING AGENT**

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

**DRILLING OPERATIONS**

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

All lease or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approval plan of operations, and any applicable Notice to Lessees. EOG Resources, Inc. is fully responsible for the actions of their subcontractors. A copy of these conditions will be furnished to the field representative to insure compliance.

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

**Certification**

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 1070-34 Well, located in the SW/NW of Section 34, T9S, R23E, Uintah County, Utah; Lease #U-37943;** 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.

7-25-2005  
Date

  
Agent

EOG RESOURCES, INC.  
CWU #1070-34  
SECTION 34, T9S, R23E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; 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 12.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 1.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 1.9 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 4.6 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY, THEN EASTERLY DIRECTION APPROXIMATELY 1.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.7 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD FOR THE CWU #1073-34 TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.4 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE NORTHWEST; FOLLOW ROAD FLAGS IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.0 MILES.

# EOG RESOURCES, INC.

CWU #1070-34

LOCATED IN UINTAH COUNTY, UTAH

SECTION 34, T9S, R23E, S.L.B.&M.

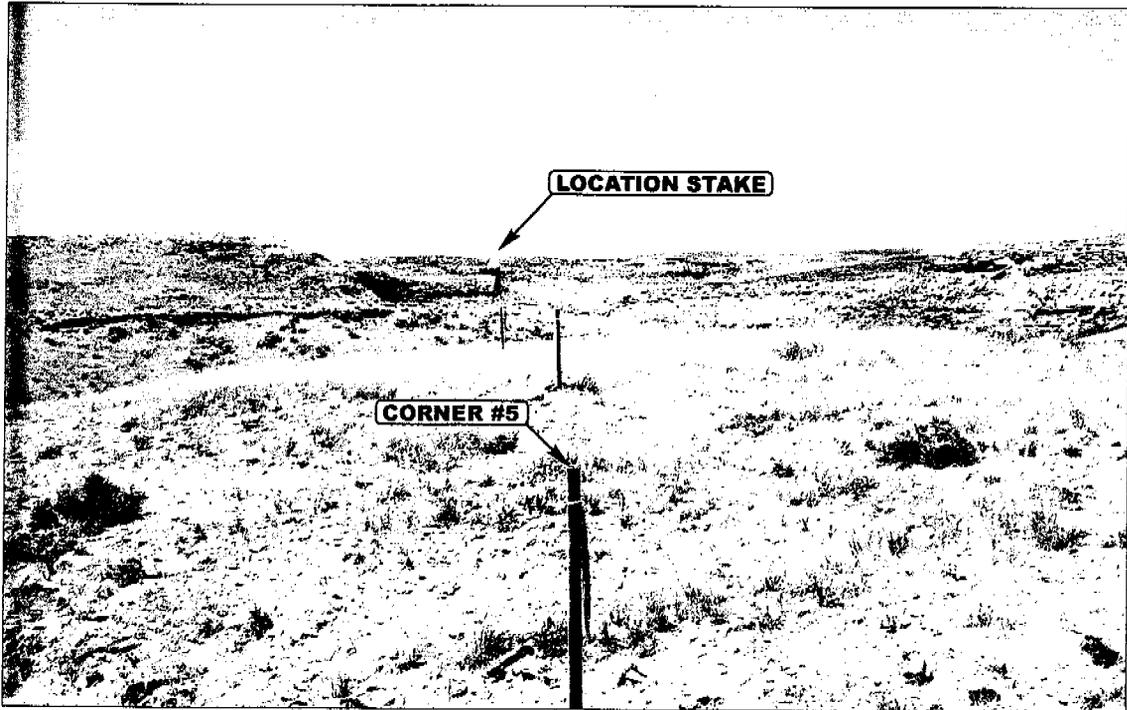


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY

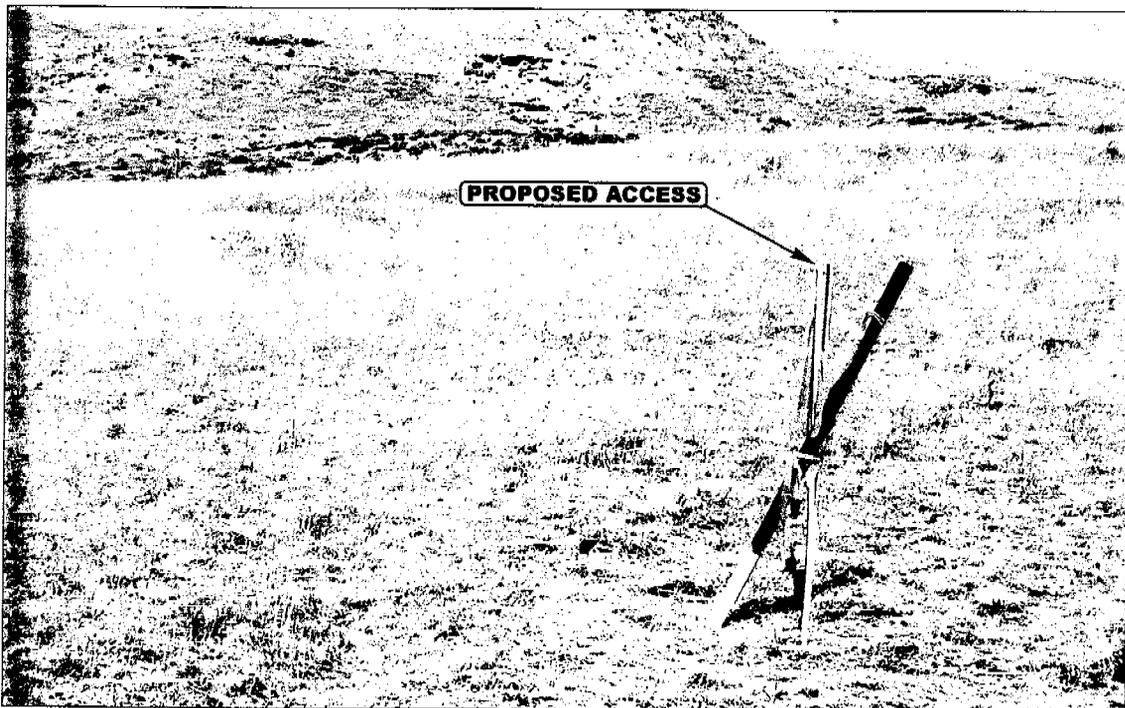


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHWESTERLY



- Since 1964 -

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

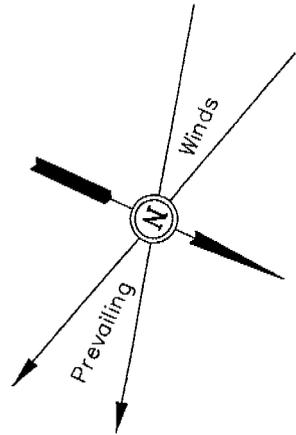
LOCATION PHOTOS	07	08	05	PHOTO
TAKEN BY: T.B.	MONTH	DAY	YEAR	
DRAWN BY: S.L.	REVISED: 00-00-00			

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR

CWU #1070-34  
SECTION 34, T9S, R23E, S.L.B.&M.  
1905' FNL 733' FWL



F-9.1'  
El. 71.9'

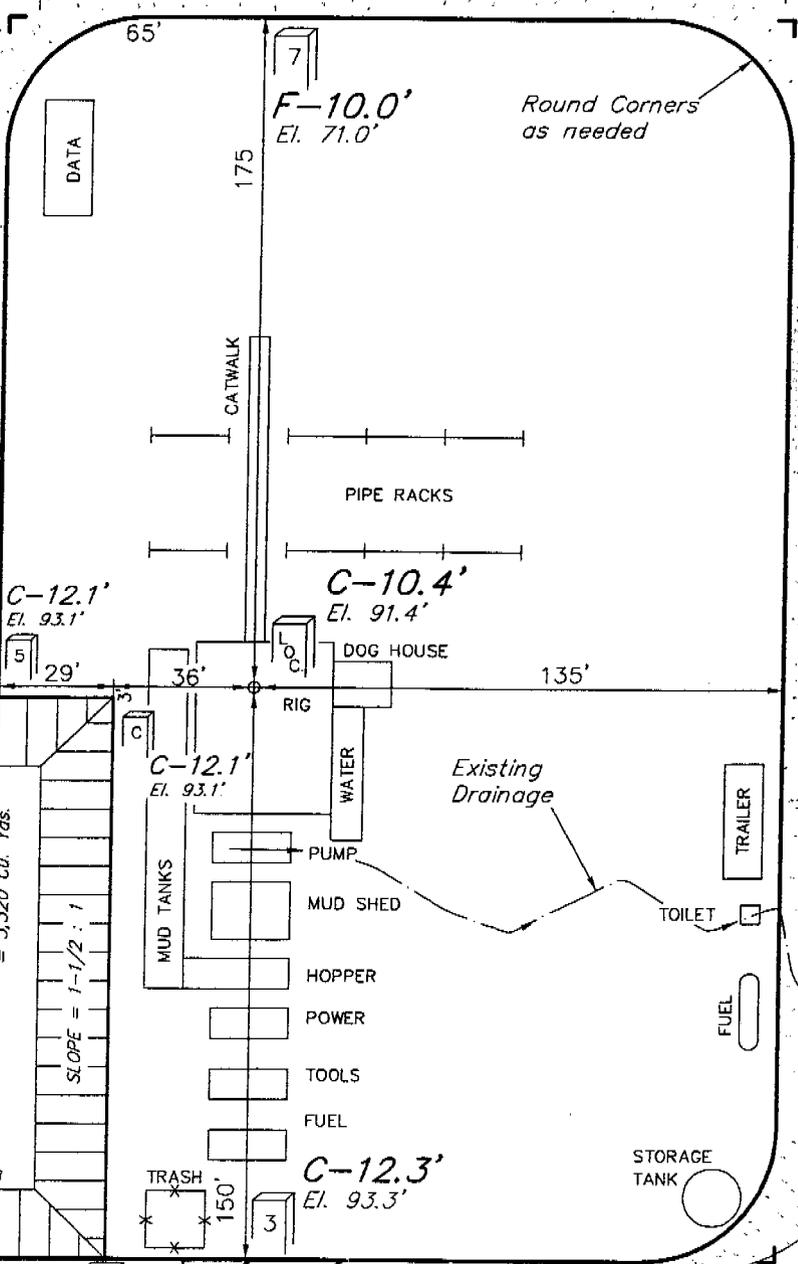
F-22.2'  
El. 58.8'

Sta. 3+25

SCALE: 1" = 50'  
DATE: 07-06-05  
Drawn By: P.M.

NOTE:

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

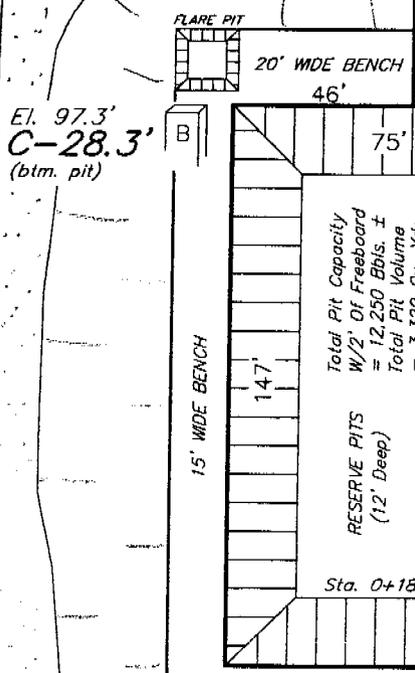
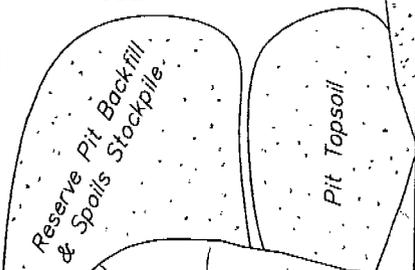


Approx. Toe of Fill Slope

Sta. 1+50

F-11.3'  
El. 69.7'

Sta. 0+00



NOTES:

Proposed Access Road

Elev. Ungraded Ground At Loc. Stake = 5291.4'  
FINISHED GRADE ELEV. AT LOC. STAKE = 5281.0'

