

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

November 7, 2005

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

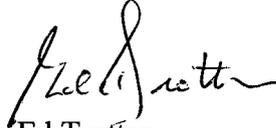
RE: APPLICATION FOR PERMIT TO DRILL  
CHAPITA WELLS UNIT 1053-1  
SW/NE, SEC. 1, T9S, R22E  
UINTAH COUNTY, UTAH  
LEASE NO.: U-01201  
FEDERAL LANDS

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  
NOV 09 2005  
DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

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

5. Lease Serial No.  
**U-01201**

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 1053-1**

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

9. API Well No.  
**43-047-37366**

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 **1894' FNL, 1940' FEL 637713X 40.066855 SW/NE**  
At proposed prod. Zone **4436217Y -109.385177**

11. Sec., T., R., M., or Blk. and Survey or Area  
**SEC. 1, T9S, R22E,  
S.L.B.&M.**

14. Distance in miles and direction from nearest town or post office\*  
**17.81 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. **1894'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**309**

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  
**9740'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4822.0 FEET GRADED GROUND**

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

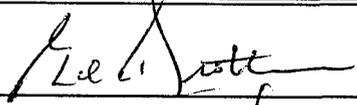
23. Estimated duration  
**45 DAYS**

24. Attachments

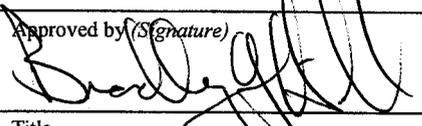
Attachments

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 **November 7, 2005**

Title **Agent**

Approved by (Signature)  Name (Printed/Typed) **BRADLEY G. HILL** Date **11-10-05**

Title Office

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

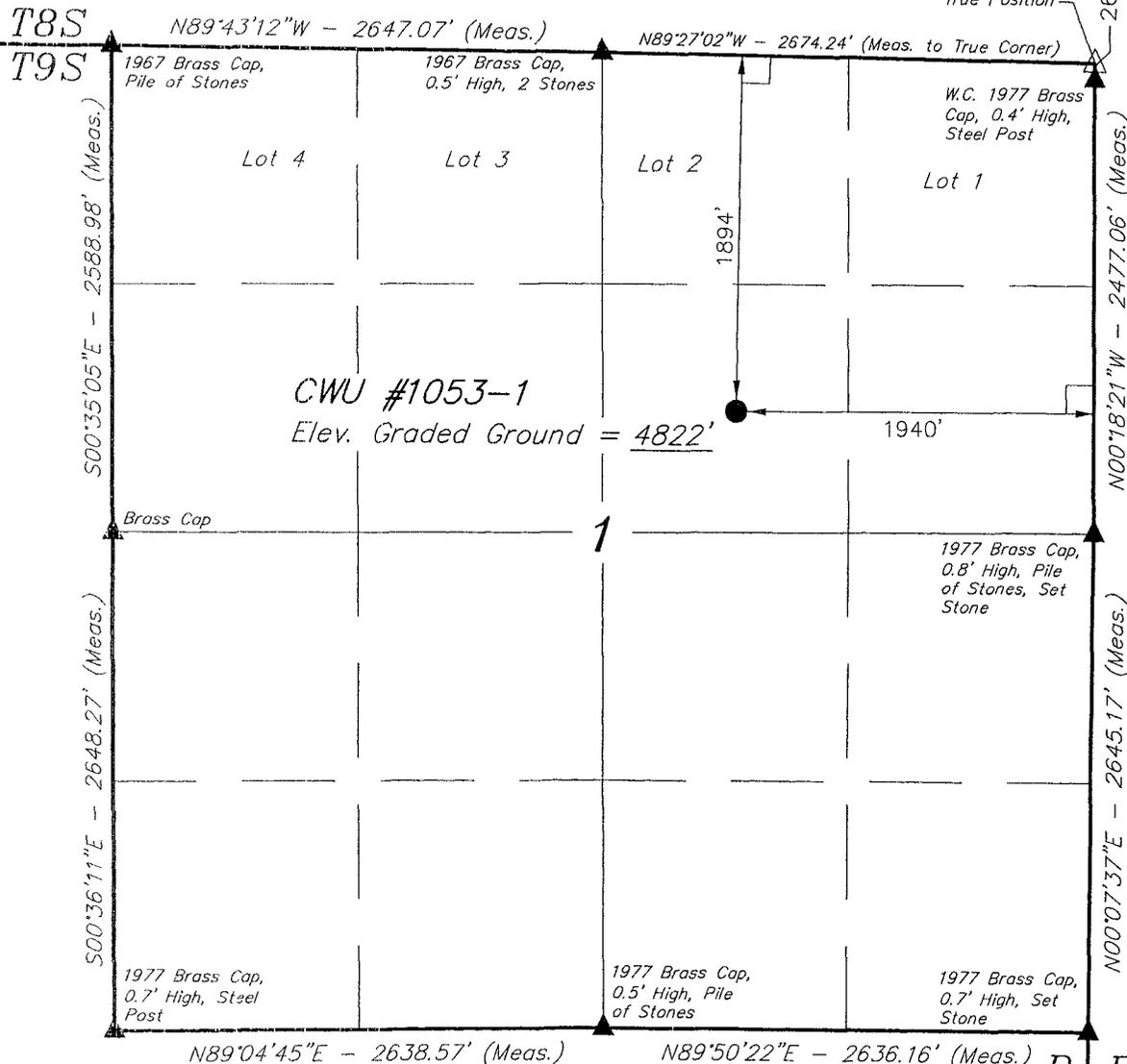
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

\*(Instructions on page 2)

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NOV 09 2005  
DIV. OF OIL, GAS & MINING

Federal Approval of this  
Action is Necessary

# T9S, R22E, S.L.B.&M.



## EOG RESOURCES, INC.

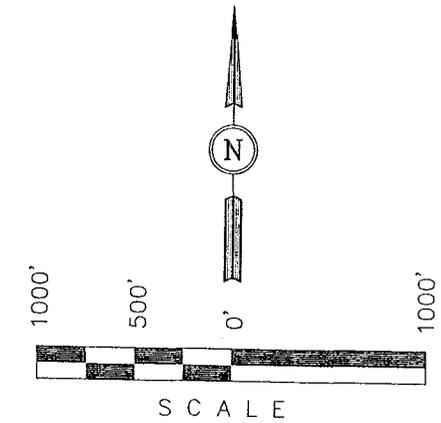
Well location, CWU #1053-1, located as shown in the SW 1/4 NE 1/4 of Section 1, T9S, R22E, S.L.B.&M. Uintah County, Utah.

### BASIS OF ELEVATION

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

### BASIS OF BEARINGS

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



### CERTIFICATE

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

*Robert A. Gray*  
 REGISTERED LAND SURVEYOR  
 REGISTRATION NO. 161319  
 STATE OF UTAH

### LEGEND:

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

(NAD 83)  
 LATITUDE = 40°04'00.71" (40.066864)  
 LONGITUDE = 109°23'08.95" (109.385819)  
 (NAD 27)  
 LATITUDE = 40°04'00.84" (40.066900)  
 LONGITUDE = 109°23'06.49" (109.385136)

R  
22  
E

R  
23  
E

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

SCALE 1" = 1000'	DATE SURVEYED: 08-03-05	DATE DRAWN: 08-30-05
PARTY T.B. B.C. P.M.	REFERENCES G.L.O. PLAT	
WEATHER WARM	FILE EOG RESOURCES, INC.	

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1053-1**  
**SW/NE, SEC. 1, T9S, R22E, 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	1,997'
Wasatch	4,994'
Chapita Wells	5,643'
North Horn	6,300'
Island	6,865'
KMV Price River	7,323'
KMV Price River Middle	7,508'
KMV Price River Lower	8,278'
Sego	9,537'

Estimated TD: **9,740' or 200'± below Sego top**

**Anticipated BHP: 5,320 Psig**

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

**3. PRESSURE CONTROL EQUIPMENT:**

Production Hole – 5000 Psig  
 BOP schematic diagrams attached.

**4. CASING PROGRAM:**

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Conductor:	17 ½"	0' – 45'	13 ¾"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

**Note: 12-¼" 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)

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1053-1**  
**SW/NE, SEC. 1, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**Float Equipment: (Cont'd)**

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

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

**6. MUD PROGRAM**

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

Air/air mist or aerated water.

**Production Hole Procedure (2300'± - TD):** Anticipated mud weight 9.5 – 10.5 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:**

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

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

**8. EVALUATION PROGRAM:**

**Logs:** Mud log from base of surface casing to TD.

**Cased-hole Logs:** Cased-hole logs will be run in lieu of open-hole logs consisting of the following:  
**Cement Bond / Casing Collar Locator and Pulsed Neutron**

**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.

**EIGHT POINT PLAN**  
**CHAPITA WELL UNIT 1053-1**  
**SW/NE, SEC. 1, T9S, R22E, S.L.B.&M..**  
**UINTAH COUNTY, UTAH**

**CEMENT PROGRAM (Continued):**

**Top Out:** As necessary with Class "G" cement with 2% CaCl<sub>2</sub>, 1/4#/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.

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

**Lead:** 142 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:** 920 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:** The above number of sacks is based on gauge-hole calculation.  
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.  
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

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

**10. ABNORMAL CONDITIONS:**

**Surface Hole (Surface - 2300'±):**

Lost circulation

**Production Hole (2300'± - TD):**

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

**11. STANDARD REQUIRED EQUIPMENT:**

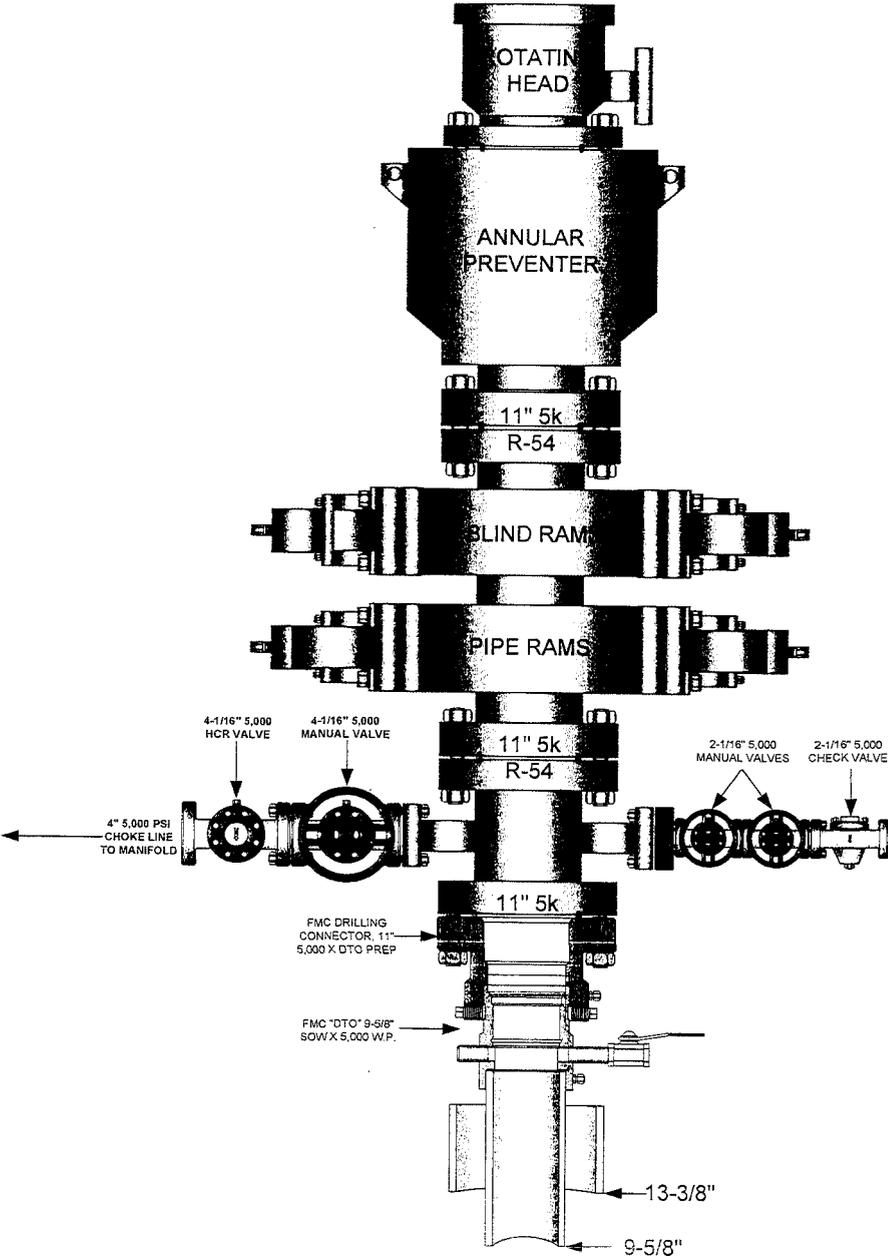
- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