Approx. Top of Cut Slope

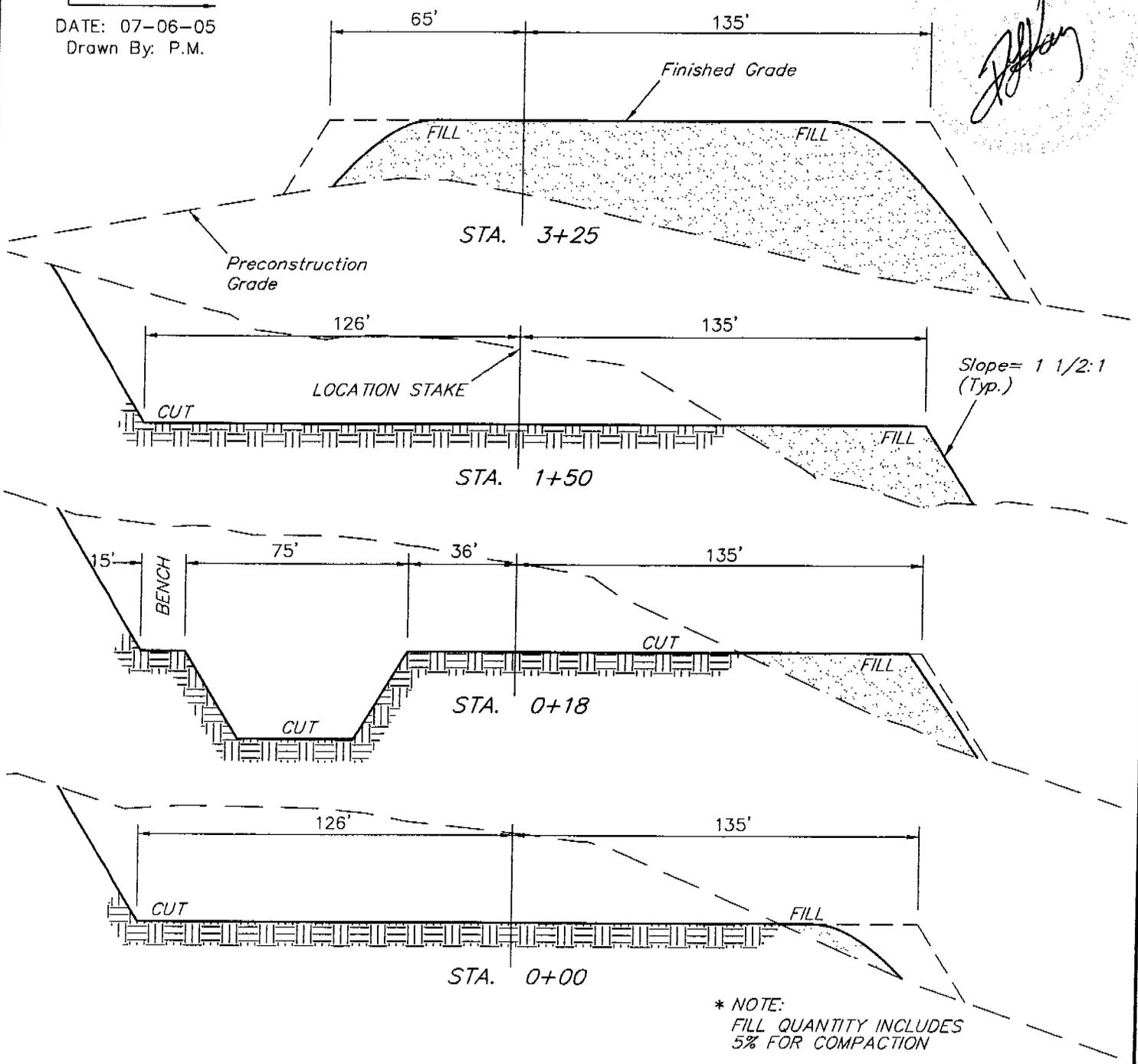
EOG RESOURCES, INC.

FIGURE #2

TYPICAL CROSS SECTIONS FOR  
 CWU #1070-34  
 SECTION 34, T9S, R23E, S.L.B.&M.  
 1905' FNL 733' FWL

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

DATE: 07-06-05  
 Drawn By: P.M.

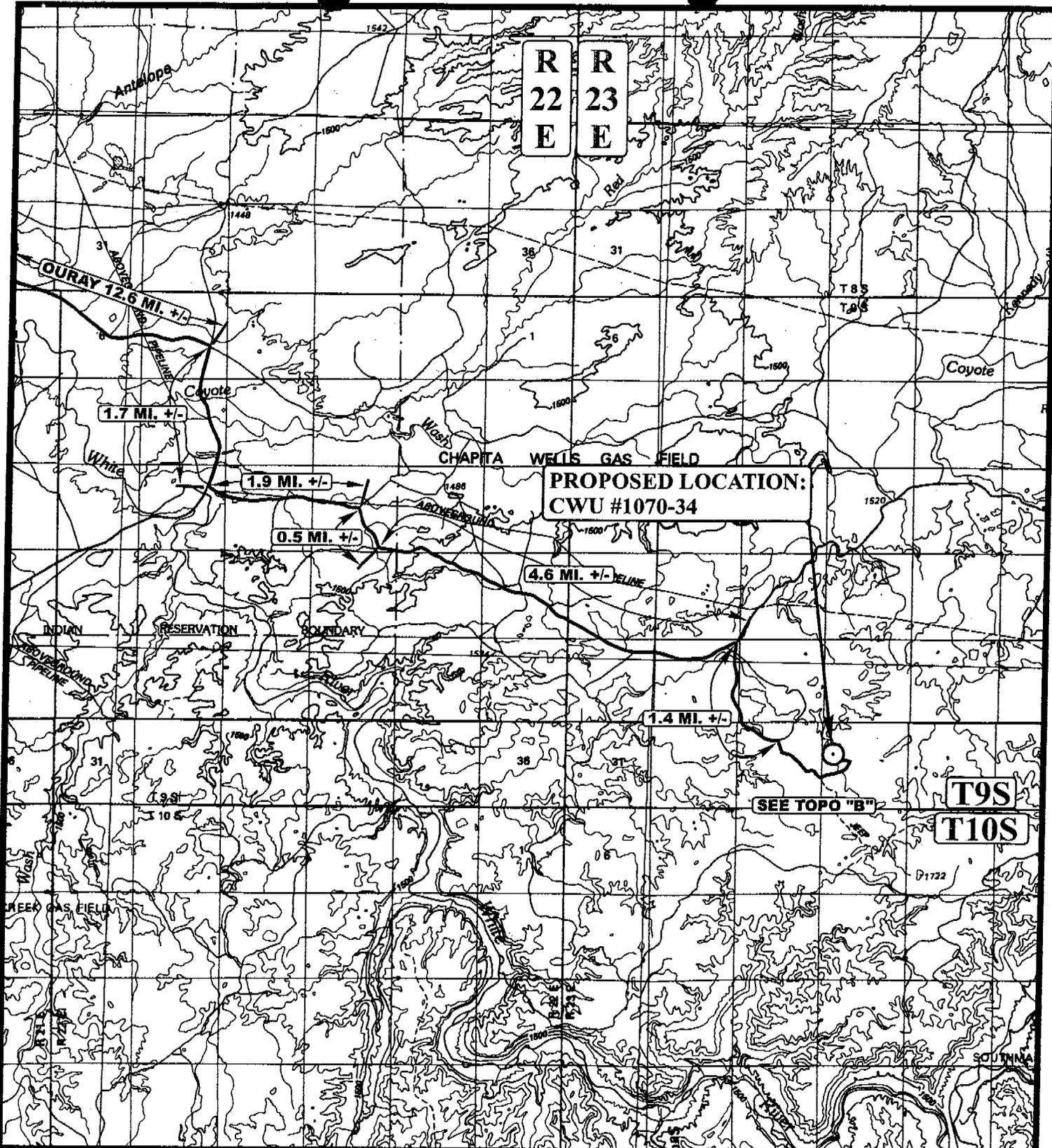


\* NOTE:  
 FILL QUANTITY INCLUDES  
 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT		
(6") Topsoil Stripping	=	2,000 Cu. Yds.
Remaining Location	=	20,650 Cu. Yds.
<b>TOTAL CUT</b>	<b>=</b>	<b>22,650 CU.YDS.</b>
<b>FILL</b>	<b>=</b>	<b>18,990 CU.YDS.</b>

EXCESS MATERIAL	=	3,660 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	=	3,660 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	=	0 Cu. Yds.



**LEGEND:**

○ PROPOSED LOCATION

**EOG RESOURCES, INC.**

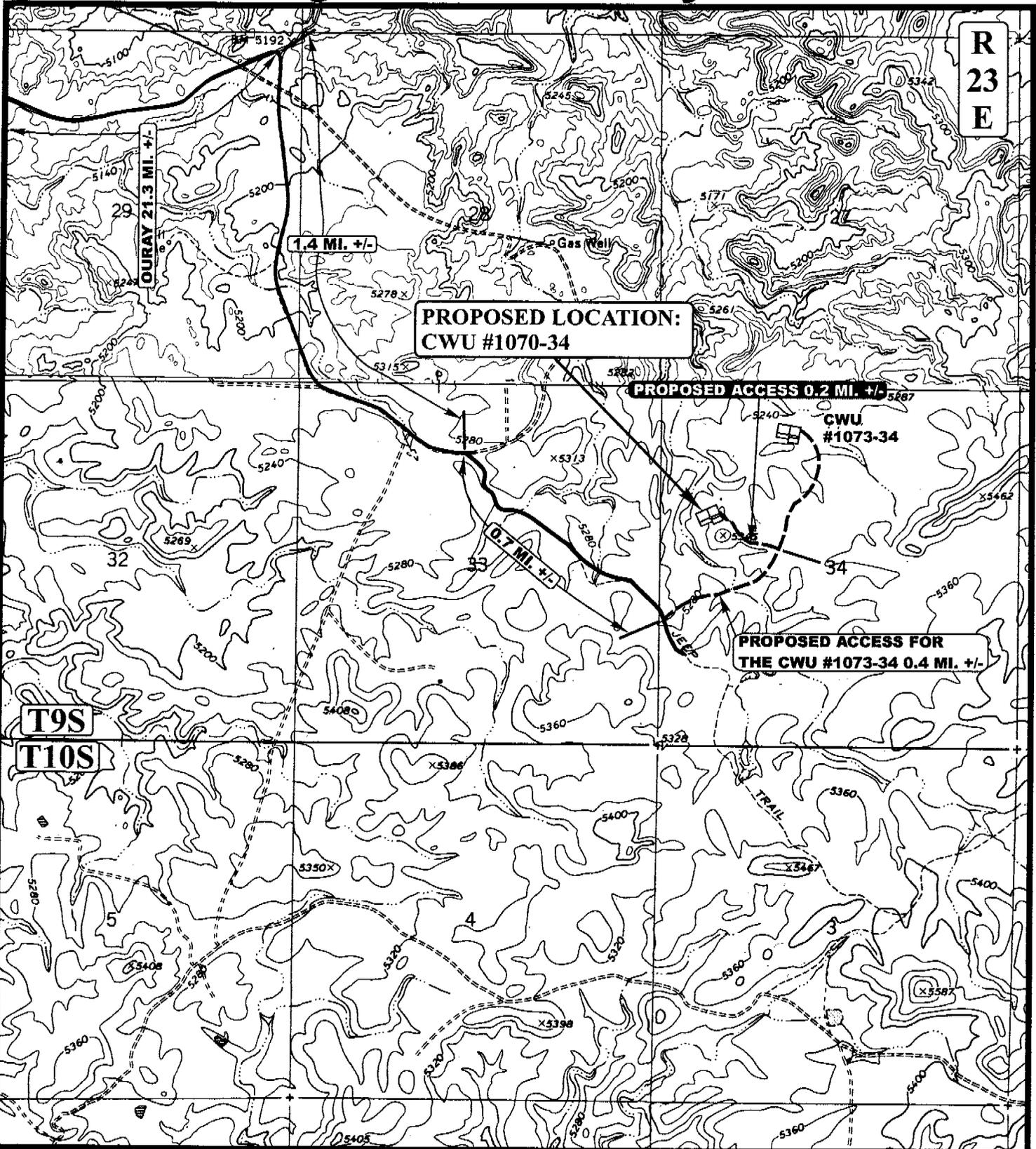
CWU #1070-34  
 SECTION 34, T9S, R23E, S.L.B.&M.  
 1905' FNL 733' FWL

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



**TOPOGRAPHIC MAP**  
 07 08 05  
 MONTH DAY YEAR  
 SCALE: 1:100,000 DRAWN BY: S.L. REVISED: 00-00-00





**LEGEND:**

-  EXISTING ROAD
-  PROPOSED ACCESS ROAD



**EOG RESOURCES, INC.**

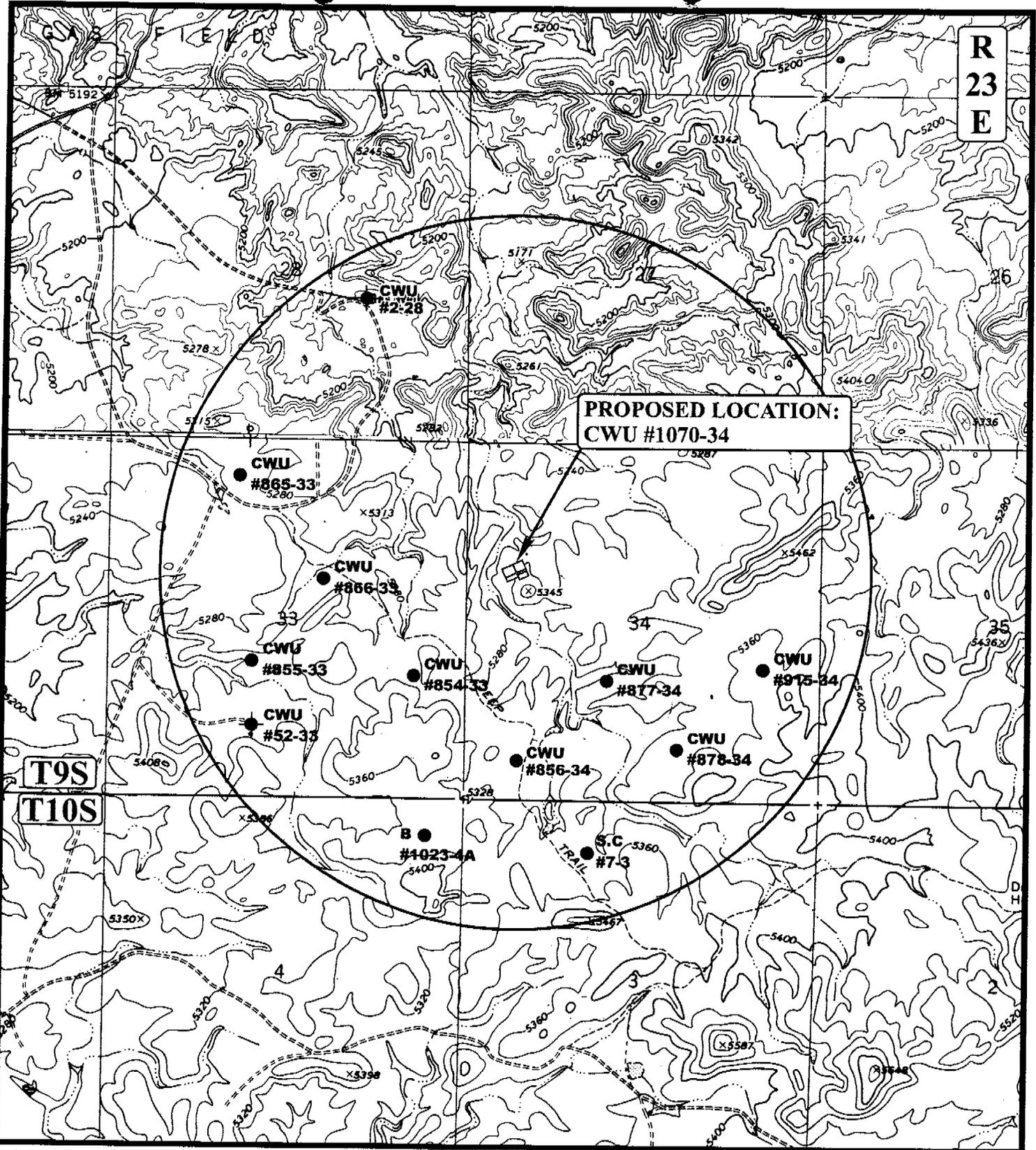
CWU #1070-34  
 SECTION 34, T9S, R23E, S.L.B.&M.  
 1905' FNL 733' FWL



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

TOPOGRAPHIC MAP 07 08 05  
 MONTH DAY YEAR  
 SCALE: 1" = 2000' DRAWN BY: S.L. REVISED: 00-00-00





R  
23  
E

**PROPOSED LOCATION:  
CWU #1070-34**

T9S  
T10S

**LEGEND:**

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



**EOG RESOURCES, INC.**

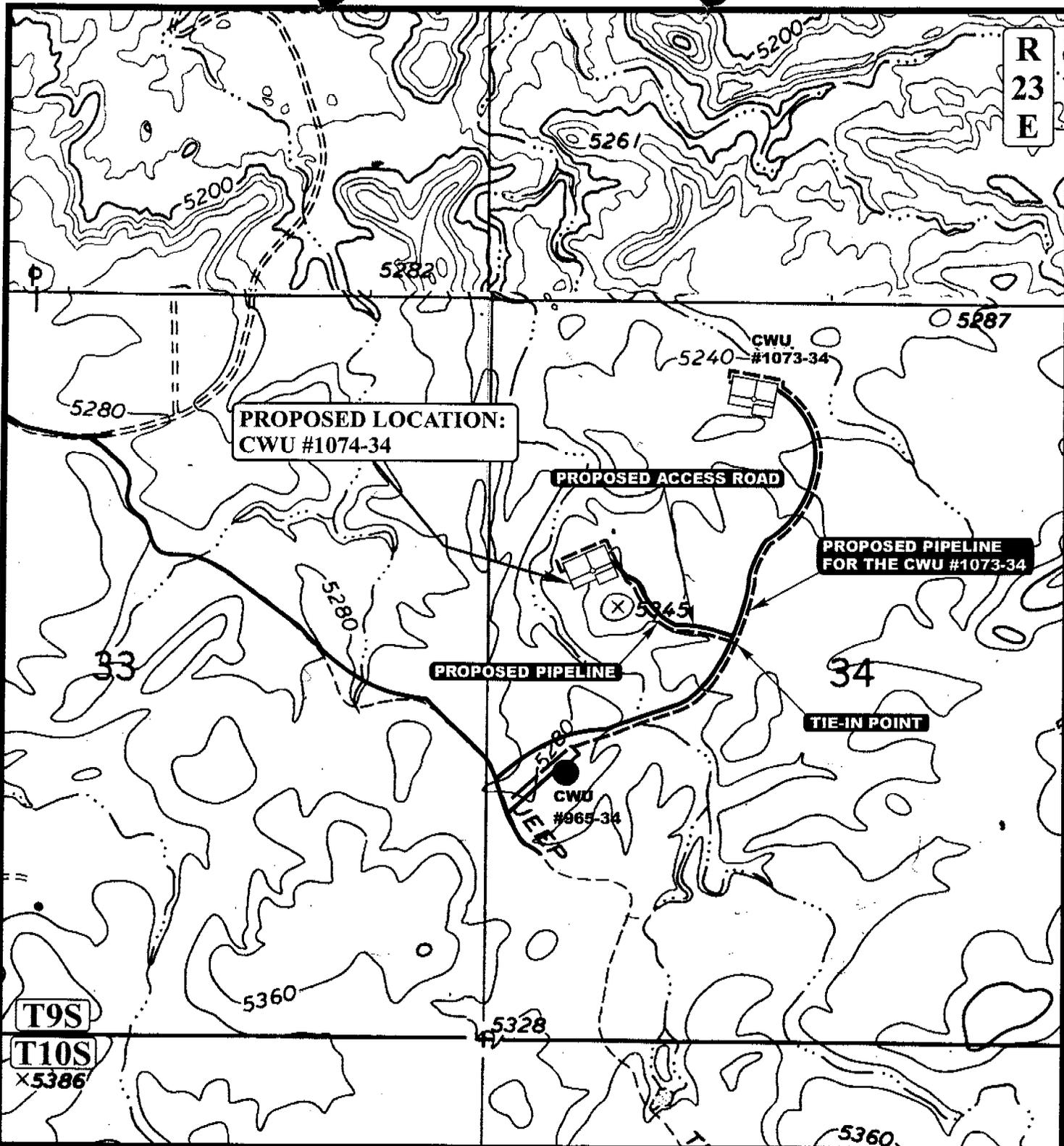
**CWU #1070-34**  
**SECTION 34, T9S, R23E, S.L.B.&M.**  
**1905' FNL 733' FWL**



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

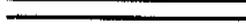
TOPOGRAPHIC MAP	07	08	05
	MONTH	DAY	YEAR
SCALE: 1" = 2000'	DRAWN BY: S.L.		REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 1,754' +/-

**LEGEND:**

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



**EOG RESOURCES, INC.**

CWU #1070-34  
SECTION 34, T9S, R23E, S.L.B.&M.  
1905' FNL 733' FWL



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

TOPOGRAPHIC MAP 07 08 05  
MONTH DAY YEAR  
SCALE: 1" = 1000' DRAWN BY: S.L. REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 07/28/2005

API NO. ASSIGNED: 43-047-36929

WELL NAME: CWU 1070-34

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWNW 34 090S 230E

SURFACE: 1905 FNL 0733 FWL

BOTTOM: 1905 FNL 0733 FWL

UINTAH

NATURAL BUTTES ( 630 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-37943

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 39.99452

LONGITUDE: -109.3192

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)
- Intent to Commingle (Y/N)

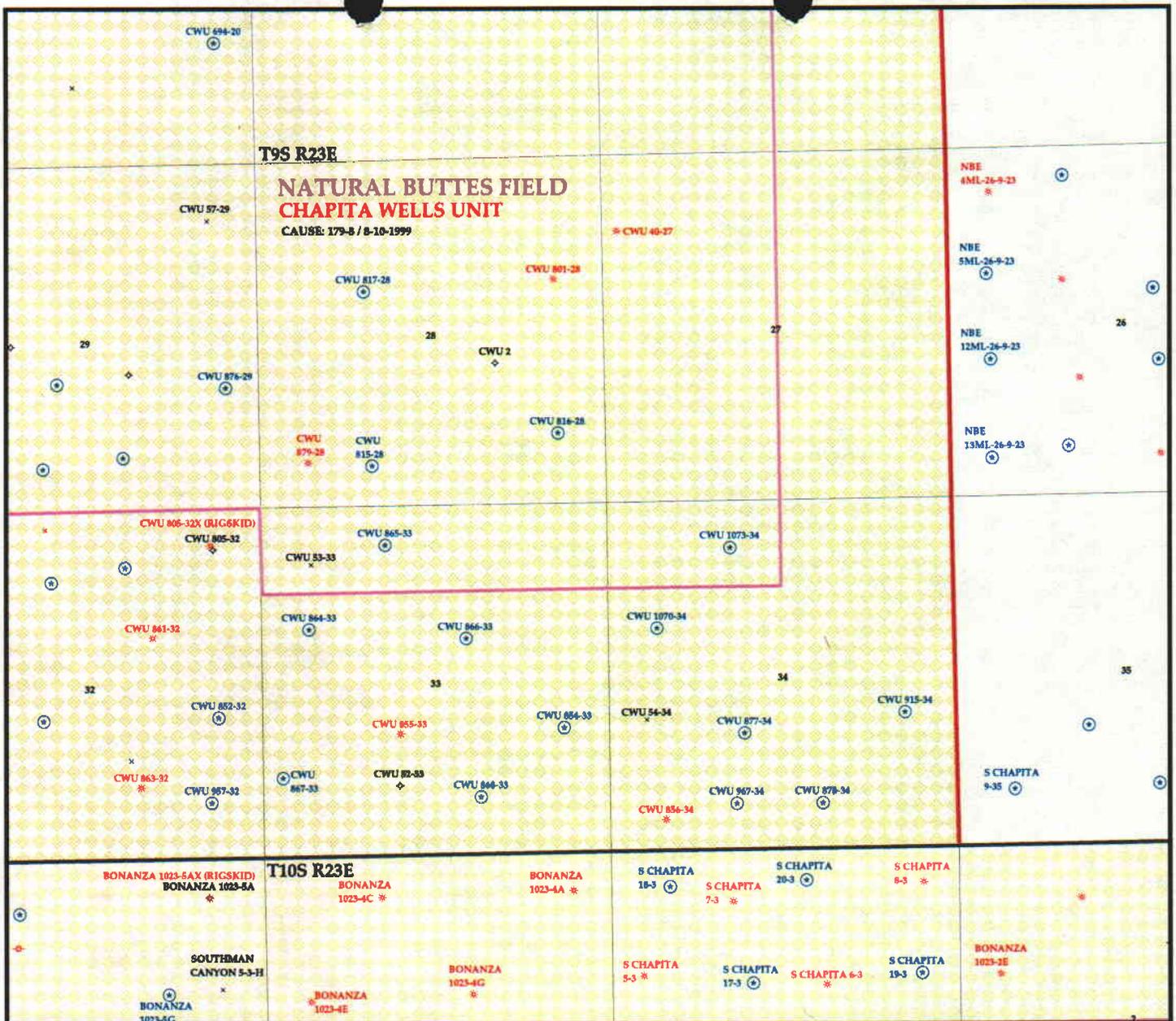
LOCATION AND SITING:

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

COMMENTS:

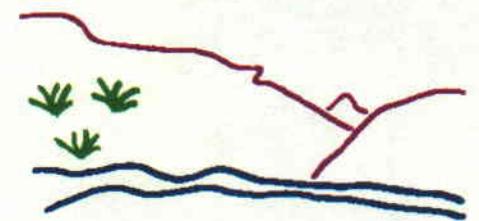
STIPULATIONS:

1- Federal Approval



**OPERATOR: EOG RES INC (N9550)**  
**SEC: 28, 34 T. 9S R. 23E**  
**FIELD: NATURAL BUTTES (630)**  
**COUNTY: UINTAH**  
**CAUSE: 179-8 / 8-10-1999**

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		



Utah Oil Gas and Mining



PREPARED BY: DIANA WHITNEY  
 DATE: 1-AUG-2005

# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office

P.O. Box 45155

Salt Lake City, Utah 84145-0155

**IN REPLY REFER TO:**

3160

(UT-922)

August 1, 2005

Memorandum

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

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

API#	WELL NAME	LOCATION
(Proposed PZ Price River)		
43-047-36917	CWU 1000-22 Sec 22 T09S R22E 0509 FSL 2326 FWL	
43-047-36918	CWU 999-22 Sec 22 T09S R22E 2321 FSL 0692 FWL	
43-047-36919	CWU 1008-22 Sec 22 T09S R22E 1956 FNL 0212 FEL	
43-047-36920	CWU 1006-22 Sec 22 T09S R22E 0848 FSL 0132 FEL	
43-047-36921	CWU 1009-22 Sec 22 T09S R22E 2170 FNL 2105 FWL	
43-047-36922	CWU 1005-27 Sec 27 T09S R22E 0342 FNL 2155 FEL	
43-047-36923	CWU 1001-27 Sec 27 T09S R22E 0674 FNL 0874 FWL	
43-047-36924	CWU 1003-28 Sec 28 T09S R22E 2099 FNL 0353 FEL	
43-047-36925	CWU 1033-19 Sec 19 T09S R23E 2179 FNL 1895 FEL	
43-047-36928	CWU 553-30F Sec 30 T09S R23E 1859 FNL 1935 FEL	
43-047-36926	CWU 816-28 Sec 28 T09S R23E 1080 FSL 0713 FEL	
43-047-36927	CWU 815-28 Sec 28 T09S R23E 0624 FSL 1723 FWL	
43-047-36929	CWU 1070-34 Sec 34 T09S R23E 1905 FNL 0733 FWL	
43-047-36930	CWU 1073-34 Sec 34 T09S R23E 0702 FNL 1880 FWL	

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

/s/ Michael L. Coulthard



State of Utah

Department of  
Natural Resources

MICHAEL R. STYLER  
*Executive Director*

Division of  
Oil, Gas & Mining

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

August 1, 2005

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

Re: Chapita Wells Unit 1070-34 Well, 1905' FNL, 733' FWL, SW NW,  
Sec. 34, T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-36929.