**12. HAZARDOUS CHEMICALS:**

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

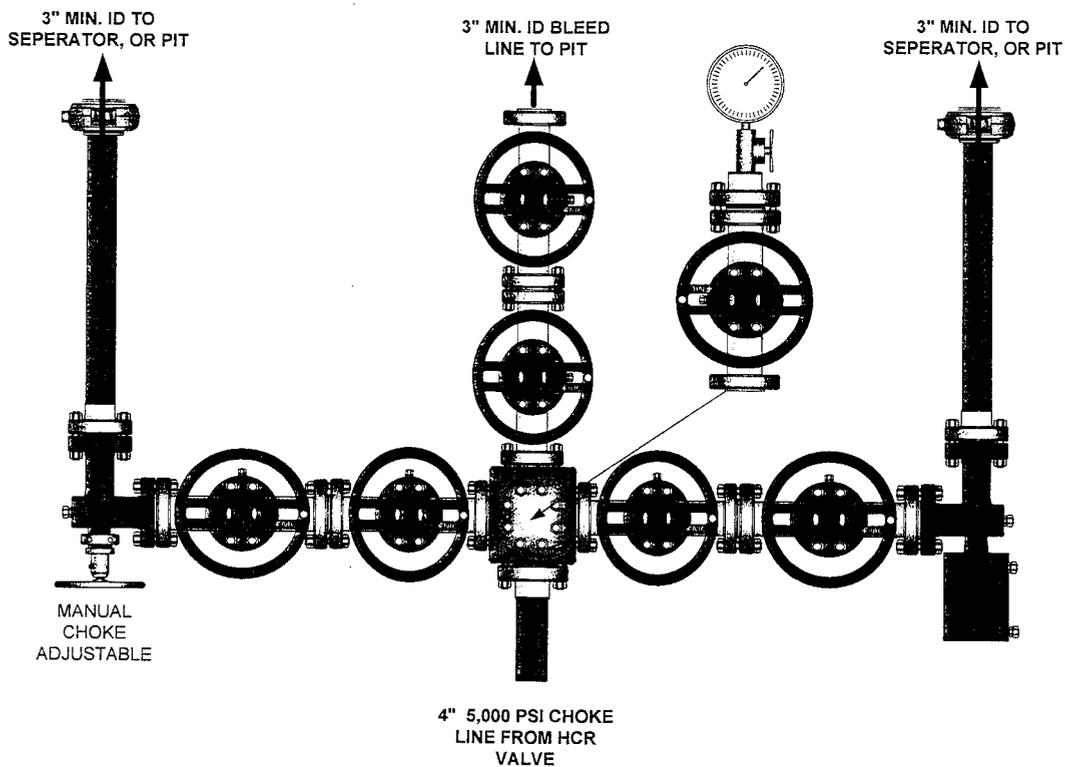
(Attachment: BOP Schematic Diagram)

EOG RESOURCES 11" 5,000 PSI W.P. BOP  
CONFIGURATION



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION  
W/ 5,000 PSI WP VALVES

PAGE 2 OF 2



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
4. Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
5. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
6. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

**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 1053-1  
Lease Number: U-01201  
Location: 1894' FNL & 1940' FEL, SW/NE, Sec. 1,  
T9S, R22E, S.L.B.&M., Uintah County, Utah  
Surface Ownership: Federal

**NOTIFICATION REQUIREMENTS**

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

Location Completion - prior to moving on the drilling rig.

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

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

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

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

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

## THIRTEEN POINT SURFACE USE PROGRAM

### 1. EXISTING ROADS

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 17.81 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 50 feet in length. See attached TOPO Map "B".
- B. The access road has a 30 foot ROW w/ 18 foot running surface.
- C. Maximum grade on access road will be 8%.
- D. No turnouts will be required.
- E. Road drainage crossings shall be of the typical dry creek drainage crossing type.
- F. No culverts, bridges, or major cuts and fills will be required.
- G. The access road will be dirt surface.
- H. No gates, cattleguards, or fences will be required or encountered.

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

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

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

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

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

A. Abandoned wells - 1\*

B. Producing wells - 17\*

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

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

A. **ON WELL PAD**

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

B. **OFF WELL PAD**

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.
2. Protective measures and devices for livestock and wildlife will be taken and/or installed where required.

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

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

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

The required paint color is Carlsbad Canyon.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a

change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the authorized officer.

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

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

6. **SOURCE OF CONSTRUCTION MATERIAL**

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

7. **METHODS OF HANDLING WASTE DISPOSAL**

A. METHODS AND LOCATION

- 1. Cuttings will be confined in the reserve pit.
  - 2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
  - 3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
  - 4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
  - 5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.
- B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or be removed and disposed of at an authorized disposal site. Introduction of well bore

hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

**On BLM administered land:**

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

**The reserve pit shall be lined with felt and a 12 mill 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:

Needle and Thread Grass – 6 pounds per acre

Hi-Crest Crested Wheat Grass – 6 pounds per acre.

The final abandonment seed mixture for this location is:

Four-Wing Salt Bush – 3 pounds per acre

Indian Rice Grass – 2 pounds per acre

Needle and Thread Grass – 2 pounds per acre

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

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

Access to the well pad will be from the East.

**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. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

**Additional Surface Stipulations**

**X No construction or drilling activities shall be conducted between May 15 and June 20 due to Antelope Stipulations.**

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

**PERMITTING AGENT**

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

**DRILLING OPERATIONS**

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

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

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

**Certification**

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

Please be advised that EOG Resources, Inc. is considered to be the operator of the **Chapita Wells Unit 1053-1 Well, located in the SW/NE of Section 1, T9S, R22E, Uintah County, Utah; Lease #U-01201;** 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.

11-7-2005  
Date

  
Agent

# EOG RESOURCES, INC.

CWU #1053-1

## SECTION 1, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; PROCEED IN A SOUTHEASTERLY THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 1.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 50' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 48.3 MILES.

# EOG RESOURCES, INC.

CWU #1053-1

LOCATED IN UINTAH COUNTY, UTAH  
SECTION 1, T9S, R22E, S.L.B.&M.

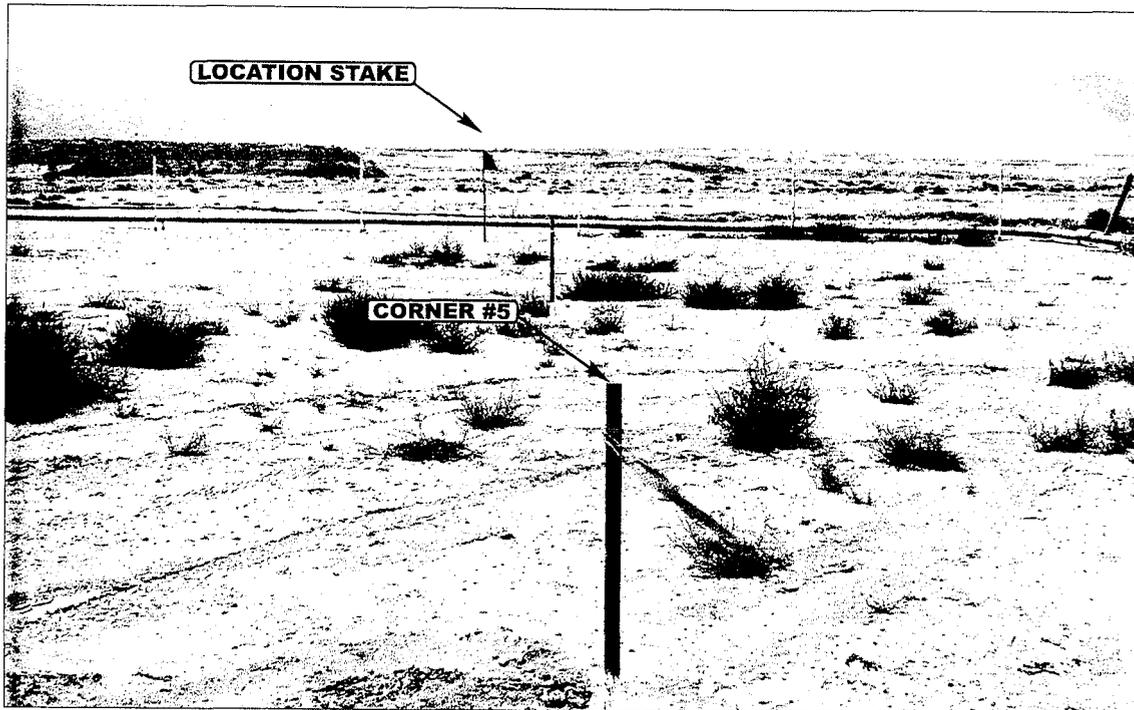


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY

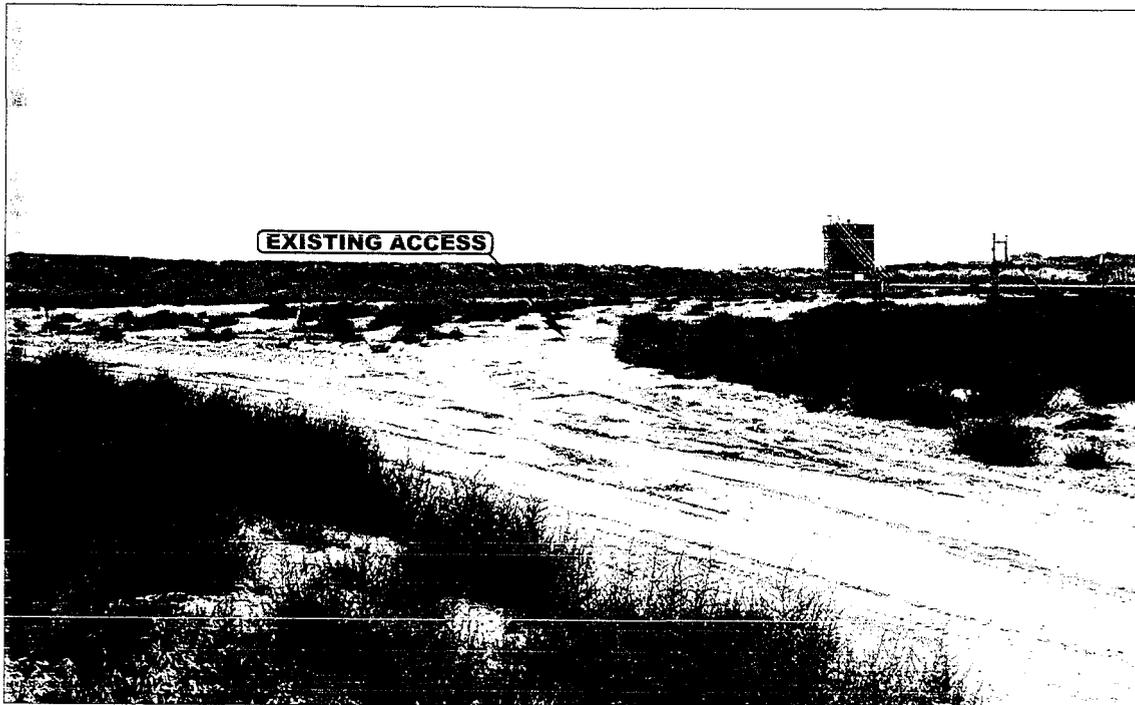


PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: SOUTHWESTERLY



- Since 1964 -

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

LOCATION PHOTOS	08	10	05	PHOTO
	MONTH	DAY	YEAR	
TAKEN BY: T.B.	DRAWN BY: S.L.		REVISED: 00-00-00	

EOG RESOURCES, INC.

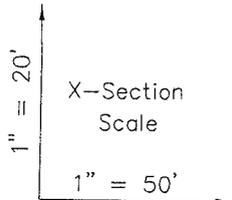
FIGURE #2

TYPICAL CROSS SECTIONS FOR

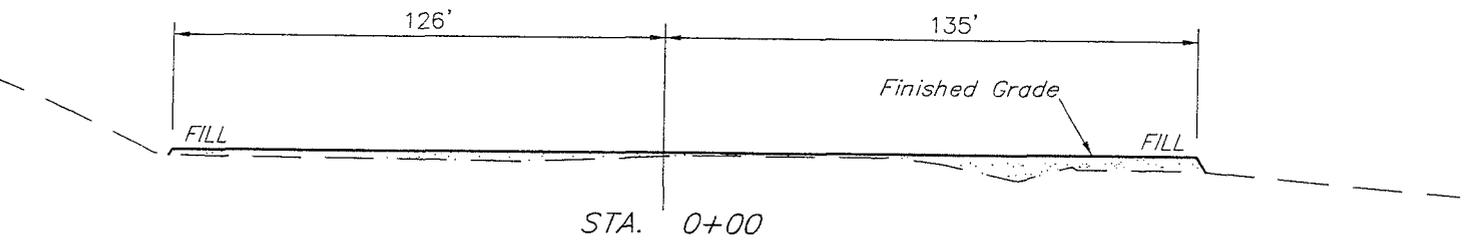
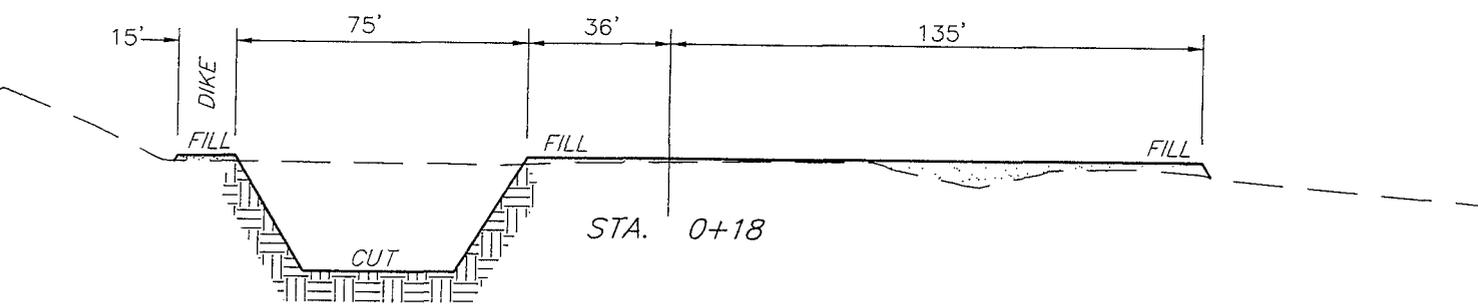
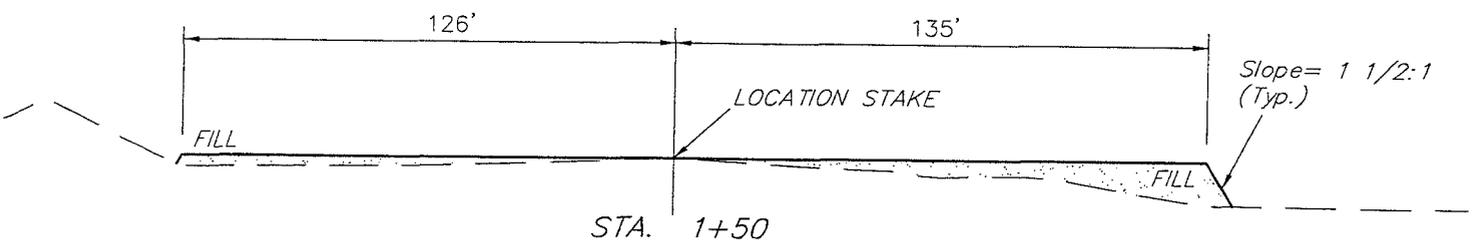
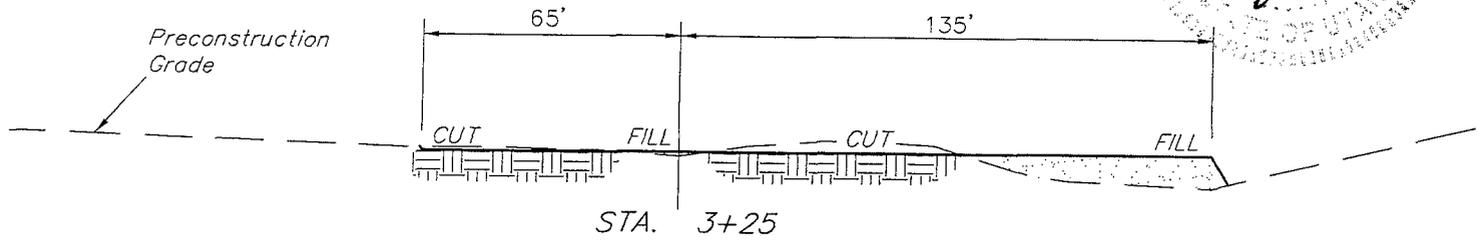
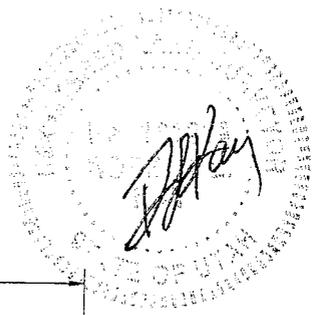
CWU #1053-1

SECTION 1, T9S, R22E, S.L.B.&M.

1894' FNL 1940' FEL



DATE: 08-30-05  
Drawn By: P.M.



\* NOTE:  
FILL QUANTITY INCLUDES  
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT	
(6") Topsoil Stripping	= 700 Cu. Yds.
(New Construction Only)	
Remaining Location	= 2,990 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 3,690 CU.YDS.</b>
<b>FILL</b>	<b>= 3,640 CU.YDS.</b>

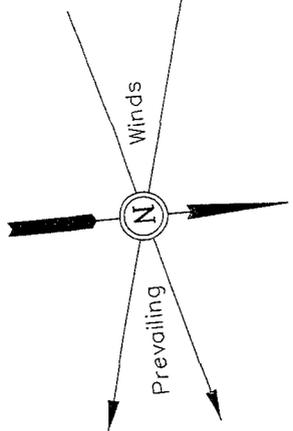
EXCESS MATERIAL	= 50 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,360 Cu. Yds.
DEFICIT UNBALANCE (After Rehabilitation)	= <2,310> Cu. Yds.

EOG RESOURCES, INC.

FIGURE #1

LOCATION LAYOUT FOR

CWU #1053-1  
SECTION 1, T9S, R22E, S.L.B.&M.  
1894' FNL 1940' FEL



C-0.4'  
El. 22.4'

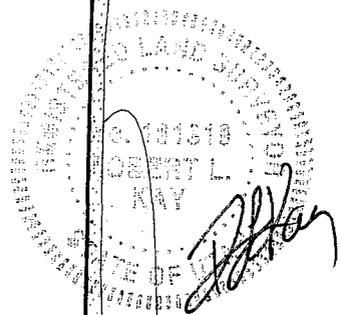
Approx.  
Top of  
Cut Slope

Approx.  
Toe of  
Fill Slope

F-3.3'  
El. 18.7'

Sta. 3+25

SCALE: 1" = 50'  
DATE: 08-30-05  
Drawn By: P.M.



NOTE:

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

Reserve Pit Backfill & Spoils Stockpile

FLARE PIT

20' WIDE DIKE

El. 20.9'  
C-10.9'  
(btm. pit)

Existing Topsoil Stockpile

15' WIDE DIKE

Total Pit Capacity  
W/2' Of Freeboard  
= 12,250 Bbls. ±  
Total Pit Volume  
= 3,320 Cu. Yds.  
RESERVE PITS  
(12' Deep)  
SLOPE = 1-1/2 : 1

Sta. 0+18

El. 21.3'  
C-11.3'  
(btm. pit)

20' WIDE DIKE

F-1.0'  
El. 21.0'

Existing Access

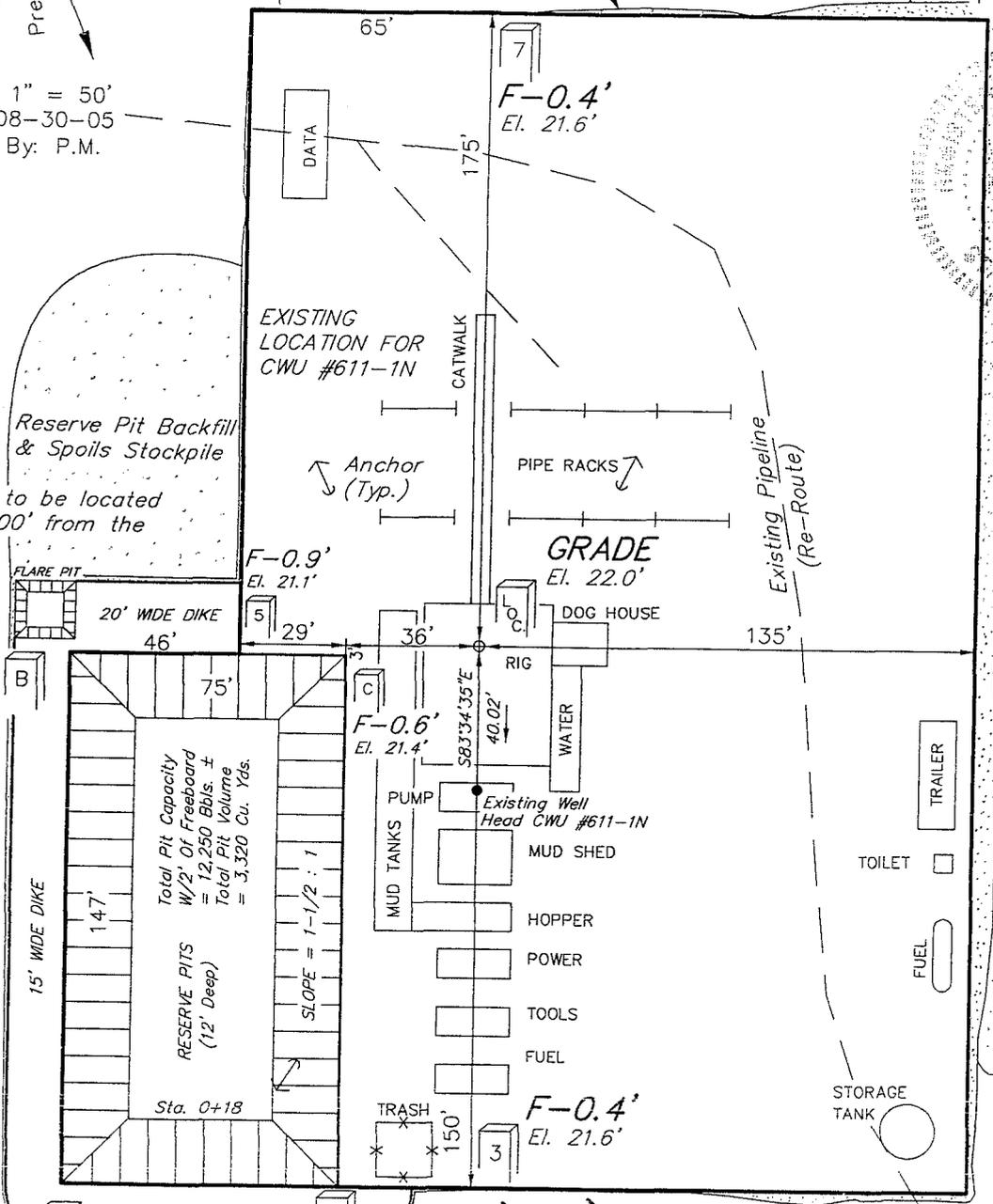
F-1.5'  
El. 20.5'

Sta. 0+00

NOTES:

FINISHED GRADE ELEV. AT LOC. STAKE = 4822.0'