Sincerely,

Gil Hunt  
Acting Associate Director

pab  
Enclosures

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

Operator: EOG Resources, Inc.  
Well Name & Number Chapita Wells Unit 1070-34  
API Number: 43-047-36929  
Lease: U-37943

Location: SW NW                      Sec. 34                      T. 9 South                      R. 23 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

JUL 27 2005

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. <b>U-37943</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. <b>CHAPITA WELLS UNIT</b>
3a. Address <b>P.O. BOX 1815 VERNAL, UT 84078</b>		8. Lease Name and Well No. <b>CHAPITA WELLS UNIT 1070-34</b>
3b. Phone No. (Include area code) <b>(435)789-0790</b>		9. API Well No. <b>43047 36929</b>
4. Location of Well (Report location clearly and in accordance with any State requirements.)* At surface <b>1905' FNL, 733' FWL SW/NW</b> At proposed prod. Zone		10. Field and Pool, or Exploratory <b>NATURAL BUTTES</b>
14. Distance in miles and direction from nearest town or post office* <b>24 MILES SOUTHEAST OF OURAY, UTAH</b>		11. Sec., T., R., M., or Blk. and Survey or Area <b>SEC. 34, T9S, R23E, S.L.B.&amp;M.</b>
15. Distance from proposed* location to nearest property or lease line, ft. <b>733'</b> (Also to nearest drig. Unit line, if any)	16. No. of Acres in lease <b>600</b>	12. County or Parish <b>UINTAH</b>
17. Spacing Unit dedicated to this well	13. State <b>UTAH</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>8610'</b>	20. BLM/BIA Bond No. on file <b>NM-2308</b>
21. Elevations (Show whether DF, KDB, RT, GL, etc.) <b>5281.0 FEET GRADED GROUND</b>	22. Approximate date work will start* <b>UPON APPROVAL</b>	23. Estimated duration <b>45 DAYS</b>
24. Attachments		

Attachments

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

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

25. Signature 	Name (Printed/Typed) <b>Ed Trotter</b>	Date <b>July 25, 2005</b>
Title <b>Agent</b>		
Approved by (Signature) 	Name (Printed/Typed) <b>PETER K SJOBLOM</b>	Date <b>NOV 7 2005</b>
Title <b>Assistant Field Manager</b>	Office <b>VERNAL FIELD OFFICE</b>	

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.

RECEIVED

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.

NOV 21 2005

\*(Instructions on page 2)

**NOTICE OF APPROVAL CONDITIONS OF APPROVAL ATTACHED**



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

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



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

Company: **EOG Resources Inc**  
Well No: **CWU 1070-34**

Location: **SWNW Sec 34, T9S, R23E**  
Lease No: **UTU-37943**

Petroleum Engineer: Matt Baker  
Petroleum Engineer: Michael Lee  
Supervisory Petroleum Technician:  
Jamie Sparger

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

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

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

## *Downhole Conditions of Approval*

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

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

1. None

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

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

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

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

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

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

5. All shows of fresh water and minerals will be reported and protected. A sample will be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows will be adequately tested for commercial possibilities, reported, and protected.
6. No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status

without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office must be obtained and notification given before resumption of operations.

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

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

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

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

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

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

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

10. Oil and gas meters will be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.

11. A schematic facilities diagram as required by Onshore Oil and Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil and Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil and Gas Order No. 3.
12. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location (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.

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 would 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. During interim management of the surface, use the following seed mix:

9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.

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 shall 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.

4. If paleontological materials are uncovered during construction, the operator is to immediately stop work, and contact the Authorized Officer (AO). A report will be prepared by the Paleontologist and submitted to the BLM at the completion of surface disturbing activities.

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.*

5. Lease Serial No.  
**U-37943**

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
**Chapita Wells Unit 1070-34**

9. API Well No.  
**43-047-36929**

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

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1905' FNL & 733' FWL (SWNW)  
Sec. 34-T9S-R23E 39.994461 LAT 109.319886 LON**

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

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

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

**EOG Resources, Inc. requests a variance to the requirement for a buried pipeline for the referenced well.**

See attached sheet.

14. I hereby certify that the foregoing is true and correct  
Name (Printed/Typed) **Mary A. Maestas** Title **Operations Clerk**

Signature *Mary A. Maestas* Date **08/01/2006**

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

Approved by \_\_\_\_\_ Title **Accepted by the**

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 **Utah Division of Oil, Gas and Mining**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make or to cause to be made or to cause to be made any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

**RECEIVED**

**AUG 04 2006**

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

**Request for Exception to Buried Pipeline Requirement**  
**Chapita Wells Unit 1070-34**  
**SW/NW, Section 34, T9S, R23E**  
**Lease Number U-37943**

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately 2.01 acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

RECEIVED

AUG 04 2006

DIV. OF OIL, GAS & MINING

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 1070-34

Api No: 43-047-36929 Lease Type: FEDERAL

Section 34 Township 09S Range 23E County UINTAH

Drilling Contractor ROCKER DRILLING RIG # 1

### **SPUDDED:**

Date 08/21/06

Time 2:00 PM

How DRY

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

Reported by DALL COOK

Telephone # (435) 828-3630

Date 08/21/06 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

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

Operator Account Number: N 9550

Phone Number: (303) 824-5526

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36929	Chapita Wells Unit 1070-34		SWNW	34	9S	23E	Uintah
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15591	8/21/2006		8/24/06		
Comments: <u>MVRD</u>							

**Well 2**

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

**Well 3**

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

**ACTION CODES:**

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

Mary A. Maestas

Name (Please Print)

Signature

Regulatory Assistant

Title

8/23/2006

Date

**RECEIVED**

**AUG 23 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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>U-37943</b>
2. Name of Operator <b>EOG Resources, Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>600 17th Street, Suite 1000N, Denver, CO 80202</b>	3b. Phone No. (include area code) <b>303-824-5526</b>	7. If Unit or CA/Agreement, Name and/or No. <b>Chapita Wells Unit</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1905' FNL &amp; 733' FWL (SWNW) Sec. 34-T9S-R23E 39.994461 LAT 109.319886 LON</b>		8. Well Name and No. <b>Chapita Wells Unit 1070-34</b>
		9. API Well No. <b>43-047-36929</b>
		10. Field and Pool, or Exploratory Area <b>Natural Buttes/Mesaverde</b>
		11. County or Parish, State <b>Uintah County, UT</b>

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

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

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

The referenced well spud on 8/21/2006.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) <b>Mary A. Maestas</b>	Title <b>Regulatory Assistant</b>
Signature 	Date <b>08/23/2006</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**

**AUG 25 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 <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. U-37943
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. Chapita Wells Unit
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 1905' FNL & 733' FWL (SWNW) Sec. 34-T9S-R23E 39.994461 LAT 109.319886 LON		8. Well Name and No. Chapita Wells Unit 1070-34
		9. API Well No. 43-047-36929
		10. Field and Pool, or Exploratory Area Natural Buttes/Mesaverde
		11. County or Parish, State Uintah County, UT

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

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

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

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

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

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

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Mary A. Maestas		Title Regulatory Assistant
Signature <i>Mary A. Maestas</i>	Date	08/23/2006

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

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

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

(Instructions on page 2)

RECEIVED

AUG 25 2006

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

JUL 27 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

5. Lease Serial No.  
**U-0336-A**  
6. If Indian, Allottee or Tribe Name  
7. If Unit or CA Agreement, Name and No.  
**CHAPITA WELLS UNIT**  
8. Lease Name and Well No.  
**CHAPITA WELLS UNIT 816-28**

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

9. API Well No.  
**43-047-31926**

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

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

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

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

11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 28, T9S, R23E,  
S.L.B.&M.**

At surface **1080' FSL, 713' FEL** **SE/SE**  
At proposed prod. Zone

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

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

15. Distance from proposed\* location to nearest property or lease line, ft. **713'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**1440**

17. Spacing Unit dedicated to this well

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

19. Proposed Depth  
**8750'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**5194.4 FEET GRADED GROUND**

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

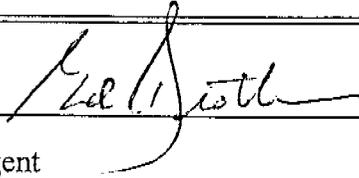
23. Estimated duration  
**45 DAYS**

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   
Title **Agent**

Name (Printed/Typed)  
**Ed Trotter**

Date  
**RECEIVED 2005**

**SEP 15 2006**

Approved by (Signature)

Name (Printed/Typed)

DIV OF OIL, GAS & MINING  
Date

Title   
**Assistant Field Manager  
Lands & Mineral Resources**

Office

**9-8-2006**

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.

**CONDITIONS OF APPROVAL 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.



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

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



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

Company: **EOG Resources, Inc.** Location: **SESE, Sec 28, T9S, R23E**  
Well No: **CWU 816-28** Lease No: **UTU-0336A**  
API No: **43-047-36926** Agreement: **Chapita Wells Unit**

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: 435-781-4513</b>		Fax: 435-781-4410	

**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 Petroleum Engineer)              | - | Twenty-Four (24) hours prior to spudding the well.   |
| Casing String & Cementing<br>(Notify Jamie Sparger)     | - | Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify Jamie Sparger) | - | Twenty-Four (24) hours prior to initiating pressure tests.   |
| First Production Notice<br>(Notify Petroleum Engineer)  | - | 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 would 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. During interim management of the surface, use the following seed mix:
  - 9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.
  
2. The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.

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

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

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

1. As indicated in the operators drilling application, production casing cement shall be brought up and into the surface casing. Additional cement required.
2. A cement Bond Log shall be run from the production casing shoe to the surface casing shoe.

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

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

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

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

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

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

5. The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).
6. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.
7. The lessee/operator must report encounters of all non oil & gas mineral resources (such as gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office in writing within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
8. 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.
9. Chronologic drilling progress reports must be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

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

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

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

10. Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or

completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Vernal Field Office.

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

11. 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.

12. 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.
13. A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
14. This APD is approved subject to the requirement that, should the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
  - a. Operator name, address, and telephone number.
  - b. Well name and number.
  - c. Well location ( $\frac{1}{4}$  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.
15. 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.
16. 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
17. Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
18. 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.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. <b>U-37943</b>
2. Name of Operator <b>EOG Resources, Inc.</b>		6. If Indian, Allottee or Tribe Name
3a. Address <b>600 17th Street, Suite 1000N, Denver, CO 80202</b>	3b. Phone No. (include area code) <b>303-824-5526</b>	7. If Unit or CA/Agreement, Name and/or No. <b>Chapita Wells Unit</b>
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) <b>1905' FNL &amp; 733' FWL (SWNW) Sec. 34-T9S-R23E 39.994461 LAT 109.319886 LON</b>		8. Well Name and No. <b>Chapita Wells Unit 1070-34</b>
		9. API Well No. <b>43-047-36929</b>
		10. Field and Pool, or Exploratory Area <b>Natural Buttes/Mesaverde</b>
		11. County or Parish, State <b>Uintah County, UT</b>

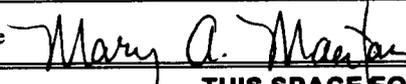
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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

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

**EOG Resources, Inc. requests permission to spread ten (10) - 25 lb. buckets of Polyswell in the reserve pit. The Polyswell will be placed on the ground covered with two layers of felt and a 12 mil pit liner. Placing Polyswell in the bottom of the reserve pit will create a moisture barrier, adding an additional containment measure.**

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) <b>Mary A. Maestas</b>		Title <b>Operations Clerk</b>
Signature 	Date <b>10/13/2006</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**

**OCT 16 2006**

DIV. OF OIL, GAS & MINING

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

FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-37943</b>
Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		7. UNIT or CA AGREEMENT NAME: <b>CHAPITA WELLS UNIT</b>
2. NAME OF OPERATOR: <b>EOG RESOURCES, INC.</b>		8. WELL NAME and NUMBER: <b>CHAPITA WELLS UNIT 1070-34</b>
3. ADDRESS OF OPERATOR: P.O. BOX 1815 CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		9. API NUMBER: <b>43-047-36929</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1905 FNL 733 FWL 39.994461 LAT 109.319886 LON</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNW 34 9S 23E S.L.B. &amp; M</b>		COUNTY: <b>UINTAH</b> STATE: <b>UTAH</b>

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

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

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.  
EOG Resources, Inc. respectfully requests the APD for the referenced well be extended for one year.