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



**PROPOSED LOCATION:  
CWU #1053-1**

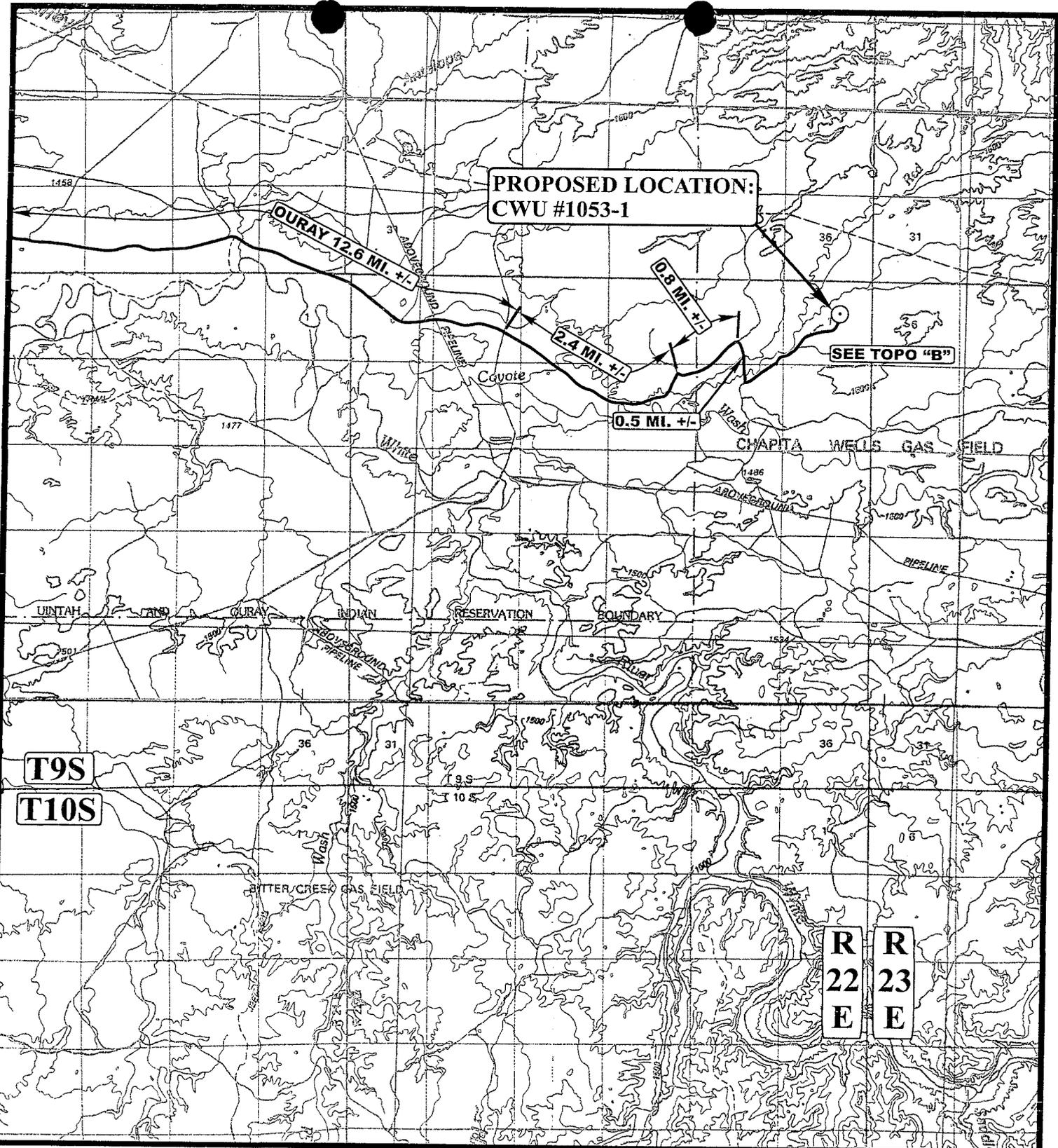
**OURAY 12.6 MI. +/-**

**2.4 MI. +/-**

**0.8 MI. +/-**

**0.5 MI. +/-**

**SEE TOPO "B"**



**T9S**

**T10S**

**R  
22  
E**

**R  
23  
E**

**LEGEND:**

⊙ PROPOSED LOCATION



**EOG RESOURCES, INC.**

**CWU #1053-1  
SECTION 1, T9S, R22E, S.L.B.&M.  
1894' FNL 1940' FEL**



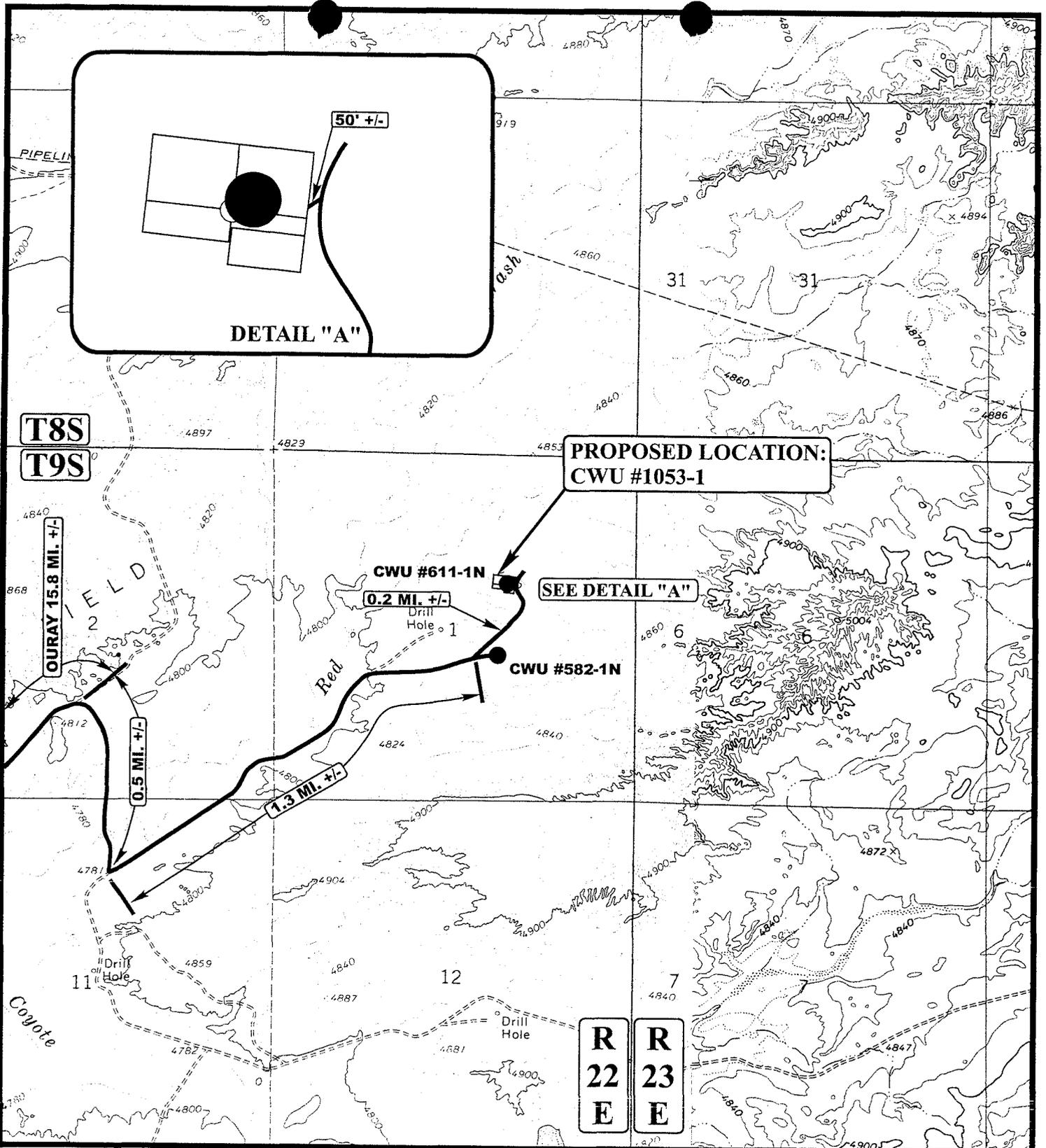
**Utah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1018**

**TOPOGRAPHIC  
MAP**

**08 10 05  
MONTH DAY YEAR**

**SCALE: 1:100,000 | DRAWN BY: S.L. | REVISED: 00-00-00**





**LEGEND:**

- PROPOSED ACCESS ROAD
- EXISTING ROAD

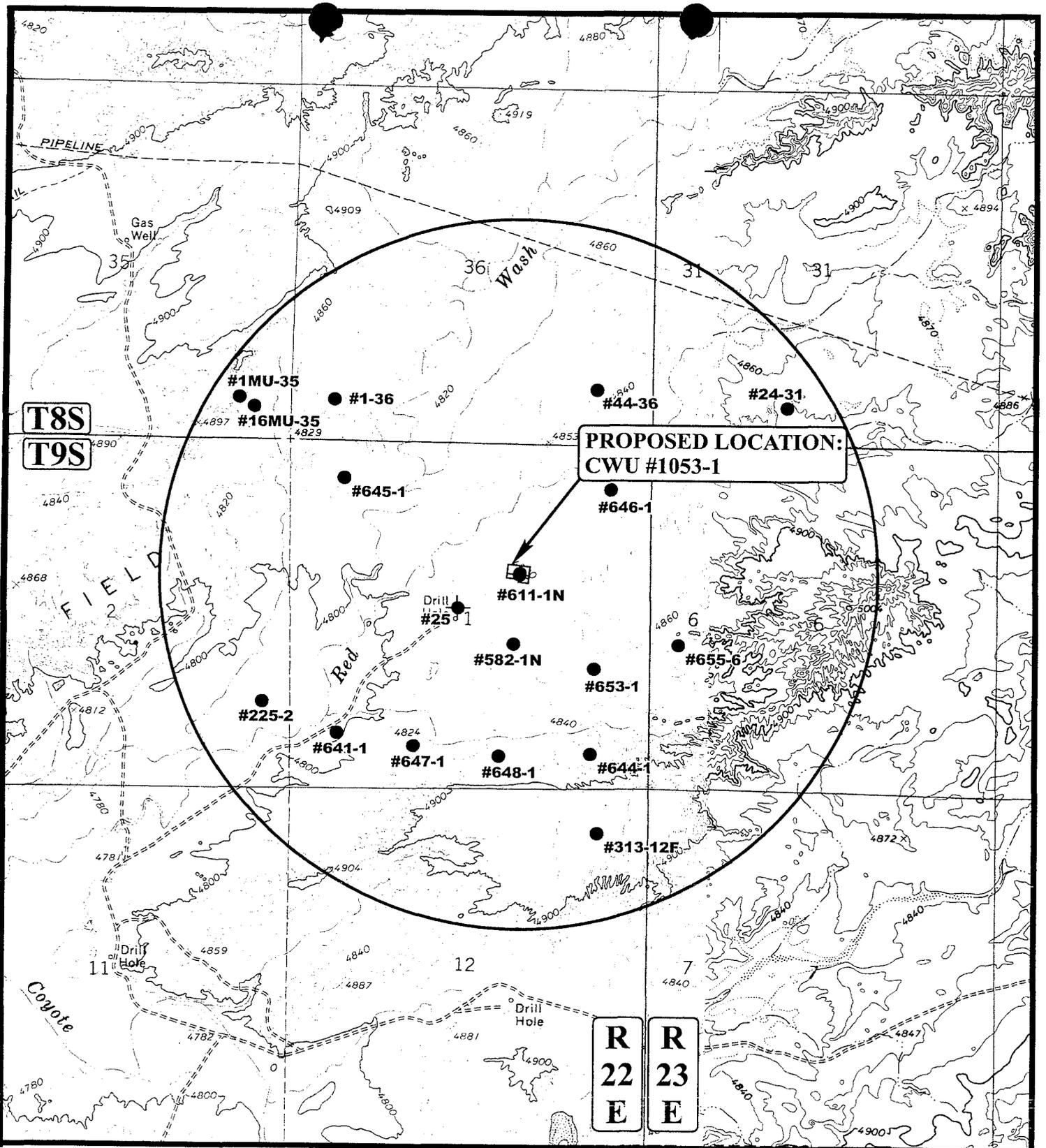


**U&L S** Utah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813

**EOG RESOURCES, INC.**

**CWU #1053-1**  
**SECTION 1, T9S, R22E, S.L.B.&M.**  
**1894' FNL 1940' FEL**

<b>TOPOGRAPHIC</b>	<b>08</b>	<b>10</b>	<b>05</b>	<b>B</b> <b>TOPO</b>
<b>MAP</b>	<small>MONTH</small>	<small>DAY</small>	<small>YEAR</small>	
<small>SCALE: 1" = 2000'</small>		<small>DRAWN BY: S.L.</small>		<small>REVISED: 00-00-00</small>