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

Date: 07-27-06  
By: [Signature]

NAME (PLEASE PRINT) <b>Kaylene R. Gardner</b>	TITLE <b>Regulatory Assistant</b>
SIGNATURE <u>[Signature]</u>	DATE <b>7/17/2006</b>

(This space for State use only)

RECEIVED  
Date: 9/28/06  
RM

**RECEIVED**  
**JUL 20 2006**  
DIV. OF OIL, GAS & MINING

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

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

**API:** 43-047-36929  
**Well Name:** CHAPITA WELLS UNIT 1070-34  
**Location:** 1905 FNL 733 FWL (SWNW), SECTION 34, T9S, R23E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 8/1/2005

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

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

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

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

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

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

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

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

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

  
Signature

7/17/2006  
Date

Title: REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED

JUL 20 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  
 600 17th Street, Suite 1000N, Denver, CO 80202

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
 1905' FNL & 733' FWL (SWNW)  
 Sec. 34-T9S-R23E 39.994461 LAT 109.319886 LON

5. Lease Serial No.  
 U-37943

6. If Indian, Allottee or Tribe Name

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

8. Well Name and No.  
 Chapita Wells Unit 1070-34

9. API Well No.  
 43-047-36929

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

11. County or Parish, State  
 Uintah County, UT

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

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

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

**The referenced well was turned to sales on 12/12/2006. Please see the attached operations summary for drilling and completion operations performed on the subject well.**

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

Mary A. Maestas

Title Regulatory Assistant

Signature



Date

12/13/2006

**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**  
**DEC 15 2006**

DIV. OF OIL, GAS & MINING

# WELL CHRONOLOGY REPORT

Report Generated On: 12-13-2006

<b>Well Name</b>	CWU 1070-34	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS DEEP	<b>API #</b>	43-047-36929	<b>Well Class</b>	ISA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	10-29-2006	<b>Class Date</b>	12-12-2006
<b>Tax Credit</b>	N	<b>TVD / MD</b>	8,610/ 8,610	<b>Property #</b>	057437
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	5,294/ 5,281				
<b>Location</b>	Section 34, T9S, R23E, SWNW, 1905 FNL & 733 FWL				

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

<b>AFE No</b>	303538	<b>AFE Total</b>	1,745,800	<b>DHC / CWC</b>	828,700/ 917,100		
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #27	<b>Start Date</b>	08-04-2005	<b>Release Date</b>	11-05-2006
<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #27	<b>Start Date</b>	10-27-2006	<b>Release Date</b>	11-05-2006

**08-04-2005      Reported By**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0						
<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0						
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	LOCATION DATA 1905' FNL & 733' FWL (SW/NW) SECTION 34, T9S, R23E UINTAH COUNTY, UTAH  LAT 39.994494, LONG 109.319208 (NAD 27)  RIG: TRUE 27 OBJECTIVE: 8610' TD, MESAVERDE DW/GAS CHAPITA WELLS DEEP PROSPECT DD&A: CHAPITA WELLS DEEP NATURAL BUTTES FIELD  LEASE: U-37943 ELEVATION: 5291.4' NAT GL, 5281' PREP GL, 5294' KB (13')  EOG WI 50%, NRI 43.5%
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**08-01-2006      Reported By      TROTTER**

**Daily Costs: Drilling**      \$33,600                      **Completion**      \$0                      **Daily Total**      \$33,600  
**Cum Costs: Drilling**      \$33,600                      **Completion**      \$0                      **Well Total**      \$33,600  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	BEGAN CONSTRUCTION OF LOCATION; 10% COMPLETE.

**08-04-2006**      **Reported By**      TROTTER

**Daily Costs: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$33,600                      **Completion**      \$0                      **Well Total**      \$33,600  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 20% COMPLETE.

**08-08-2006**      **Reported By**      TROTTER

**Daily Costs: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$33,600                      **Completion**      \$0                      **Well Total**      \$33,600  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

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

**08-09-2006**      **Reported By**      TROTTER

**Daily Costs: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$33,600                      **Completion**      \$0                      **Well Total**      \$33,600  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 60% COMPLETE.

**08-10-2006**      **Reported By**      TROTTER

**Daily Costs: Drilling**      \$0                      **Completion**      \$0                      **Daily Total**      \$0  
**Cum Costs: Drilling**      \$33,600                      **Completion**      \$0                      **Well Total**      \$33,600  
**MD**              0      **TVD**              0      **Progress**      0      **Days**              0      **MW**              0.0      **Visc**              0.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time:** BUILDING LOCATION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION IS 70% COMPLETE.

**08-14-2006**      **Reported By**      TROTTER

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$33,600 Completion \$0 Well Total \$33,600  
 MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION IS 90 % COMPLETE.

08-15-2006 Reported By TROTTER

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$33,600 Completion \$0 Well Total \$33,600  
 MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILDING LOCATION

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION IS 95% COMPLETE.

08-16-2006 Reported By TROTTER

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$33,600 Completion \$0 Well Total \$33,600  
 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 AIR RIG

Start End Hrs Activity Description  
 06:00 06:00 24.0 LOCATION IS 100% COMPLETE.

08-22-2006 Reported By DALL COOK

Daily Costs: Drilling \$0 Completion \$0 Daily Total \$0  
 Cum Costs: Drilling \$33,600 Completion \$0 Well Total \$33,600  
 MD 40 TVD 40 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO AIR RIG

Start End Hrs Activity Description  
 06:00 06:00 24.0 ROCKER DRILLING SPUD A 17 1/2" HOLE ON 8/21/06 @ 1:30 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. DALL COOK NOTIFIED JAMIE SPARGER W/ BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 8/21/2006 @ 1:00 PM.

09-28-2006 Reported By JERRY BARNES

Daily Costs: Drilling \$221,907 Completion \$0 Daily Total \$221,907  
 Cum Costs: Drilling \$255,507 Completion \$0 Well Total \$255,507  
 MD 2,408 TVD 2,408 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WORT

Start End Hrs Activity Description

06:00 06:00 24.0 MIRU CRAIG'S AIR RIG # 2 ON 9/23/2006. DRILLED 12-1/4" HOLE TO 2395' GL. ENCOUNTERED WATER @ 1570'. RAN 55 JTS (2366.10') 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 @ 2379' KB. RDMO CRAIG'S AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 170 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 300 SX (63 BBLS) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CFS. DISPLACED CEMENT W/179.5 BBLS FRESH WATER. BUMPED PLUG W/550# @ 11:02 PM, 9/24/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB #1: MIXED & PUMPED 100 SX (21 BBLS) OF PREMIUM CEMENT W/4% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.6 PPG W/YIELD OF 1.18 CF/SX. NO RETURNS. WOC 4HR.

TOP JOB #2: MIXED & PUMPED 200 SX (41 BBLS) OF PREMIUM CEMENT W/4% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS.

TOP JOB #3: MIXED & PUMPED 150 SX (31 BBLS) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. RD BIG 4 CEMENTERS.

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

MIRU SLICK LINE UNIT & SURVEY TOOL. RAN IN HOLE & TAGGED @ 2270' PICK UP TO 2265' & TOOK SURVEY, = 2 DEGREE.

JERRY BARNES NOTIFIED DONNA KINNEY W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 9/24/2006 @ 1:00 PM.

<b>10-27-2006</b>		<b>Reported By</b>	DUANE C WINKLER								
<b>Daily Costs: Drilling</b>	\$27,539	<b>Completion</b>	\$0	<b>Daily Total</b>	\$27,539						
<b>Cum Costs: Drilling</b>	\$283,046	<b>Completion</b>	\$0	<b>Well Total</b>	\$283,046						
<b>MD</b>	2,408	<b>TVD</b>	2,408	<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:** PREPARE EQUIPMENT FOR TRUCKS

Start	End	Hrs	Activity Description
04:00	06:00	2.0	RIG DOWN EQUIPMENT ON THE CWU 1109-34. PREPARE EQUIPMENT FOR TRUCKS. TRUE 27 HAD NINE PERSONNEL WORKING ON RIG DOWN. TRUCKS WILL BE ON LOCATION 10/27/2006 AT 08:00 HRS TO START RIG MOVE. CAMP TO BE MOVED 10/27/2006 AT 07:00 HRS. MOVE IS ±1.5 MILES.

NO ACCIDENTS  
 FULL CREWS  
 NO RIG REPAIRS  
 SAFETY MEETING: HELD WITH THIRD PARTY CONTRACTORS

TRANSFERRED FROM CWU 1109-34 TO CWU 1070-34:  
 2244 GALS DIESEL  
 6 JTS OF 4.5", N-80 CASING (239.82')  
 1 - 4.5", P-110 MARKER JT

NOTIFIED JAKE BIRCHELL W/BLM (435-781-4482) 10/26/2006 WAS NOTIFIED ON RIG MOVE AND BOP TEST

**10-28-2006**      **Reported By**      DUANE C WINKLER

<b>Daily Costs: Drilling</b>	\$27,539	<b>Completion</b>	\$0	<b>Daily Total</b>	\$27,539						
<b>Cum Costs: Drilling</b>	\$310,585	<b>Completion</b>	\$0	<b>Well Total</b>	\$310,585						
<b>MD</b>	2,408	<b>TVD</b>	2,408	<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:** COMPLETE RIG UP

Start	End	Hrs	Activity Description
06:00	18:00	12.0	MIRU/RDMO. RIG RELEASED FROM CWU 1109-34 AT 04:00 HRS. MOVED OUT PIPE TUBS AND RIG EQUIPMENT. RIG MOVE 1.5 MILES.

FULL CREWS  
 NO ACCIDENTS OR INCEDENTS  
 SAFETY MEETING HELD WITH RW JONES TRUCKING AND RIG CREWS: WORKING IN SLIPPERY CONDITIONS/FORKLIFT SAFETY  
 EXPECT TO HAVE REMAINDER OF RIG ON LOCATION AND RIGGED UP TODAY  
 TRUE 27 TWELVE PERSONNEL, RW JONES TEN PERSONNEL

**10-29-2006**      **Reported By**      DUANE C WINKLER

<b>Daily Costs: Drilling</b>	\$56,750	<b>Completion</b>	\$0	<b>Daily Total</b>	\$56,750						
<b>Cum Costs: Drilling</b>	\$367,335	<b>Completion</b>	\$0	<b>Well Total</b>	\$367,335						
<b>MD</b>	2,408	<b>TVD</b>	2,408	<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:** TRIP IN WITH BHA /DP

Start	End	Hrs	Activity Description
06:00	07:00	1.0	NO ACTIVITY.
07:00	12:00	5.0	SET UP RIG. RELEASED TRUCKS 10/28/2006 @ 12:00 HRS.
12:00	15:00	3.0	RIG UP ROTARY TOOLS. INSPECT 30 JTS HWDP, 6 JTS OF 6.25 DC, CROSS OVERS, KELLY VALVE, SAVER SUB, UPPER/LOWER KELLY.
15:00	16:00	1.0	NIPPLE UP BOP. DAY WORK STARTED 10/28/2006 @ 15:00 HRS.
16:00	02:30	10.5	TEST BOPS/DIVERTER: PRESSURE TEST BOP'S, CHOKE, KELLY, IBOP, TIW AND ALL HP VALVES 250 PSI/5MIN, 5000 PSI/10 MIN. TEST ANNULAR 250 PSI/5MIN, 2500 PSI/10 MIN. TEST 9 5/8" CASING TO 1500 PSI/30 MIN. ACCUMULATOR FUNCTION TEST WAS WITHIN LIMITS. REPLACE INSIDE VALVE ON MANIFOLD, REPAIRED LEAK ON FLANGE BETWEEN HCR VALVE AND INSIDE VALVE.
02:30	03:30	1.0	SET CLOCKS BACK 1 HR TO MST. CONTINUE TEST BOP.
02:30	03:00	0.5	PRE-JOB SAFETY MEETING WITH ALL PERSONNEL ON LD/PU OPERATIONS.
03:00	06:00	3.0	RIG UP LAY DOWN EQUIPMENT. TRIPPING IN HOLE WITH BHA & DRILL PIPE.

NO ACCIDENTS/INCIDENTS  
 FULL CREWS  
 NO RIG REPAIRS  
 FUEL ON HAND 6744 GALS FUEL, USED 311 GALS  
 SAFETY MEETING: WORKING TOGETHER ON RIG UP/LAY DOWN DRILL PIPE  
 10/27/2006 MUD LOGGER ON LOCATION  
 ESTIMATED SPUD 10/29/2006 @ 10:00 HRS  
 MW FRESH WATER, VIS NA

LITHOLOGY: GREEN RIVER

<b>10-30-2006</b>	<b>Reported By</b>		DUANE C WINKLER								
<b>Daily Costs: Drilling</b>	\$35,939	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,939						
<b>Cum Costs: Drilling</b>	\$403,274	<b>Completion</b>	\$0	<b>Well Total</b>	\$403,274						
<b>MD</b>	4,562	<b>TVD</b>	4,562	<b>Progress</b>	2,154	<b>Days</b>	1	<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: DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	PICK UP BHA/DP. TAG TOP OF FLOAT COLLAR @ 2333'.
07:00	08:00	1.0	RIG DOWN PICK UP COMPANY EQUIPMENT.
08:00	09:00	1.0	DRILLED FLOAT COLLAR @ 2333' AND CEMENT.
09:00	10:30	1.5	RIG REPAIR, REPLACE PACKING ON SWIVEL.
10:30	11:00	0.5	SERVICE RIG. BOP DRILL 72 SECONDS.
11:00	13:00	2.0	DRILLED CEMENT/FLOAT SHOE @ 2379'. CMT IN EXISTING OPEN HOLE FROM 2379' TO 2408'. DRILLED NEW HOLE FROM 2408' TO 2430', MW 8.6, VIS 32.
13:00	14:00	1.0	FIT TEST: PRESSUE TO 430 PSIG, EQUIVELENT TO 11.7 MW.
14:00	20:00	6.0	DRILLED 2430' TO 3562', 1132', GREEN RIVER FORMATION, ROP 188', RPM 40/50, WOB 20/22K, MW 9.3, VIS 32, NO LOSS/GAIN, 1330/1154/176 PSIG.
20:00	20:30	0.5	SURVEY @ 3482', 1.75 DEGREE.
20:30	05:00	8.5	DRILLED 3562' TO 4530', 968', GREEN RIVER/WASATCH FORMATIONS, ROP 114', RPM 40/50, WOB 20/22K, MW 9.7, VIS 32, NO LOSS/GAIN, 1838/1513/325 PSIG.
05:00	05:30	0.5	SURVEY @ 4449', 2 DEGREE.
05:30	06:00	0.5	DRILLED 4530' TO 4562', 32', WASATCH FORMATION, ROP 64', RPM 40/50, WOB 20/22K, MW 9.7, VIS 33, NO LOSS/GAIN, 1896/1685/211.

NO ACCIDENTS/INCIDENTS  
 RIG REPAIRS: WORK ON SWIVEL  
 FULL CREWS  
 SAFETY MEETING: PACKING SWIVEL/GREASE BLOCKS  
 FUEL ON HAND 5610 GALS, USED 1134 GALS

LITHOLOGY: WASATCH: SH 55%, LS 25%, SS 20%  
 BG GAS: 800/1500U, CONN GAS: 1200/2500U, HIGH GAS 6019U @ 2622'  
 FORMATION TOPS:  
 GREEN RIVER 1418'  
 WASATCH 4322'

06:00 18.0 SPUD 7 7/8" HOLE AT 14:00 HRS, 10/29/06

<b>10-31-2006</b>	<b>Reported By</b>		DUANE C WINKLER								
<b>Daily Costs: Drilling</b>	\$132,033	<b>Completion</b>	\$0	<b>Daily Total</b>	\$132,033						
<b>Cum Costs: Drilling</b>	\$535,307	<b>Completion</b>	\$0	<b>Well Total</b>	\$535,307						
<b>MD</b>	5,745	<b>TVD</b>	5,745	<b>Progress</b>	819	<b>Days</b>	2	<b>MW</b>	10.0	<b>Visc</b>	32.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILLED 4562' TO 4656', 94', WASATCH FORMATION, ROP 94', RPM 40/50, WOB 20/22K, MW 9.8, VIS 32, NO LOSS/GAIN, 1838/1513/325 PSIG.
07:00	07:30	0.5	SERVICE RIG.
07:30	12:00	4.5	DRILLED 4656' TO 4926', 270', WASATCH/CHAPITA WELLS FORMATION, ROP 60', RPM 40/50, WOB 20/22K, MW 10.1, VIS 32, NO LOSS/GAIN, 1938/1613/325 PSIG.
12:00	12:30	0.5	CIRCULATE/CONDITON HOLE, MW 10.1, VIS 32. PUMP PILL.
12:30	19:00	6.5	TRIP OUT OF HOLE. LAY DOWN REAMERS, MUD MOTOR AND CHANGE OUT BIT. TIH TO 4860'.
19:00	19:30	0.5	REAM HOLE FROM 4860' TO 4926', 66', MW 10.1, VIS 35.
19:30	06:00	10.5	DRILLED 4926' TO 5745', 819', CHAPITA WELLS/BUCK CANYON FORMATION, ROP 78', RPM 40/50, WOB 20/22K, MW 10.4 VIS 35, NO LOSS/GAIN, 1890/1674/216.

NO ACCIDENTS/INCIDENTS  
 NO RIG REPAIRS  
 FULL CREWS  
 SAFETY MEETING: BOP DRILLS/TRIPPING  
 FUEL ON HAND 4563 GALS, USED 1047 GALS

LITHOLOGY: BUCK CANYON SH 30%, RSH 20%, SS 50%  
 BG GAS 100/300U, CONN GAS 500/800U, HIGH GAS 2160U @ 4926'  
 FORMATION TOPS  
 GREEN RIVER 1418'  
 WASATCH 4322'  
 CHAPITA WELLS 4848'  
 BUCK CANYON 5493'

<b>11-01-2006</b>	<b>Reported By</b>	DUANE C WINKLER									
<b>Daily Costs: Drilling</b>	\$44,022	<b>Completion</b>	\$1,575	<b>Daily Total</b>	\$45,597						
<b>Cum Costs: Drilling</b>	\$571,616	<b>Completion</b>	\$1,575	<b>Well Total</b>	\$573,191						
<b>MD</b>	6.814	<b>TVD</b>	6.814	<b>Progress</b>	1,069	<b>Days</b>	3	<b>MW</b>	10.1	<b>Visc</b>	31.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: PREPARE TO TRIP FOR BIT**

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILLED 5745' TO 5805', 60', BUCK CANYON FORMATION, ROP 60', RPM 40/50, WOB 20/22K, MW 10.3, VIS 34, NO LOSS/GAIN, 1938/1613/325 PSIG.
07:00	07:30	0.5	RIG REPAIR, WORK ON FLUID END OF NUMBER ONE PUMP.
07:30	09:00	1.5	DRILLED 5805' TO 5896', 91', BUCK CANYON FORMATION, ROP 60', RPM 40/50, WOB 20/24K, MW 10.4, VIS 34, NO LOSS/GAIN, 2033/1819/214 PSIG.
09:00	09:30	0.5	SERVICE RIG.
09:30	10:30	1.0	RIG REPAIR, WORK ON FLUID END OF NUMBER ONE PUMP, WELD MODULE.
10:30	03:00	16.5	DRILLED 5896' TO 6774', 878', BUCK CANYON, NORTH HORN, KMV PRICE RIVER FORMATIONS, ROP 53', RPM 40/50, WOB 20/24K, MW 11, VIS 34, NO LOSS/GAIN, 2133/1958/175 PSIG.
03:00	05:00	2.0	DRILLED 6774' TO 6814', 40', KMV PRICE RIVER FORMATION, ROP 20', RPM 40/50, WOB 22/26K, MW 11.1, VIS 34, NO LOSS/GAIN, 2188/2079/109 PSIG.
05:00	06:00	1.0	PUMP SWEEP. CIRCULATE SWEEP. PREPARE TO TRIP FOR BIT. MW 11.1, VIS 35, NO LOSS/GAIN.

NO ACCIDENTS / INCIDENTS  
 RIG REPAIRS: REPAIR PUMP # 1  
 FULL CREWS  
 SAFETY MEETING: WELD ON RIG/CHAIN AND CABLE INSPECTION  
 FUEL ON HAND 3291 GALS, USED 1272 GALS

LITHOLOGY: KMV PRICE RIVER: SH 25%, RSH 10%, SS 55%, SLTSTN 10%  
 BG GAS 300/700U, CONN GAS 600/1100U, HIGH GAS 8383U @ 6173'  
 FORMATION TOPS  
 GREEN RIVER 1418'  
 WASATCH 4322'  
 CHAPITA WELLS 4848'  
 BUCK CANYON 5493'  
 NORTH HORN 6054'  
 KMV PRICE RIVER 6238'

<b>11-02-2006</b>	<b>Reported By</b>	DUANE C WINKLER									
<b>Daily Costs: Drilling</b>	\$50,227	<b>Completion</b>	\$1,575	<b>Daily Total</b>	\$51,802						
<b>Cum Costs: Drilling</b>	\$621,843	<b>Completion</b>	\$3,150	<b>Well Total</b>	\$624,993						
<b>MD</b>	7,518	<b>TVD</b>	7,518	<b>Progress</b>	656	<b>Days</b>	4	<b>MW</b>	11.2	<b>Visc</b>	34.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

**Activity at Report Time: RIG REPAIR**

Start	End	Hrs	Activity Description
06:00	09:30	3.5	MW 11.1, VIS 35. TRIP OUT OF HOLE. WORK TIGHT SPOT AT 3042', NO LOSS/GAINS. BIT AND MUD MOTOR BALLED UP. FUNCTION TEST BOP, CROWN-O-MATIC. SURVEY @ 6740, 2.25 DEGREE.
09:30	13:00	3.5	TRIP IN HOLE TO 6790', NO LOSS/GAIN, MW 11.21, VIS 34.
13:00	14:00	1.0	WASH/REAM FROM 6790' TO 6814', 24', MW 11.1, VIS 34.
14:00	15:00	1.0	DRILLED 6814' TO 6862', 48', KMV PRICE RIVER FORMATION, ROP 48', RPM 40/50, WOB 20/24K, MW 11.1 VIS 34, NO LOSS/GAIN, 2033/1819/214 PSIG.
15:00	15:30	0.5	SERVICE RIG.
15:30	03:00	11.5	DRILLED 6862' TO 7518', 656', KMV PRICE RIVER FORMATION, ROP 57', RPM 40/50, WOB 20/24K, MW 11.2, VIS 34, NO LOSS/GAIN, 2241/2053/188 PSIG.
03:00	06:00	3.0	RIG REPAIR, BREAK BAND BROKE (SHUT DOWN OPERATIONS). CIRCULATING AND ROTATING BIT. MW 11.2, VIS 35, NO LOSS/GAIN.

NO ACCIDENTS / INCIDENTS  
 RIG REPAIRS: ESTIMATED NEW BREAK BAND INSTALLED LATE AFTERNOON  
 FULL CREWS  
 SAFETY MEETING: TRIP DRILL PIPE/FALL PROTECTION  
 FUEL ON HAND 2094 GALS, USED 1197 GALS

LITHOLOGY: KMV PRICE RIVER MIDDLE: SH 15%, CSH 15%, SS 50%, SLTSTN 20%  
 BG GAS: 800/1200U, CONN GAS 1600/2100U, HIGH GAS 8660U @ 7267'  
 FORMATION TOPS  
 GREEN RIVER 1418'  
 WASATCH 4322'  
 CHAPITA WELLS 4848'

BUCK CANYON 5493'  
 NORTH HORN 6054'  
 KMV PRICE RIVER 6238'  
 KMV PRICE RIVER MIDDLE 7213'

**11-03-2006**      **Reported By**      DUANE C WINKLER

<b>Daily Costs: Drilling</b>	\$47,457	<b>Completion</b>	\$3,045	<b>Daily Total</b>	\$50,502						
<b>Cum Costs: Drilling</b>	\$669,300	<b>Completion</b>	\$6,195	<b>Well Total</b>	\$675,495						
<b>MD</b>	8,140	<b>TVD</b>	8,140	<b>Progress</b>	622	<b>Days</b>	5	<b>MW</b>	11.2	<b>Visc</b>	34.0

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

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	16:30	10.5	RIG REPAIR, REPLACE BROKEN BREAK BAND ON DRILLER SIDE. ADJUST ROLLER FOR MAXIMUM OPERATING.
16:30	21:30	5.0	DRILLED 7518' TO 7760', 242', KMV PRICE RIVER FORMATION, ROP 48', RPM 40/50, WOB 20/24K, MW 11.4 VIS 34, NO LOSS/GAIN, 2133/1919/214 PSIG.
21:30	22:00	0.5	SERVICE RIG.
22:00	06:00	8.0	DRILLED 7760' TO 8140', 380', KMV PRICE RIVER MIDDLE/KMV PRICE RIVER LOWER FORMATIONS, ROP 48', RPM 40/50, WOB 20/22K, MW 11.6 VIS 35, NO LOSS/GAIN, 2310/2058/252.

NO ACCIDENTS / INCIDENCE  
 RIG REPAIRS: REPLACE BROKEN BREAK BAND ON DRILL SIDE  
 FULL CREWS  
 SAFETY MEETING: CHANGE BREAK BAND/WORKING ON ACCUMULATOR  
 FUEL ON HAND 5535 GALS, USED 1059 GALS

LITHOLOGY: KMV PRICE RIVER LOWER: SH 15%, CSH 15%, SS 50%, SLTSTN 20%  
 BG GAS 2100/2900U, CONN GAS 3000/4100U, HIGH GAS 8429U @ 7549'  
 FORMATION TOPS  
 GREEN RIVER 1418'  
 WASATCH 4322'  
 CHAPITA WELLS 4848'  
 BUCK CANYON 5493'  
 NORTH HORN 6054'  
 KMV PRICE RIVER 6238'  
 KMV PRICE RIVER MIDDLE 7213'  
 KMV PRICE RIVER LOWER 7918'

**11-04-2006**      **Reported By**      DUANE C WINKLER

<b>Daily Costs: Drilling</b>	\$49,134	<b>Completion</b>	\$0	<b>Daily Total</b>	\$49,134						
<b>Cum Costs: Drilling</b>	\$718,435	<b>Completion</b>	\$6,195	<b>Well Total</b>	\$724,630						
<b>MD</b>	8,539	<b>TVD</b>	8,539	<b>Progress</b>	242	<b>Days</b>	6	<b>MW</b>	11.8	<b>Visc</b>	36.0

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

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILLED 8140' TO 8256', 116', KMV PRICE RIVER LOWER FORMATION, ROP 33', RPM 40/50, WOB 20/24K, MW 11.6 VIS 34, NO LOSS/GAIN, 2233/2087/146 PSIG.

09:30 10:00 0.5 SERVICE RIG.  
 10:00 10:30 0.5 WORK ON PASON EQUIPMENT.  
 10:30 12:30 2.0 DRILLED 8256' TO 8297', 41', KMV PRICE RIVER LOWER FORMATION, ROP 20', RPM 40/50, WOB 20/24K, MW 11.7 VIS 34, NO LOSS/GAIN, 2278/2187/91 PSIG.  
 12:30 20:30 8.0 CIRCULATE, PUMP PILL. TRIP FOR BIT, CHANGE OUT BIT. TRIP IN HOLE.  
 20:30 21:00 0.5 WASH/REAM FROM 8256' TO 8297', 41', MW 11.7, VIS 34.  
 21:00 06:00 9.0 DRILLED 8297' TO 8539', 242', KMV PRICE RIVER LOWER, SEGO FORMATIONS, ROP 26', RPM 40/50, WOB 20/22K, MW 11.8 VIS 35, NO LOSS/GAIN, 2310/2058/252.