**PROPOSED LOCATION:  
CWU #1053-1**

**R  
22  
E**      **R  
23  
E**

**LEGEND:**

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



**EOG RESOURCES, INC.**

**CWU #1053-1  
SECTION 1, T9S, R22E, S.L.B.&M.  
1894' FNL 1940' FEL**



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

**TOPOGRAPHIC MAP**      **08 10 05**  
MONTH    DAY    YEAR

SCALE: 1" = 2000'    DRAWN BY: S.L.    REVISED: 00-00-00



**WORKSHEET  
APPLICATION FOR PERMIT TO DRILL**

APD RECEIVED: 11/08/2005

API NO. ASSIGNED: 43-047-37366

WELL NAME: CWU 1053-1

OPERATOR: EOG RESOURCES INC ( N9550 )

CONTACT: ED TROTTER

PHONE NUMBER: 435-789-4120

PROPOSED LOCATION:

SWNE 01 090S 220E

SURFACE: 1894 FNL 1940 FEL

BOTTOM: 1894 FNL 1940 FEL

UINTAH

NATURAL BUTTES ( 630 )

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-01201

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LATITUDE: 40.06686

LONGITUDE: -109.3852

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 Approved  
2- Oil Shale



# 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)

November 10, 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)		
43-047-37365	CWU 1052-1	Sec 01 T09S R22E 0553 FSL 0871 FEL
43-047-37366	CWU 1053-1	Sec 01 T09S R22E 1894 FNL 1940 FEL
43-047-37367	CWU 1058-13	Sec 13 T09S R22E 1861 FSL 1865 FWL
43-047-37368	CWU 1054-13	Sec 13 T09S R22E 2257 FNL 0611 FWL
43-047-37369	CWU 1060-14	Sec 14 T09S R22E 1919 FSL 0284 FEL
43-047-37370	CWU 1061-14	Sec 14 T09S R22E 0834 FNL 1908 FWL
43-047-37371	CWU 1155-24	Sec 24 T09S R22E 1790 FNL 2138 FWL

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

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit  
Division of Oil Gas and Mining  
Central Files  
Agr. Sec. Chron



**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*

November 10, 2005

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

Re: Chapita Wells Unit 1053-1 Well, 1894' FNL, 1940' FEL, SW NE, Sec. 1,  
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

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

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-37366.

Sincerely,

Gil Hunt  
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 1053-1  
API Number: 43-047-37366  
Lease: U-01201

Location: SW NE Sec. 1 T. 9 South R. 22 East

### Conditions of Approval

1. General

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

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

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

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

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

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

4. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

5. 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

NOV 6 8 2005

APPLICATION FOR PERMIT TO DRILL OR REENTER

1a. Type of Work:  DRILL  REENTER

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

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

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

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

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

At surface **1894' FNL, 1940' FEL SW/NE**  
At proposed prod. Zone

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

15. Distance from proposed\* location to nearest property or lease line, ft. **1894'**  
(Also to nearest drig. Unit line, if any)

16. No. of Acres in lease  
**309**

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  
**9740'**

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

21. Elevations (Show whether DF, KDB, RT, GL, etc.)  
**4822.0 FEET GRADED GROUND**

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

23. Esti mated duration  
**45 DAYS**

24. Attachments

Attachments

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

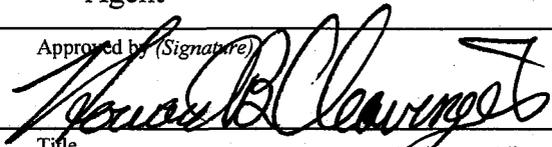
- 1. Well plat certified by a registered surveyor.
- 2. A Drilling Plan.
- 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
- 4. Bond to cover the operations unless covered by an existing bond on file (see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

25. Signature 

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

Date  
**November 7, 2005**

Title  
**Agent**

Approved by (Signature) 

Name (Printed/Typed)

Date  
**03/25/2006**

Title  
**Assistant Field Manager  
Mineral Resources**

Office

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of Approval, if any, are attached.

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

\*(Instructions on page 2)

**NOTICE OF APPROVAL**

**CONDITIONS OF APPROVAL ATTACHED**

**RECEIVED  
APR 04 2006  
DIV. OF OIL, GAS & MINING**

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



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: SWNE, Sec. 1, T9S, R22E  
Well No: CWU 1053-1 Lease No: UTU-01201  
API No: 43-047-37366 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	
After hours contact number:	(435) 781-4513	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. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

**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 SPT)     | - Twenty-Four (24) hours prior to running casing and cementing all casing strings.   |
| BOP & Related Equipment Tests<br>(Notify Jamie Sparger SPT) | - 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)**

- Conditions for Approval are in the APD
- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:
  - 9 lbs of Hycrest Crested Wheatgrass & 3 lbs of Kochia prostrate.
- If paleontologic materials are uncovered during construction, the operator shall immediately stop work that might further disturb such materials and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation will be necessary for the discovered paleontologic material.

## **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**

- None

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

- 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.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- **Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.**
- 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.
- 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.
- 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.

- 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 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.
- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) will be submitted only when requested by the BLM, Worland Field Office.
- **Please submit an electronic copy of all logs run on this well in LAS format to [UT\\_VN\\_Welllogs@BLM.gov](mailto:UT_VN_Welllogs@BLM.gov). This submission will supersede the requirement for submittal of paper logs to the BLM. The cement bond log must be submitted in raster format (TIF, PDF other).**
- 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.
- 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.

- 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.
- This APD is approved subject to the requirement that, shall 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:
  - Operator name, address, and telephone number.
  - Well name and number.
  - Well location (¼¼, Sec., Twn, Rng, and P.M.).
  - Date well was placed in a producing status (date of first production for which royalty will be paid).
  - 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).
  - 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.
  - Unit agreement and / or participating area name and number, if applicable.
  - Communitization agreement number, if applicable.
- 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.
- 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.
- 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 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.

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

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

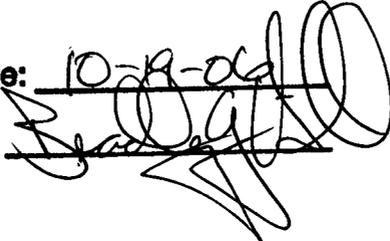
FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>U-01201</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 1053-1</b>
3. ADDRESS OF OPERATOR: <b>1060 East Highway 40</b> CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		9. API NUMBER: <b>43-047-37366</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>1894 FNL 1940 FEL 40.066864 LAT 109.385819 LON</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWNE 1 9S 22E S.L.B. &amp; M</b>		COUNTY: <b>UINTAH</b> STATE: <b>UTAH</b>

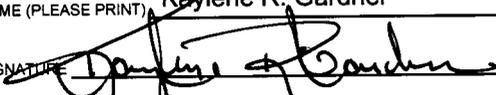
11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input checked="" type="checkbox"/> <b>NOTICE OF INTENT</b> (Submit in Duplicate)  Approximate date work will start: _____  <input type="checkbox"/> <b>SUBSEQUENT REPORT</b> (Submit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

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: 10-18-06  
By: 

COPY SENT TO OPERATOR  
Date: 10-23-06  
Initials: RM

NAME (PLEASE PRINT) <u>Kaylene R. Gardner</u>	TITLE <u>Sr. Regulatory Assistant</u>
SIGNATURE 	DATE <u>10/17/2006</u>

(This space for State use only)

**RECEIVED**  
**OCT 18 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:** 43-047-37366  
**Well Name:** CHAPITA WELLS UNIT 1053-1  
**Location:** 1894 FNL 1940 FEL (SWNE), SECTION 1, T9S, R22E S.L.B.&M  
**Company Permit Issued to:** EOG RESOURCES, INC.  
**Date Original Permit Issued:** 11/10/2005

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

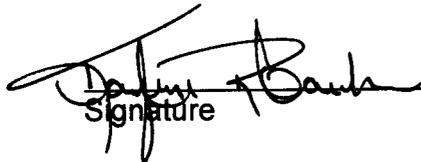
Has there been any unit or other agreements put in place that could affect the permitting or operation of this proposed well? Yes  No

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

10/17/2006

Date

Title: SR. REGULATORY ASSISTANT

Representing: EOG RESOURCES, INC.

RECEIVED

OCT 18 2006

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

3a. Address  
**1060 East Highway 40 Vernal Ut 84078**

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1894' FNL & 1940' FEL (SWNE)  
 Sec. 1-T9S-R22E 40.066864 LAT 109.385819 LON**

5. Lease Serial No.  
**U-01201**

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 1053-1**

9. API Well No.  
**43-047-37366**

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

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

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

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

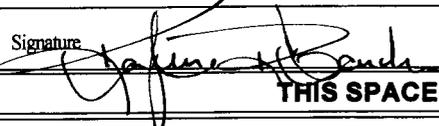
13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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)    **Kaylene R. Gardner**    Title    **Sr. Regulatory Assistant**

Signature        Date

**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)

**NOV 27 2006**

BUREAU OF OIL, GAS & MINING

# DIVISION OF OIL, GAS AND MINING

## **SPUDDING INFORMATION**

Name of Company: EOG RESOURCES INC

Well Name: CWU 1053-1

Api No: 43-047-37366 Lease Type: FEDERAL

Section 01 Township 09S Range 22E County UINTAH

Drilling Contractor ROCKY MOUNTAIN DRLG RIG # 1

### **SPUDDED:**

Date 11/08/06

Time 12:00 NOON

How DRY

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

Reported by JERRY

Telephone # (435) 828-1720

Date 11/08/06 Signed CHD

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

FORM 6

**ENTITY ACTION FORM**

Operator: EOG RESOURCES  
Address: P.O. BOX 1815  
city VERNAL  
state UT zip 84078

Operator Account Number: N 9550  
Phone Number: (435) 781-9111

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36844	EAST CHAPITA 6-16		SESE	16	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15794	11/8/2006		11/22/06		
Comments: <u>PRRU = MVRD</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37366	CHAPITA WELLS UNIT 1053-01		SWNE	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
A	99999	15795	11/8/2006		11/22/06		
Comments: <u>PRRU = MVRD</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37137	CHAPITA WELLS UNIT 316-12		SENW	12	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>AB</u>	99999	4905	11/9/2006		11/22/06		
Comments: <u>NHORN = WSTC</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

Sr. Regulatory Assistant

Title

11/22/2006

Date

(5/2000)

RECEIVED

NOV 22 2006

DIV. OF OIL, GAS & MINING

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

3a. Address  
**1060 East Highway 40 Vernal Ut 84078**

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1894' FNL & 1940' FEL (SWNE)  
 Sec. 1-T9S-R22E 40.066864 LAT 109.385819 LON**

5. Lease Serial No.  
**U-01201**

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 1053-1**

9. API Well No.  
**43-047-37366**

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

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

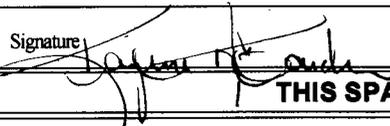
**12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports 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 11/8/06.**

14. I hereby certify that the foregoing is true and correct  
 Name (Printed/Typed)    **Kaylene R. Gardner**    Title    **Sr. Regulatory Assistant**

Signature        Date    **11/22/2006**

**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)

**NOV 2 / 2006**

BLM OF COLORADO

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

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

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

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

Verbal approval was received from Michael Lee w/ Vernal BLM at 1700 hrs. 1/6/07 to perform the following procedure on CWU 1082-30. The circumstance that precipitated the procedure was gas bubbling up around the 9 5/8" casing. The gas was observed by Jim Tilley with EOG Resources and reported to Michael Lee.

Casedhole Solutions to shoot squeeze perforations at 1200' KB. The perfs are to be 1' at 4 jet shots per foot w/ 90 degree phasing. A Howco EZSV cement retainer will then be set on drill pipe at 1100'. A squeeze pressure and rate will be determined, and 400 sx of Schlumberger RFC cement 14.1 ppg. Yield 1.61 cuft/sk will be squeezed into annulus to seal off flow of gas.

Addition stages will be pumped as needed.