NO ACCIDENTS/INCIDENTS  
 NO RIG REPAIRS  
 FULL CREWS  
 SAFETY MEETING: TRIP WITH DRILL PIPE/CLEAN WORK AREA  
 FUEL ON HAND 4198 GALS, USED 1346 GALS

LITHOLOGY: SEGO: SH 20%, CSH 5%, SS 55%, SLTSTN 20%  
 BG GAS 2100/2900U, CONN GAS 3000/4100U, HIGH GAS 7533U @ 8125'  
 FORMATION TOPS  
 GREEN RIVER 1418'  
 WASATCH 4322'  
 CHAPITA WELLS 4848'  
 BUCK CANYON 5493'  
 NORTH HORN 6054'  
 KMV PRICE RIVER 6238'  
 KMV PRICE RIVER MIDDLE 7213'  
 KMV PRICE RIVER LOWER 7918'  
 SEGO 8434'

<b>11-05-2006</b>	<b>Reported By</b>	DUANE C WINKLER									
<b>Daily Costs: Drilling</b>	\$39,408	<b>Completion</b>	\$117,695	<b>Daily Total</b>	\$157,103						
<b>Cum Costs: Drilling</b>	\$757,844	<b>Completion</b>	\$123,890	<b>Well Total</b>	\$881,734						
<b>MD</b>	8,610	<b>TVD</b>	8,610	<b>Progress</b>	71	<b>Days</b>	7	<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 UP EQUIPMENT TO CEMENT**

Start	End	Hrs	Activity Description
06:00	09:00	3.0	DRILLED 8539' TO 8610', 71', SEGO FORMATION, ROP 24', RPM 40/50, WOB 20/24K, MW 11.9 VIS 34, NO LOSS/GAIN, 2298/2187/111 PSIG.
09:00	09:30	0.5	CIRCULATE/CONDITION MUD.
09:30	10:00	0.5	SHORT TRIP: PULLED BIT TO 8250', NO FLOW, NO LOSS/GAIN, MW 11.9, VIS 34. TRIP BIT BACK TO TD 8610' (11/4/2006 @ 10:00 TD WELL @ 8610').
10:00	20:00	10.0	LAY DOWN DRILL PIPE. BHA & TOOLS. PULL WEAR BUSHING, NO LOSS/GAINS, MW 12, VIS 36. SURVEY @ 8610', 3 DEGREE.
20:00	21:00	1.0	CIRCULATE HOLE WHILE RIG UP CASING CREW EQUIPMENT. PRE-JOB SAFETY MEETING. START RUN CASING.

21:00 03:00 6.0 RAN 214 JTS (212 FULL JTS + 2 MARKER JTS) OF 4 1/2", 11.6#, LTC, HC P-110 CASING. SHOE SET @ 8,610' KB. RAN AS FOLLOWS: FS, 1 JT CASING, FC @ 8,565', 57 JTS CASING, MARKER JT @ 6,260', 58 JTS CASING, MARKER JT @ 3903', 96 JTS CASING. TOP OF SEGO @ 8,434'. CENTRALIZERS PLACED @ MIDDLE OF SHOE JT, TOP OF JT #2 AND EVERY OTHER JT AFTER FOR A TOTAL OF 30.

03:00 03:30 0.5 PICK UP AND MAKE UP FMC DTO MANDREL HANGER. POSITION HANGER FOR CIRCULATING AND CEMENTING.

03:30 06:00 2.5 CIRCULATING. SET UP SCHLUMBERGER CEMENT EQUIPMENT. SAFETY MEETING.

11-06-2006 Reported By DUANE C WINKLER

<b>Daily Costs: Drilling</b>	\$42,134	<b>Completion</b>	\$48,300	<b>Daily Total</b>	\$90,434
<b>Cum Costs: Drilling</b>	\$799,978	<b>Completion</b>	\$172,190	<b>Well Total</b>	\$972,168
<b>MD</b>	8,610	<b>TVD</b>	8,610	<b>Progress</b>	0
		<b>Days</b>	8	<b>MW</b>	0.0
<b>Formation :</b>		<b>PBTD :</b>	0.0	<b>Perf :</b>	
				<b>PKR Depth :</b>	0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	08:30	2.5	PRESSURE TEST SURFACE LINES TO 4,500 PSI/10 MIN. CEMENT AS FOLLOWS: PUMPED 20 BBLS WATER, 20 BBLS CW100. LEAD CEMENT 132 BBLS (425 SX) OF 35/65 CMT, 1.75 CUFT/SX YIELD PLUS ADDS, SLURRY WT 13.0 PPG. TAIL CEMENT 324 BBLS (1410 SX) OF 50/50 POZ CMT, 1.29 CUFT/SX YIELD PLUS ADDS, SLURRY WT 14.1 PPG. DISPLACE W/132 BBLS WITH 2 GAL/1000 LO64, FRESH WATER. BUMPED PULG W/3283 PSI, (1000 PSI OVER FCP). BLEED OFF. FLOATS HELD. LAND CASING WITH MANDREL HANGER (42K) TEST SEAL TO 5000 PSI/15 MIN. CASING TALLY TD 8620'.
08:30	09:00	0.5	RIG DOWN SCHLUMBERGER EQUIPMENT.
09:00	11:00	2.0	CLEAN MUD PITS AND RIG DOWN.

NO ACCIDENTS  
 FULL CREWS  
 NO RIG REPAIRS  
 SAFETY MEETINGS HELD WITH THIRD PARTY CONTRACTORS

TRANSFERRED FROM CWU 1070-34 TO CWU 915-34:  
 3291 GALS DIESEL  
 6 JTS OF 4.5", N-80 CASING (239.82')  
 1 - 4.5", HC P-110 MARKER JT

RIG MOVE ±1.5 MILES TO THE CWU 915-34  
 11/6/2006 07:00 HRS TRUCKS ARE SCHEDULE TO MOVE RIG

CWU 1070-34 FORMATION TOPS  
 GREEN RIVER 1418'  
 WASATCH 4322'  
 CHAPITA WELLS 4848'  
 BUCK CANYON 5493'  
 NORTH HORN 6054'  
 KMV PRICE RIVER 6238'  
 KMV PRICE RIVER MIDDLE 7213'  
 KMV PRICE RIVER LOWER 7918'

SEGO 8434'

TD 8610'

11:00 13.0 RIG RELEASED AT 11:00 HRS, 11/5/2006.  
CASING POINT COST \$772,951

11-09-2006 Reported By SEARLE

Daily Costs: Drilling \$0 Completion \$43,700 Daily Total \$43,700  
Cum Costs: Drilling \$799,978 Completion \$215,890 Well Total \$1,015,868

MD 8.610 TVD 8.610 Progress 0 Days 9 MW 0.0 Visc 0.0  
Formation : PBTB : 8565.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	11/8/2006: RU SCHLUMBERGER. RAN RST/CBL/VDL/GR/CCL FROM PBTB TO SURFACE. TOC @ 475'. RD SCHLUMBERGER. WO COMPLETION.

11-11-2006 Reported By MCCURDY

Daily Costs: Drilling \$0 Completion \$2,070 Daily Total \$2,070  
Cum Costs: Drilling \$799,978 Completion \$217,960 Well Total \$1,017,938

MD 8.610 TVD 8.610 Progress 0 Days 10 MW 0.0 Visc 0.0  
Formation : MESAVERDE PBTB : 8565.0 Perf : PKR Depth : 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
16:00	17:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

11-14-2006 Reported By HISLOP

Daily Costs: Drilling \$0 Completion \$13,110 Daily Total \$13,110  
Cum Costs: Drilling \$799,978 Completion \$231,070 Well Total \$1,031,048

MD 8.610 TVD 8.610 Progress 0 Days 10 MW 0.0 Visc 0.0  
Formation : MEASEVERDE PBTB : 8565.0 Perf : 7091' - 8231 PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RU CUTTERS WIRELINE. PERFORATED LPR FROM 7971'-72', 7984'-85', 7992'-93', 7999'-8000', 8016'-17', 8023'-24', 8060'-61', 8087'-88', 8108'-10', 8124'-25', 8194'-95' & 8230'-31' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4944 GAL YF125ST+ PAD, 44835 GAL YF125ST+ & YF118ST+ WITH 168103# 20/40 SAND @ 1-6 PPG. MTP 5877 PSIG. MTR 50.2 BPM. ATP 4499 PSIG. ATR 48.9 BPM. ISIP 2960 PSIG. RD SCHLUMBERGER.

RUWL. SET WEATHERFORD 10K CFP @ 7935'. PERFORATED MPR FROM 7692'-93', 7730'-32', 7754'-55', 7805'-06', 7821'-22', 7847'-48', 7864'-65', 7877'-79' & 7900'-02' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4944 GAL YF125ST+ PAD, 33407 GAL YF125ST+ & YF118ST+ WITH 107800# 20/40 SAND @ 1-5 PPG. MTP 8031 PSIG. MTR 50.1 BPM. ATP 5746 PSIG. ATR 46.6 BPM. ISIP 2850 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7668'. PERFORATED MPR FROM 7535'-36', 7548'-49', 7556'-57', 7583'-84', 7593'-94', 7600'-01', 7614'-16', 7637'-39' & 7650'-52' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4972 GAL YF125ST+ PAD, 44131 GAL YF125ST+ & YF118ST+ WITH 155015# 20/40 SAND @ 1-5 PPG. MTP 8646 PSIG. MTR 50.2 BPM. ATP 5352 PSIG. ATR 48.3 BPM. ISIP 3340 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7668'. PERFORATED MPR FROM 7381'-82', 7414'-15', 7428'-29', 7435'-37', 7444'-45', 7457'-58', 7462'-63', 7470'-72', 7477'-78', 7482'-83' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4943 GAL YF123ST+ PAD, 45097 GAL YF123ST+ & YF118ST+ WITH 169007# 20/40 SAND @ 1-6 PPG. MTP 5581 PSIG. MTR 50.2 BPM. ATP 4505 PSIG. ATR 48.8 BPM. ISIP 2650 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7330'. PERFORATED MPR FROM 7091'-92', 7102'-03', 7142'-43', 7151'-52', 7169'-70', 7224'-26', 7251'-53', 7263'-64', 7274'-75' & 7297'-99' @ 2 SPF & 180° PHASING. RDWL. SDFN.

<b>11-15-2006</b>		<b>Reported By</b>		<b>HISLOP</b>							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$367,154	<b>Daily Total</b>	\$367,154						
<b>Cum Costs: Drilling</b>	\$799,978	<b>Completion</b>	\$778,130	<b>Well Total</b>	\$1,578,108						
<b>MD</b>	8,610	<b>TVD</b>	8,610	<b>Progress</b>	0	<b>Days</b>	11	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MEASEVERDE</b>		<b>PBTD : 8565.0</b>		<b>Perf : 6248' - 8231</b>			<b>PKR Depth : 0.0</b>				

Activity at Report Time: PREP TO MIRUSU

Start	End	Hrs	Activity Description
06:00	16:00	10.0	SICP 1460 PSIG. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4948 GAL YF123ST+ PAD, 57869 GAL YF123ST+ & YF118ST+ WITH 238000# 20/40 SAND @ 1-6 PPG. MTP 6203 PSIG. MTR 50.1 BPM. ATP 4319 PSIG. ATR 49.9 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 6980'. PERFORATED UPR FROM 6672'-73', 6684'-85', 6728'-29', 6747'-48', 6758'-59', 6778'-79', 6784'-85', 6829'-30', 6853'-54', 6869'-70', 6910'-11', 6922'-24' & 6928'-29' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4954 GAL YF123ST+ PAD, 47536 GAL YF123ST+ & YF118ST+ WITH 169001# 20/40 SAND @ 1-5 PPG. MTP 4881 PSIG. MTR 49.5 BPM. ATP 3772 PSIG. ATR 49.1 BPM. ISIP 2280 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 6540'. PERFORATED UPR FROM 6401'-02', 6410'-11', 6416'-17', 6420'-21', 6440'-41', 6450'-51', 6458'-59', 6467'-68', 6495'-96', 6500'-02', 6514'-15' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4952 GAL YF123ST+ PAD, 36816 GAL YF123ST+ & YF118ST+ WITH 131104# 20/40 SAND @ 1-6 PPG. MTP 4355 PSIG. MTR 50.2 BPM. ATP 3343 PSIG. ATR 49.5 BPM. ISIP 1765 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 6375'. PERFORATED UPR FROM 6248'-49', 6257'-59', 6271'-72', 6285'-87', 6298'-6300', 6309'-10', 6331'-32', 6336'-37', 6342'-43', 6347'-48' & 6351'-52' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4943 GAL YF123ST+ PAD, 42320 GAL YF123ST+ & YF118ST+ WITH 152022# 20/40 SAND @ 1-6 PPG. MTP 4164 PSIG. MTR 50.2 BPM. ATP 3359 PSIG. ATR 49.6 BPM. ISIP 1840 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 6220'. BLEED OFF PRESSURE. RDWL. SDFN.

<b>11-17-2006</b>		<b>Reported By</b>		<b>BAUSCH</b>							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$49,177	<b>Daily Total</b>	\$49,177						
<b>Cum Costs: Drilling</b>	\$799,978	<b>Completion</b>	\$827,307	<b>Well Total</b>	\$1,627,285						
<b>MD</b>	8,610	<b>TVD</b>	8,610	<b>Progress</b>	0	<b>Days</b>	12	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MEASEVERDE</b>		<b>PBTD : 8565.0</b>		<b>Perf : 6248' - 8231</b>			<b>PKR Depth : 0.0</b>				

Activity at Report Time: RIH W/BIT & PUMP OFF BIT SUB

Start	End	Hrs	Activity Description
13:30	17:30	4.0	MIRUSU. ND FRAC TREE. NU BOPE. RIH W/3-7/8 BIT & PUMP OFF BIT SUB TO 2300'. SDFN.

<b>11-18-2006</b>		<b>Reported By</b>		<b>BAUSCH</b>					
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$79,838	<b>Daily Total</b>	\$79,838				

**Cum Costs: Drilling** \$799,978                      **Completion** \$907,145                      **Well Total** \$1,707,123  
**MD** 8.610    **TVD** 8.610    **Progress** 0    **Days** 13    **MW** 0.0    **Visc** 0.0  
**Formation : MEASEVERDE**                      **PBTD : 8565.0**                      **Perf : 6248' - 8231**                      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
07:00	06:00	23.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6220', 6375', 6540', 6990', 7330', 7508', 7668' & 7935'. RIH. CLEANED OUT TO PBTD @ 8360'. LANDED TBG AT 6225' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 12 HRS. 16/64" CHOKE. FTP 1250 PSIG. CP 1900 PSIG. 43 BFPH. RECOVERED 501 BLW. 9178 BLWTR.