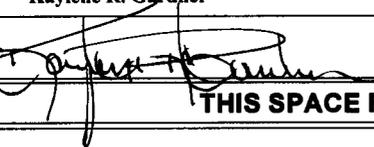
**Accepted by the  
Utah Division of  
Oil, Gas and Mining  
FOR RECORD ONLY**

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

**Kaylene R. Gardner**

Title **Sr. Regulatory Assistant**

Signature



Date

**01/12/2007**

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

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

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

Title

Date

Office

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

(Instructions on page 2)

**RECEIVED**

**JAN 24 2007**

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

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

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

**SUNDRY NOTICES AND REPORTS ON WELLS**

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

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

1. Type of Well  
 Oil Well     Gas Well     Other

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

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

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

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)  
**1894' FNL & 1940' FEL (SWNE)  
 Sec. 1-T9S-R22E 40.066864 LAT 109.385819 LON**

5. Lease Serial No.

**U-01201**

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 1053-1**

9. API Well No.

**43-047-37366**

10. Field and Pool, or Exploratory Area

**Natural Buttes/Mesaverde**

11. County or Parish, State

**Uintah County, Utah**

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

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

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or 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 5/29/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.**

**RECEIVED**

**JUN 04 2007**

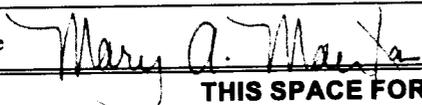
**DIV. OF OIL, GAS & MINING**

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

**Mary A. Maestas**

Title **Regulatory Assistant**

Signature



Date

**06/01/2007**

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

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

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

Title

Date

Office

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

(Instructions on page 2)

## WELL CHRONOLOGY REPORT

Report Generated On: 06-01-2007

<b>Well Name</b>	CWU 1053-01	<b>Well Type</b>	DEVG	<b>Division</b>	DENVER
<b>Field</b>	CHAPITA WELLS DEEP	<b>API #</b>	43-047-37366	<b>Well Class</b>	ISA
<b>County, State</b>	UINTAH, UT	<b>Spud Date</b>	04-08-2007	<b>Class Date</b>	05-29-2007
<b>Tax Credit</b>	N	<b>TVD / MD</b>	9,740/ 9,740	<b>Property #</b>	057013
<b>Water Depth</b>	0	<b>Last CSG</b>	0.0	<b>Shoe TVD / MD</b>	0/ 0
<b>KB / GL Elev</b>	4,839/ 4,822				
<b>Location</b>	Section 1, T9S, R22E, SWNE, 1894 FNL & 1940 FEL				

<b>Event No</b>	1.0	<b>Description</b>	DRILL & COMPLETE		
<b>Operator</b>	EOG RESOURCES, INC	<b>WI %</b>	100.0	<b>NRI %</b>	80.0

<b>AFE No</b>	303431	<b>AFE Total</b>	1,817,700	<b>DHC / CWC</b>	887,100/ 930,600
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<b>Rig Contr</b>	TRUE	<b>Rig Name</b>	TRUE #9	<b>Start Date</b>	12-07-2005	<b>Release Date</b>	04-17-2007
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12-07-2005 **Reported By**

<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Daily Total</b>	\$0
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<b>Cum Costs: Drilling</b>	\$0	<b>Completion</b>	\$0	<b>Well Total</b>	\$0
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<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
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<b>Formation :</b>	<b>PBTD : 0.0</b>	<b>Perf :</b>	<b>PKR Depth : 0.0</b>
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**Activity at Report Time: LOCATION DATA**

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA 1894' FNL & 1940' FEL (SW/NE) SECTION 1, T9S, R22E UINTAH COUNTY, UTAH  LAT 40.066900, LONG 109.385136  TRUE RIG #9 OBJECTIVE: 9740' TD, MESAVERDE DW/GAS CHAPITA WELLS DEEP PROSPECT DD&A: CHAPITA WELLS DEEP NATURAL BUTTES FIELD  LEASE: U-01201 ELEVATION: 4822' NAT GL, 4822' PREP GL, 4839' KB (17')  EOG WI 100%, NRI 80%

<b>11-06-2006</b>	<b>Reported By</b>	TERRY CSERE
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<b>Daily Costs: Drilling</b>	\$23,622	<b>Completion</b>	\$0	<b>Daily Total</b>	\$23,622
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<b>Cum Costs: Drilling</b>	\$23,622	<b>Completion</b>	\$0	<b>Well Total</b>	\$23,622
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

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

11-07-2006 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$1,260	<b>Completion</b>	\$0	<b>Daily Total</b>	\$1,260
<b>Cum Costs: Drilling</b>	\$24,882	<b>Completion</b>	\$0	<b>Well Total</b>	\$24,882
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

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

11-08-2006 Reported By TERRY CSERE

<b>Daily Costs: Drilling</b>	\$1,260	<b>Completion</b>	\$0	<b>Daily Total</b>	\$1,260
<b>Cum Costs: Drilling</b>	\$26,142	<b>Completion</b>	\$0	<b>Well Total</b>	\$26,142
<b>MD</b>	0	<b>TVD</b>	0	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: BUILD LOCATION

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

11-14-2006 Reported By JERRY BARNES

<b>Daily Costs: Drilling</b>	\$2,310	<b>Completion</b>	\$0	<b>Daily Total</b>	\$2,310
<b>Cum Costs: Drilling</b>	\$28,452	<b>Completion</b>	\$0	<b>Well Total</b>	\$28,452
<b>MD</b>	40	<b>TVD</b>	40	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKY MOUNTAIN DRILLING SPUD AN 18" HOLE ON 11/8/2006 @ 12:00 PM, SET 40' OF 14" CONDUCTOR, CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED MICHAEL LEE W/BLM AND CAROL DANIELS W/UDOGM OF THE SPUD 11/08/2006 @ 10:15 AM.

11-20-2006 Reported By JOHN HELCO

<b>Daily Costs: Drilling</b>	\$196,133	<b>Completion</b>	\$0	<b>Daily Total</b>	\$196,133
<b>Cum Costs: Drilling</b>	\$224,585	<b>Completion</b>	\$0	<b>Well Total</b>	\$224,585
<b>MD</b>	2,567	<b>TVD</b>	2,567	<b>Progress</b>	0
<b>Formation :</b>		<b>PBTD : 0.0</b>		<b>Days</b>	0
				<b>MW</b>	0.0
				<b>Visc</b>	0.0
				<b>Perf :</b>	
				<b>PKR Depth : 0.0</b>	

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
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06:00 06:00 24.0 MIRU CRAIG'S AIR RIG #2 ON 11/13/2006. DRILLED 12-1/4" HOLE TO 2250' GL. ENCOUNTERED WATER @ 2170'. RAN 58 JTS (2514.7') 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 @ 2531' KB. RDMO CRAIG'S AIR RIG.

RU BIG 4 CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 180 BBLs FRESH WATER & 20 BBLs GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 200 SX (41 BBLs) OF PREMIUM CEMENT W/2% CaCl2 & 1/4 #/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CFS. DISPLACED CEMENT W/191 BBLs FRESH WATER. BUMPED PLUG W/680# @ 1:19 PM, 11/16/2006. CHECKED FLOAT, FLOAT HELD. SHUT-IN CASING VALVE. NO RETURNS.

TOP JOB #1: MIXED & PUMPED 125 SX (26 BBLs) OF PREMIUM CEMENT W/4% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO CIRULATION. WOC 3 HR.

TOP JOB #2: MIXED & PUMPED 125 SX (26 BBLs) OF PREMIUM CEMENT W/4% CaCl2 & 1/4#/SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED AND STOOD FULL. NOTE: HOLE VOLUME 702 SX CEMENT. HOLE TOOK 450 SX TO FILL. 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 @ 2405' PICK UP TO 2385' & TOOK SURVEY, = 1.5 DEGREE.

JOHN HELCO NOTIFIED DONNA KINNEY W/VBLM OF THE SURFACE CASING & CEMENT JOB ON 11/14/06 @ 2:40 PM.

<b>12-31-2006</b>		<b>Reported By</b>		PETE COMEAU							
<b>Daily Costs: Drilling</b>	\$14,992			<b>Completion</b>	\$0	<b>Daily Total</b>		\$14,992			
<b>Cum Costs: Drilling</b>	\$239,577			<b>Completion</b>	\$0	<b>Well Total</b>		\$239,577			
<b>MD</b>	2,567	<b>TVD</b>	2,567	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: RIG DOWN

Start	End	Hrs	Activity Description
12:00	20:00	8.0	RIG DOWN 40%. TRUCKS ORDERED TO MOVE MINI CAMP FOR SUNDAY, 31/12/06 @ 07:00 HRS. TRUCKS ORDERED TO RIG MOVE FOR MONDAY 01/01/07, 8:00 HRS. RIG MOVE 90 MILES VIA OURAY.

<b>01-01-2007</b>		<b>Reported By</b>		PETE COMEAU							
<b>Daily Costs: Drilling</b>	\$12,032			<b>Completion</b>	\$0	<b>Daily Total</b>		\$12,032			
<b>Cum Costs: Drilling</b>	\$251,609			<b>Completion</b>	\$0	<b>Well Total</b>		\$251,609			
<b>MD</b>	2,567	<b>TVD</b>	2,567	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: RIG DOWN

Start	End	Hrs	Activity Description
07:00	17:00	10.0	MOVE MINI CAMP CPMPLETE, 90 MILES. RIG DOWN ON BADLANDS 1-01 LOCATION. 70% RIGGED DOWN, 100% READY FOR TRUCKS. TRUCKS ORDERED FOR 08:00 HRS, 1/1/07.

SAFETY MEETING: RIGGING DOWN/100% TIE OFF/SAFETY AROUND FORKLIFT/GIVE GOOD SIGNALS  
NO ACCIDENTS OR INCIDENTS REPORTED  
CREWS FULL

01-02-2007      Reported By      PETE COMEAU

DailyCosts: Drilling      \$11,564      Completion      \$0      Daily Total      \$11,564

Cum Costs: Drilling      \$263,150      Completion      \$0      Well Total      \$263,150

MD      2.567      TVD      2.567      Progress      0      Days      0      MW      0.0      Visc      0.0

Formation :      PBTBTD : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: MOVE RIG

Start      End      Hrs      Activity Description

07:00      17:00      10.0      MOVE RIG. RIG 90% MOVED OFF BADLANDS LOCATION. 30% OF THE RIG HAS ARRIVED ON LOCATION CWU 1053-1. 5 LOADS LEFT ON OLD LOCATION.

SAFETY MEETING: RIGGING DOWN/LOADING TRUCKS/FORK LIFT SAFETY

CREWS FULL

NO ACCIDENTS OR INCIDENTS REPORTED

01-03-2007      Reported By      PETE COMEAU

DailyCosts: Drilling      \$12,032      Completion      \$0      Daily Total      \$12,032

Cum Costs: Drilling      \$275,182      Completion      \$0      Well Total      \$275,182

MD      2.567      TVD      2.567      Progress      0      Days      0      MW      0.0      Visc      0.0

Formation :      PBTBTD : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: MIRU

Start      End      Hrs      Activity Description

07:00      17:00      10.0      MIRU. MOVED ALL LOADS FROM BADLANDS 1-01. LOCATION IS CLEAN. RIG UP ON CWU 1053-1. 10% RIGGED UP. MATTING BOARDS SET. SUB BASE SET.

CREWS FULL

NO ACCIDENTS OR INCIDENTS REPORTED

SAFETY MEETING: RIGGING UP/FORKLIFT &amp; CRANE OPERATION

01-04-2007      Reported By      PETE COMEAU

DailyCosts: Drilling      \$13,853      Completion      \$0      Daily Total      \$13,853

Cum Costs: Drilling      \$289,035      Completion      \$0      Well Total      \$289,035

MD      2.567      TVD      2.567      Progress      0      Days      0      MW      0.0      Visc      0.0

Formation :      PBTBTD : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: RIG UP 35%

Start      End      Hrs      Activity Description

07:00      17:00      10.0      RIG UP. 35% RIGGED UP. SUB BASE PINNED. DERRIK PUT TOGETHER BUT NOT PINNED TO SUB. MUD TANKS &amp; PUMPS SPOTTED.

EXPECTED SPUD ON 1/05/07 EVENING

CREWS SHORT HANDED 1 FLOOR MAN

NO ACCIDENTS OR INCIDENTS REPORTED

NOTIFIED CLIFF JOHNSON W/BLM @ 13:30 HRS, 1/3/07 OF SCHEDULED BOP TEST @ 08:00 HRS, 1/5/07.

NOTIFIED CARROL DANIELS W/UT ST DEPART OF NAT RES 13:40 HRS, 1/3/07 (LEFT MESSAGE) OF BOP TEST @ 08:00 HRS, 1/5/07 AND EXPECTED SPUD ON 1/5/07 EVENING.

01-05-2007 Reported By PETE COMEAU

Daily Costs: Drilling \$41,879 Completion \$0 Daily Total \$41,879  
 Cum Costs: Drilling \$330,914 Completion \$0 Well Total \$330,914

MD 2.567 TVD 2.567 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG UP

Start	End	Hrs	Activity Description
07:00	18:00	11.0	RIG UP 85%. RAISE DERRIK @ 11:00 HRS. RIG UP FLOOR, MUD TANKS & PUMPS. INSTALL MUD CLEANER/DESILTER.

NOTIFIED CLIFF JOHNSON W/BLM AND INFORMED HIM THE BOP TEST WOULD BE DELAYED UNTIL 12:00 HRS, 1/5/07

EXPECTED SPUD 00:01 HRS, 1/6/07  
 CREWS SHORTHANDED 1 FLOOR MAN  
 NO ACCIDENTS OR INCIDENTS REPORTED

01-06-2007 Reported By PETE COMEAU

Daily Costs: Drilling \$48,652 Completion \$0 Daily Total \$48,652  
 Cum Costs: Drilling \$379,566 Completion \$0 Well Total \$379,566

MD 2.567 TVD 2.567 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBT D : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILL CEMENT & FLOAT EQUIPMENT

Start	End	Hrs	Activity Description
07:00	10:00	3.0	RIG UP 100%. FILL WATER TANKS & MUD TANKS.
10:00	13:00	3.0	RIG ON DAY WORK, 10:00 HRS, 5/1/07. NU BOP. FUNCTION TEST BOPS. TEST DTO HEAD TO 1600 PSI.
13:00	18:00	5.0	TEST BOPS AS FOLLOWS. B&C QUICK TEST, TESTER JAKE WILKENS. TEST UPPER & LOWER KELLY VALVES. SAFETY VALVE & INSIDE BOP TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & INSIDE MANUAL VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS & OUTSIDE MANUAL VALVES & HCR TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST PIPE RAMS, CHOKE LINE, UPRIGHT GAUGE VALVE & INSIDE MANIFOLD VALVES TO 250 PSI FOR 5 MINUTES & 5000 PSI FOR 10 MINUTES. TEST ANNULAR TO 250 PSI LOW FOR 5 MINUTES & 2500 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, CHOKE LINE & MIDDLE MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST BLIND RAMS, CHOKE LINE & SUPER CHOKE TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. TEST SURFACE CASING TO 1500 PSI FOR 30 MINUTES.
18:00	20:00	2.0	CALIPER & STEEL LINE MEASURE BHA.
20:00	02:30	6.5	PU BHA & DRILL PIPE.TAG CEMENT @ 2399'.
02:30	03:00	0.5	REPAIR BOILER.
03:00	05:00	2.0	REPAIR WASHED VALVE BETWEEN CHARGING PUMP & PUMP #1.
05:00	05:30	0.5	BREAK CIRCULATION @ 2399'.
05:30	06:00	0.5	DRILL CEMENT & FLOAT EQUIPMENT.

FUEL ON LOCATION 9200 GALS, USED 800 GALS  
 BOILER RAN 16 HRS  
 CREWS SHORT HANDED 1 FLOOR MAN  
 SAFETY MEETING: RIGGING UP/PRESSURE TESTING/PICK UP DRILL PIPE  
 NO ACCIDENTS OR INCIDENTS REPORTED

TEMP 6 DEGREES

01-07-2007      Reported By      PETE COMEAU

Daily Costs: Drilling      \$39,525      Completion      \$0      Daily Total      \$39,525

Cum Costs: Drilling      \$419,091      Completion      \$0      Well Total      \$419,091

MD      2,567      TVD      2,567      Progress      0      Days      0      MW      8.7      Visc      27.0

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: WO CEMENT RETAINER

Start	End	Hrs	Activity Description
06:00	07:00	1.0	DRILL CEMENT DROM 2399' TO 2433'. DRILL STRING PRESSURED UP, PLUGGED JETS.
07:00	09:00	2.0	TRIP OUT AND REMOVE RUBBER FROM JETS. RUBBER APPEARED TO BE FROM GATE VALVE THAT HAD BEED CHANGED QN CHARGE PUMP.
09:00	11:00	2.0	TRIP IN HOLE.
11:00	11:30	0.5	BREAK CIRCULATION. PLUGGED JETS AGAIN.
11:30	14:00	2.5	TRIP OUT AND CHANGE OUT MUD MOTOR. BIT FULL OF RUBBER FROM MOTOR.
14:00	15:00	1.0	TRIP IN HOLE WITH NEW MOTOR. TAG BOTTOM @ 2444'. DEPTH CORRECTION FROM 2433'. NOTICED THAT CREW HAD PICKED UP 29 JOINTS OF GRADE "G" PIPE INSTEAD OF GRADE "E".
15:00	20:00	5.0	PULL OUT LAYING DOWN "G" PIPE & PICK UP "E" PIPE. NOTICED CONSIDERABLE GAS BOILING IN CELLAR. PUMP OUT CELLAR AND DETERMINED GAS COMING FROM BETWEEN 9 5/8" SURFACE CASING & CONDUCTOR PIPE. CHECK LEVELS WITH GAS DETECTOR AND GOT 15%.
20:00	20:30	0.5	BREAK CIRC AND PUMP SMALL SLUG.
20:30	22:00	1.5	TRIP OUT TO RUN WIRE LINE.
22:00	22:30	0.5	RIG UP CASED HOLE SOLUTIONS. RIH & PERFORATE CASING 4 SHOTS, 90 DEGREE PHASING @ 1200'.
22:30	23:00	0.5	CLOSE BLIND RAMS, ESTABLISH INJECTION RATE. PUMP 21 BBLs @ 5.3 BBLs/MIN @ 386 PSI. NOTE: WHILE PUMPING THE GAS IN ANNULUS INCREASED APROXIMATLY 30%, THEN DIED DOWN WHEN STOPPED PUMPING.
23:00	06:00	7.0	WAIT ON HALIBURTON COMPOSITE CEMENT RETAINER, OBSERVE WELL. WELL SEEPING 4 BBLs WATER/HR. GAS BUBBLING IN CASING AND BACK TO SAME IN CELLAR.

FUEL ON LOCATION 8200 GALS, USED 1000 GALS  
 CREWS SHORT HANDED 1 FLOORMAN  
 SAFETY MEETINGS: TRIPPING/LAY DOWN PIPE/BOILERS  
 BOILER RAN 24 HRS  
 TEMP -2 DEGREES

NOTE: NOTIFIED MICHEAL LEE W/BLM @ 17:00 HRS, 1/6/07 & RECIEVED VERBAL APPROVAL TO PERFORATE SURFACE CASING @ 1200' AND SQUEEZE CEMENT (DETAILED PROGRAM TO FOLLOW MONDAY TO BLM OFFICE).

01-08-2007      Reported By      PETE COMEAU

Daily Costs: Drilling      \$30,684      Completion      \$0      Daily Total      \$30,684

Cum Costs: Drilling      \$449,775      Completion      \$0      Well Total      \$449,775

MD      2,567      TVD      2,567      Progress      0      Days      0      MW      8.7      Visc      27.0

Formation :      PBTB : 0.0      Perf :      PKR Depth : 0.0

Activity at Report Time: WOC

Start      End      Hrs      Activity Description

06:00 11:30 5.5 WAIT ON HALLIBURTON CEMENT RETAINER.  
 11:30 12:00 0.5 SERVICE RIG.  
 12:00 13:30 1.5 PULL 8" WEAR BUSHING. TRIP IN HOLE WITH HALLIBURTON EZSV RETAINER.  
 13:30 14:00 0.5 SET HALLIBURTON EZSV CEMENT RETAINER @ 1088'.  
 14:00 16:00 2.0 PRESSURE TEST CEMENT RETAINER ON ANNULUS SIDE TO 600 PSI. OK.  
 16:00 17:30 1.5 RIG UP SCHLUMBERGER FOR SQUEEZE JOB. HOLD SAFETY MEETING & PRESSURE TEST SCHLUMBERGER LINES TO 2500 PSI.  
 17:30 18:30 1.0 CEMENT SQUEEZE WITH SCHLUMBERGER. ESTABLISH FEED RATE AT 5 BBLS/MIN AT BETWEEN 900 & 700 PSI WITH 45 BBLS WATER. MIX & PUMP 108 BBLS RFC CEMENT SLURRY MIXED @ 14.1 #/GAL @ 5 BBLS MIN. INITIAL PRESSURE UP TO 900 PSI, STEADY DECREASE TO 170 PSI. NO INDICATION OF ANY SQUEEZE AT ALL. DISPLACED CEMENT WITH 28 BBLS WATER (OVER DISPLACED BY 4 BBLS) PAST PERFS @ 1200'.  
 18:30 23:00 4.5 WOC. POH AND INSPECT EZSV STINGER. RUN BACK TO 1060'.  
 23:00 23:30 0.5 STING INTO RETAINER. RIG UP SCHLUMBERGER.  
 23:30 03:30 4.0 SCHLUMBERGER PUMP UNIT FROZE UP. THAW OUT UNIT & LINES.  
 03:30 05:00 1.5 SAFETY MEETING WITH SCHLUMBERGER. PRESSURE TEST LINES, PUMP CEMENT SQUEEZE # 2. 45 BBLS WATER AHEAD INJECTION RATE @ 5 BBLS/MIN @ 670 PSI. FOLLOWED BY 114 BBLS OF RFC CEMENT SLURRY WITH 0.1% POLYFLAKE @ 14.1 PPG. PRESSURE MAINTAINED ±500 PSI FOR 75 BBLS THEN INCREASED TO 580 AND MAINTAINED THAT PRESSURE FOR THE REST OF THE JOB. NO SIGNIFICANT BUILD UP, NO CHANGE IN GAS ACTIVITY IN CELLAR. DISPLACED WITH 28 BBLS WATER. (OVERDISPLACED PERFS BY 4 BBLS).  
 05:00 06:00 1.0 WOC.

FUEL ON LOCATION 7300 GALS, USED 900 GALS  
 BOILER RAN 24 HRS  
 SAFETY MEETING: PERFORATING/SQUEEZE CEMENTING/SQUEEZE CEMENTING  
 CREWS FULL  
 NO ACCIDENTS OR INCIDENTS REPORTED  
 TEMP -4 DEGREES

<b>01-09-2007</b>		<b>Reported By</b>		PETE COMEAU, ROBERT DYSART							
<b>Daily Costs: Drilling</b>	\$102,391	<b>Completion</b>	\$0	<b>Daily Total</b>	\$102,391						
<b>Cum Costs: Drilling</b>	\$552,167	<b>Completion</b>	\$0	<b>Well Total</b>	\$552,167						
<b>MD</b>	2.567	<b>TVD</b>	2.567	<b>Progress</b>	0	<b>Days</b>	0	<b>MW</b>	8.7	<b>Visc</b>	27.0
<b>Formation :</b>	<b>PBTD : 0.0</b>			<b>Perf :</b>	<b>PKR Depth : 0.0</b>						

Activity at Report Time: TRIP OUT W/MILL ASSY

Start	End	Hrs	Activity Description
06:00	12:00	6.0	WOC.
12:00	13:00	1.0	RIG UP SCHLUMBERGER. SAFETY MEETING.
13:00	13:30	0.5	THAW OUT SCHLUMBERGER PUMP UNIT.
13:30	16:30	3.0	PRESSURE TEST SCHLUMBERGER LINES. ESTABLISH FEED RATE WITH 24 BBLS WATER @ 2.5 BBLS/MIN @ 1057 PSI. MIX & PUMP 223 BBLS OF RFC CEMENT SLURRY (800 SKS) MIXED @ 14.1 PPG. SQUEEZE @ 1.9 BBLS/MIN, AVERAGE SQUEEZE PRESSURE 1150 PSI. PERIODICALLY REACHED 1300 AND DROP BACK TO 1000 BUT AVERAGE THROUGHOUT ABOUT 1150. DISPLACED WITH 13.4 BBLS WATER (2 BBLS UNDER DISPLACE DRILL PIPE. PRESSURE WHEN STING OUT WAS 237 PSI. PULL 2 STANDS DRILL PIPE & REVERSE OUT.
16:30	18:30	2.0	POH. BREAK DOWN HALLIBURTON TOOLS, SORT OUT BHA.
18:30	21:30	3.0	TRIP IN HOLE TO 1014', WASH FROM 1014' TO 1092'. TAG UP ON RETAINER TOP @ 1092'.

21:30 03:30 6.0 MILL ON RETAINER FROM 1092' TO 1094', WOB 5/15K, RPM 50, SPM 70/120, PSI 200/415. PUMP SWEEPS EVERY 15 MIN.  
 03:30 06:00 2.5 TRIP OUT OF HOLE TO CHECK MILL ASSY.