**TUBING DETAIL    LENGTH**

PUMP OFF SUB    1.00'  
 1 JT 2-3/8" 4.7# N-80 TBG    31.79'  
 XN NIPPLE    1.10'  
 193 JTS 2-3/8" 4.7# N-80 TBG    6178.14'  
 BELOW KB    13.00'  
 LANDED @    6225.03' KB

**11-19-2006            Reported By            BAUSCH**

**Daily Costs: Drilling** \$0                      **Completion** \$3,315                      **Daily Total** \$3,315  
**Cum Costs: Drilling** \$799,978                      **Completion** \$910,460                      **Well Total** \$1,710,438  
**MD** 8.610    **TVD** 8.610    **Progress** 0    **Days** 14    **MW** 0.0    **Visc** 0.0  
**Formation : MEASEVERDE**                      **PBTD : 8565.0**                      **Perf : 6248' - 8231**                      **PKR Depth : 0.0**

**Activity at Report Time: FLOW TEST**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1500 PSIG. CP 2800 PSIG. 34 BFPH. RECOVERED 862 BLW. 8926 BLWTR.

**11-20-2006            Reported By            BAUSCH**

**Daily Costs: Drilling** \$0                      **Completion** \$3,315                      **Daily Total** \$3,315  
**Cum Costs: Drilling** \$799,978                      **Completion** \$913,775                      **Well Total** \$1,713,753  
**MD** 8.610    **TVD** 8.610    **Progress** 0    **Days** 15    **MW** 0.0    **Visc** 0.0  
**Formation : MEASEVERDE**                      **PBTD : 8565.0**                      **Perf : 6248' - 8231**                      **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. 16/64" CHOKE. FTP 1600 PSIG. CP 2750 PSIG. 22 BFPH. RECOVERED 623 BLW. 8303 BLWTR. SI. WO FACILITIES.

FINAL COMPLETION DATE: 11/19/06

**11-21-2006            Reported By            BAUSCH**

**Daily Costs: Drilling** \$0                      **Completion** \$13,090                      **Daily Total** \$13,090  
**Cum Costs: Drilling** \$799,978                      **Completion** \$926,865                      **Well Total** \$1,726,843  
**MD** 8.610    **TVD** 8.610    **Progress** 0    **Days** 16    **MW** 0.0    **Visc** 0.0  
**Formation : MEASEVERDE**                      **PBTD : 8565.0**                      **Perf : 6248' - 8231**                      **PKR Depth : 0.0**

**Activity at Report Time: COST UPDATE**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	COST UPDATE.

11-22-2006	Reported By	BAUSCH
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<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$15,092	<b>Daily Total</b>	\$15,092
<b>Cum Costs: Drilling</b>	\$799,978	<b>Completion</b>	\$941,957	<b>Well Total</b>	\$1,741,935

<b>MD</b>	8,610	<b>TVD</b>	8,610	<b>Progress</b>	0	<b>Days</b>	17	<b>MW</b>	0.0	<b>Visc</b>	0.0
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<b>Formation : MEASEVERDE</b>	<b>PBTD : 8565.0</b>	<b>Perf : 6248'- 8231</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time: COST UPDATE**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	COST UPDATE

11-28-2006	Reported By	BAUSCH
------------	-------------	--------

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$1,304	<b>Daily Total</b>	\$1,304
<b>Cum Costs: Drilling</b>	\$799,978	<b>Completion</b>	\$943,261	<b>Well Total</b>	\$1,743,239

<b>MD</b>	8,610	<b>TVD</b>	8,610	<b>Progress</b>	0	<b>Days</b>	18	<b>MW</b>	0.0	<b>Visc</b>	0.0
-----------	-------	------------	-------	-----------------	---	-------------	----	-----------	-----	-------------	-----

<b>Formation : MEASEVERDE</b>	<b>PBTD : 8565.0</b>	<b>Perf : 6248'- 8231</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time: COST OVER RIDE**

Start	End	Hrs	Activity Description
06:00		18.0	COST OVER RIDE

12-13-2006	Reported By	DIANE COOK
------------	-------------	------------

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
<b>Cum Costs: Drilling</b>	\$799,978	<b>Completion</b>	\$943,261	<b>Well Total</b>	\$1,743,239

<b>MD</b>	8,610	<b>TVD</b>	8,610	<b>Progress</b>	0	<b>Days</b>	19	<b>MW</b>	0.0	<b>Visc</b>	0.0
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<b>Formation : MEASEVERDE</b>	<b>PBTD : 8565.0</b>	<b>Perf : 6248'- 8231</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time: INITIAL PRODUCTION**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: SITP 1600 PSIG & SICP 2650 PSIG. TURNED WELL OVER TO QUESTAR SALES AT 11:45 HRS, 12/12/06. FLOWED 300 MCFD RATE ON 12/64" POSITIVE CHOKE.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. **U-37943**

6. If Indian, Allottee or Tribe Name

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

8. Lease Name and Well No. **Chapita Wells Unit 1070-34**

9. AFI Well No. **43-047-36929**

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

11. Sec., T., R., M., on Block and Survey or Area **Sec. 34-T9S-R23E**

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

17. Elevations (DF, RKB, RT, GL)\* **5291' NAT GL**

10. Location of Well (Report location clearly and in accordance with Federal requirements)\*  
At surface **1905' FNL & 733' FWL (SW/NW) 39.994461 LAT 109.319886 LON**  
At top prod. interval reported below **Same**  
At total depth **Same**

14. Date Spudded **08/21/2006** 15. Date T.D. Reached **11/04/2006** 16. Date Completed **12/12/2006**  
 D & A  Ready to Prod.

18. Total Depth: MD **8610** 19. Plug Back T.D.: MD **8565** 20. Depth Bridge Plug Set: MD  
TVD TVD 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	0-2379		750 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-8610		1835 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"	6225							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	6248	8231	7971-8231		3/spf	
B)			7692-7902		3/spf	
C)			7535-7652		3/spf	
D)			7381-7483		3/spf	

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

Depth Interval	Amount and Type of Material
7971-8231	49,944 GALS GELLED WATER & 168,103# 20/40 SAND
7692-7902	38,516 GALS GELLED WATER & 107,800# 20/40 SAND
7535-7652	49,268 GALS GELLED WATER & 155,015# 20/40 SAND
7381-7483	50,205 GALS GELLED WATER & 169,007# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
12/12/2006	12/19/2006	24	→	31	776	306			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	Production Method
12/64"	SI 2000	2425	→						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	Production Method
	SI		→						

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

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DEC 27 2006

DEC 27 2006

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
<b>Mesaverde</b>	<b>6248</b>	<b>8231</b>		<b>Wasatch</b>	<b>4290</b>
				<b>Chapita Wells</b>	<b>4826</b>
				<b>Buck Canyon</b>	<b>5492</b>
				<b>North Horn</b>	<b>6017</b>
				<b>Upper Price River</b>	<b>6234</b>
				<b>Middle Price River</b>	<b>7086</b>
				<b>Lower Price River</b>	<b>7903</b>
			<b>Sego</b>	<b>8392</b>	

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

12/20/2006

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.

**Chapita Wells Unit 1070-34 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

7091-7299	2/spf
6672-6929	2/spf
6401-6515	3/spf
6248-6352	2/spf

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

7091-7299	62,982 GALS GELLED WATER & 238,000# 20/40 SAND
6672-6929	52,655 GALS GELLED WATER & 169,001# 20/40 SAND
6401-6515	41,933 GALS GELLED WATER & 131,104# 20/40 SAND
6248-6352	47,428 GALS GELLED WATER & 152,022# 20/40 SAND

Perforated the Lower Price River from 7971-7972', 7984-7985', 7992-7993', 7999-8000', 8016-8017', 8023-8024', 8060-8061', 8087-8088', 8108-8110', 8124-8125', 8194-8195' & 8230-8231' w/ 3 spf.

Perforated the Middle Price River from 7692-7693', 7730-7732', 7754-7755', 7805-7806', 7821-7822', 7847-7848', 7864-7865', 7877-7879' & 7900-7902' w/ 3 spf.

Perforated the Middle Price River from 7535-7536', 7548-7549', 7556-7557', 7583-7584', 7593-7594', 7600-7601', 7614-7616', 7637-7639' & 7650-7652' w/ 3 spf.

Perforated the Middle Price River from 7381-7382', 7414-7415', 7428-7429', 7435-7437', 7444-7445', 7457-7458', 7462-7463', 7470-7472', 7477-7478' & 7482-7483' w/ 3 spf.

Perforated the Middle Price River from 7091-7092', 7102-7103', 7142-7143', 7151-7152', 7169-7170', 7224-7226', 7251-7253', 7263-7264', 7274-7275' & 7297-7299' w/ 2 spf.

Perforated the Upper Price River from 6672-6673', 6684-6685', 6728-6729', 6747-6748', 6758-6759', 6778-6779', 6784-6785', 6829-6830', 6853-6854', 6869-6870', 6910-6911', 6922-6924' & 6928-6929' w/ 2 spf.

Perforated the Upper Price River from 6401-6402', 6410-6411', 6416-6417', 6420-6421', 6440-6441', 6450-6451', 6458-6459', 6467-6468', 6495-6496', 6500-6502' & 6514-6515' w/ 3 spf.

Perforated the Upper Price River from 6248-6249', 6257-6259', 6271-6272', 6285-6287', 6298-6300', 6309-6310', 6331-6332', 6336-6337', 6342-6343', 6347-6348' & 6351-6352' w/ 2 spf.

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

5. Lease Serial No.  
UTU37943

6. If Indian, Allottee or Tribe Name

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

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

1. Type of Well  
 Oil Well  Gas Well  Other

8. Well Name and No.  
CHAPITA WELLS UNIT 1070-34

2. Name of Operator  
EOG RESOURCES INC

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

9. API Well No.  
43-047-36929

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

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

10. Field and Pool, or Exploratory  
NATURAL BUTTES/MESAVERDE

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
  
Sec 34 T9S R23E SWNW 1905FNL 733FWL  
39.99446 N Lat, 109.31989 W Lon

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

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

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

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

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

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

**Electronic Submission #58012 verified by the BLM Well Information System  
For EOG RESOURCES INC, sent to the Vernal**

Name (Printed/Typed) MARY A. MAESTAS

Title REGULATORY ASSISTANT

Signature *Mary A. Maestas* (Electronic Submission)

Date 01/14/2008

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

Approved By \_\_\_\_\_

Title

Date

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

Office

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

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

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**JAN 17 2008**

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



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155



IN REPLY REFER TO  
3180  
UT-922

January 24, 2008

EOG Resources, Inc.  
Attn: Debbie Spears  
600 Seventeenth Street, Suite 1000N  
Denver, Colorado 80202

Re: Initial Consolidated Mesaverde  
Formation PA "A-N,P,T,W"  
Chapita Wells Unit  
Uintah County, Utah

Gentlemen:

The initial Consolidated Mesaverde Formation PA "A-N,P,T,W" Chapita Wells Unit, CRS No. UTU63013AR, AFS No. 892000905AR, is hereby approved effective as of December 1, 2006, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Initial Mesaverde Formation Participating Area "A-N,P,T,W" results in an Initial Participating Area of 11,749.09 acres and is based upon the completion of the following wells capable of producing unitized substances in paying quantities:

*to 13650*

*from*

WELL NO.	API NO.	LOCATION	LEASE NO.
548-19	43-047-38012	NE $\frac{1}{4}$ SW $\frac{1}{4}$ , 19-9S-23E	UTU0337
1035-19	43-047-36978	SW $\frac{1}{4}$ NW $\frac{1}{4}$ , 19-9S-23E	UTU0337
1125-29	43-047-37273	NE $\frac{1}{4}$ NW $\frac{1}{4}$ , 29-9S-23E	UTU0337
915-34	43-047-35600	NE $\frac{1}{4}$ SE $\frac{1}{4}$ , 34-9S-23E	UTU37943
1109-34	43-047-37386	SW $\frac{1}{4}$ NE $\frac{1}{4}$ , 34-9S-23E	UTU37943
1070-34	43-047-36929	SW $\frac{1}{4}$ NW $\frac{1}{4}$ , 34-9S-23E	UTU37943

*15591*

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JAN 28 2008

DIV. OF OIL, GAS & MINING

Copies of the approved request are being distributed to the appropriate federal agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Initial Consolidated Mesaverde Formation PA "A-N,P,T,W", Chapita Wells Unit, and the effective date.

Sincerely,

*/s/ Becky J. Hammond*

Becky J. Hammond  
Chief, Branch of Fluid Minerals

**Enclosure**

**bcc: Division of Oil, Gas & Mining  
SITLA  
Chapita Wells Unit w/enclosure  
MMS - Data Management Division (Attn: Leona Reilly)  
Field Manager - Vernal w/enclosure  
Fluids - Judy  
Fluids - Mickey  
Agr. Sec. Chron.  
Reading File  
Central Files  
CSeare:cs: (01/24/08)Init Consol CWU "A-N,P,T,W"**

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

FORM 6

**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
43-047-35600	CHAPITA WELLS UNIT 915-34		NESE	34	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	15558	13650	8/1/04		12/1/04		
Comments: <u>MURD</u> — <u>2/15/08</u>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37386	CHAPITA WELLS UNIT 1109-34		SWNE	34	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	15667	13650	4/25/04		12/1/04		
Comments: <u>MURD</u> — <u>2/15/08</u>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36929	CHAPITA WELLS UNIT 1070-34		SWNW	34	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
D	15591	13650	8/21/04		12/1/04		
Comments: <u>MURD</u> — <u>2/15/08</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

Lead Regulatory Assistant

Title

2/7/2008

Date

(5/2000)

**RECEIVED**

FEB 15 2008

DIV. OF OIL, GAS & MINING