FUEL ON LOCATION 6300 GALS, USED 1000 GALS  
 BOILER RAN 24 HRS  
 SAFETY MEETING: SQUEEZE CEMENTING/TRIPS  
 CREWS FULL  
 NO ACCIDENTS OR INCIDENTS REPORTED  
 TEMP -4 DEGREES

01-10-2007 Reported By PETE COMEAU, ROBERT DYSART

Daily Costs: Drilling \$91,141 Completion \$0 Daily Total \$91,141  
 Cum Costs: Drilling \$643,309 Completion \$0 Well Total \$643,309

MD 2,567 TVD 2,567 Progress 0 Days 0 MW 9.0 Visc 28.0

Formation : PBTBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RDRT/NO CASING REPAIR

Start	End	Hrs	Activity Description
06:00	08:30	2.5	WAIT ON JUNK MILL.
08:30	09:30	1.0	TRIP IN HOLE WITH JUNK MILL #2.
09:30	10:00	0.5	WASH DOWN TO TAG AT 1093'.
10:00	12:30	2.5	MILL ON EZSV CEMENT RETAINER TO 1093.5.
12:30	13:00	0.5	CIRCULATE HOLE CLEAN.
13:00	16:00	3.0	PREPARE TO LAY DOWN DRILL STRING. SORT DRILL PIPE AND PUT IN BINS.
16:00	17:00	1.0	RIG UP CALIBER LAY DOWN MACHINE.
17:00	20:00	3.0	LAY DOWN DRILL PIPE & BHA.
20:00	23:00	3.0	NIPPLE DOWN BOP. CLEAN MUD TANKS. RIG RELEASED TO CWU 1052-1.

OPERATION SUSPENDED DUE TO NEEDED CASING REPAIRS FROM COMPLETION RIG.

CREWS FULL  
 NO ACCIDENTS OR INCIDENTS REPORTED  
 BOILER RAN 17 HRS  
 SAFETY MEETING: PPE/LAY DOWN PIPE

NOTE WELL INFORMATION: CEMENT DRILLED OUT TO 2441' EZSV SET AT 1088'. DRILLED OUT TO 1093.5'. TOP SLIPS MILLED OFF, PACKER ELEMENT MILLED UP. BOTTOM 1/3 OF RETAINER SPINNING ON CEMENT. 9 5/8" CASING PERFORATED WITH 4 SHOTS 0.38" DIAMETER. CASING FULL OF CEMENT FROM 1200' TO EZSV. ALL DEPTHS ARE 17' KB ELEVATION.

TRANSFERRED 5300 GALLONS FUEL TO 1052-1 ON FR-05758 @ \$2.618/GAL = \$ 13875

23:00 1.0 RELEASE RIG @ 23:00 HRS, 01/09/07.

04-04-2007 Reported By NEIL BOURQUE

Daily Costs: Drilling \$17,824 Completion \$0 Daily Total \$17,824  
 Cum Costs: Drilling \$661,133 Completion \$0 Well Total \$661,133

MD 2.567 TVD 2.567 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: WAIT ON DAYLIGHT

Start	End	Hrs	Activity Description
06:00	18:00	12.0	RDMO- RIG DOWN ROTARY TOOLS. 100% READY FOR TRUCKS. MOVE F/ CWU 1220-02 TO CWU 1053-1 IS 2.5 MILES. TRUCKS SCHEDULED FOR 06:30 HRS.

SAFETY TOPIC: RIGGING DOWN X 3. NO ACCIDENTS OR INCIDENTS REPORTED. FULL CREWS

18:00	06:00	12.0	WAIT ON DAYLIGHT
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04-05-2007 Reported By NEIL BOURQUE

Daily Costs: Drilling	\$20,908	Completion	\$0	Daily Total	\$20,908
Cum Costs: Drilling	\$682,041	Completion	\$0	Well Total	\$682,041

MD 2.567 TVD 2.567 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RIG MOVE

Start	End	Hrs	Activity Description
06:00	06:30	0.5	WAIT ON DAYLIGHT
06:30	07:00	0.5	PREJOB SAFETY MEETING HELD WITH TRUE AND JONES TRUCKING CREWS PRIOR TO RIG MOVE.
07:00	11:00	4.0	R/D ROTARY TOOLS WITH TRUCKS AND MOVE RIG F/ CWU 1220-02 TO CWU 1053-01, 2.5 MILES ONE WAY.
11:00	19:00	8.0	R/U ROTARY TOOLS WITH TRUCKS. RAISE DERRICK @ 17:00 HRS.. TRUCKS RELEASED @ 18:00 HRS. 60% RIGGED UP.
19:00	06:00	11.0	WAIT ON DAYLIGHT.

15 MEN - 180 MAN HRS.

SAFETY TOPIC. RIG MOVE AND RIG UP. NO ACCIDENTS OR INCIDENTS REPORTED.

04-06-2007 Reported By NEIL BOURQUE

Daily Costs: Drilling	\$26,990	Completion	\$0	Daily Total	\$26,990
Cum Costs: Drilling	\$709,032	Completion	\$0	Well Total	\$709,032

MD 2.567 TVD 2.567 Progress 0 Days 0 MW 0.0 Visc 0.0  
 Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILL EZSV

Start	End	Hrs	Activity Description
06:00	07:00	1.0	WAIT ON DAYLIGHT. NOTIFIED MICHAEL LEE (BLM) REGARDING PRESSURE TESTING BOP ON 04/04/07 @ 17:00 HRS.
07:00	20:00	13.0	COMPLETE RIG UP. *****RIG ACCEPTED FOR DAY WORK 04/04/07 @ 20:00 HRS.+++++

- 20:00 00:00 4.0 HELD PREJOB SAFETY MEETING. TEST BOPS AS FOLLOWS: TEST UPPER & LOWER KELLY VALVES, SAFETY VALVE & INSIDE BOP TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES OK. TEST PIPE RAMS & INSIDE MANUAL VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES OK. TEST PIPE RAMS & OUTSIDE MANUAL VALVES & HCR TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. OK. TEST PIPE RAMS, CHOKE LINE, UPRIGHT GAUGE VALVE, & INSIDE MANIFOLD VALVES TO 250 PSI FOR 5 MINUTES & 5000 PSI FOR 10 MINUTES. OK. TEST ANNULAR TO 250 PSI LOW FOR 5 MINUTES & 2500 PSI HIGH FOR 10 MINUTES, OK. TEST BLIND RAMS, CHOKE LINE & MIDDLE MANIFOLD VALVES TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. OK. TEST BLIND RAMS, CHOKE LINE & SUPER CHOKE TO 250 PSI LOW FOR 5 MINUTES & 5000 PSI HIGH FOR 10 MINUTES. OK. TEST SURFACE CASING TO 1500 PSI FOR 30 MINUTES, OK.
- 00:00 00:30 0.5 SET WEAR BUSHING.
- 00:30 04:30 4.0 P/U BHA AND DRILL PIPE. TAG EZSV @ 1,093.5'
- 04:30 05:00 0.5 INSTALL ROTATING HEAD RUBBER AND NEW DRIVE BUSHING.
- 05:00 06:00 1.0 DRILL OUT EZSV @ 1,093.5'

FUEL-6900 GAL, RECEIVED-4000 GAL, USED-500 GAL. FULL CREWS.

SAFETY TOPICS: RIGGING UP, TEST BOP, P/U DRILL PIPE. NO ACCIDENTS OR INCIDENTS REPORTED.

<b>04-07-2007</b>		<b>Reported By</b>		NEIL BOURQUE							
<b>Daily Costs: Drilling</b>	\$90,217	<b>Completion</b>	\$0	<b>Daily Total</b>	\$90,217						
<b>Cum Costs: Drilling</b>	\$799,249	<b>Completion</b>	\$0	<b>Well Total</b>	\$799,249						
<b>MD</b>	2.567	<b>TVD</b>	2.567	<b>Progress</b>	71	<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: FIT

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILL ON EZSV F/ 1,093.5' TO 1,096'.
07:30	09:30	2.0	DRILL OUT CEMENT F/ 1,096' TO 1,124' (28").
09:30	10:00	0.5	SERVICE RIG. FUNCTION TEST COM.
10:00	11:30	1.5	DRILL OUT CEMENT F/ 1,124' TO 1,133'. (9') BIT QUIT DRILLING.
11:30	12:00	0.5	PUMP 20 BBL HI-VIS SWEEP AND CIRCULATE HOLE CLEAN.
12:00	12:30	0.5	POOH F/ BIT AND BHA CHANGE.
12:30	14:00	1.5	BREAK OUT JUNK BASKETS AND BIT, RECOVER 7.6 LB OF JUNK F/ JUNK BASKETS. M/U NEW BIT, BHA, MUD MOTOR AND REAMERS
14:00	15:00	1.0	TRIP IN HOLE TO 1,133'
15:00	18:00	3.0	DRILL OUT CEMENT F/ 1,133' TO 1,152'.
18:00	18:30	0.5	PUMP H/V SWEEP AND CIRCULATE HOLE CLEAN. NO ROP.
18:30	20:30	2.0	POOH. CHANGE OUT MUD MOTOR, TIH.
20:30	05:00	8.5	DRILL CEMENT F/ 1,152' TO 1,214'
05:00	05:30	0.5	PUMP 10 BBL H/V SWEEP AND CIRCULATE HOLE CLEAN.
05:30	06:00	0.5	FIT ON PERFS @ 1,200', 10.0 PPG EMW

FUEL- 6,160 GAL, USED-740 GAL.

SAFETY TOPICS: POWER WASHER, ROTARY TABLE, TRIPPING. NO ACCIDENTS OR INCIDENTS REPORTED.

<b>04-08-2007</b>		<b>Reported By</b>		NEIL BOURQUE							
<b>Daily Costs: Drilling</b>	\$58,540	<b>Completion</b>	\$0	<b>Daily Total</b>	\$58,540						
<b>Cum Costs: Drilling</b>	\$857,789	<b>Completion</b>	\$0	<b>Well Total</b>	\$857,789						

MD 2,567 TVD 2,567 Progress 10 Days 0 MW 8.4 Visc 27.0  
 Formation : PBTd : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING CEMENT

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TRIP OUT OF HOLE. BREAK OUT BIT, L/D RMRS AND MUD MOTOR.
08:00	08:30	0.5	STRAP 1,100' OF DRILL PIPE ON RACKS.
08:30	11:00	2.5	PICK UP 1,112.43 ' OF DRILL PIPE. POOH.
11:00	11:30	0.5	SERVICE RIG. FUNCTION TEST COM.
11:30	12:00	0.5	PULL WEAR BUSHING
12:00	13:00	1.0	M/U COMPOSITE RETAINER AND TIH.
13:00	13:30	0.5	SET COMPOSITE RETAINER @ 1.085'
13:30	14:00	0.5	R/U CMT LINES AND REVERSING MANIFOLD.
14:00	14:30	0.5	HELD PREJOB SAFETY MEETING W/ EOG, SLB, HOWCO AND TRUE CREWS.
14:30	15:00	0.5	PRESSURE TEST CMT LINES TO 5,000 PSI, TEST ANNULAR TO 600 PSI, TEST DRILL STRING TO 3,000 PSI. SHUT IN 200 PSI ON BACKSIDE TO MONITOR ANNULUS DURING CEMENTING OPERATIONS AND SQUEEZE.
15:00	18:30	3.5	ESTABLISH INJECTION RATE OF 1 BBL/MIN @ 900 PSI. MIX AND PUMP 380 SX, 15.8 PPG, CLASS 'G' NEAT CEMENT. DISPLACE AND SQUEEZE 65 BBLs OF CEMENT INTO PERFS @ 1,200'. 8 BBLs LEFT BELOW TOOL F/ 1,085' TO 1,200' AND 5 BBLs OF CEMENT ON TOP OF COMPOSITE RETAINER.
18:30	19:00	0.5	UNSTING F/ TOOL. REVERSE CIRCULATE 2 TIMES STRING VOLUME. 2 BBLs CMT RETURNS.
19:00	20:00	1.0	BREAK OUT CMT HEAD, POOH, B/O STINGER AND L/D TOOLS.
20:00	21:00	1.0	M/U MILL TOOTH BIT, NEW BHA AND RIH TO 1,000'
21:00	03:00	6.0	WAIT ON CEMENT.
03:00	03:30	0.5	WASH AND REAM TO TOP OF CEMENT @ 1,055'. TAG CEMENT W/ 4K.
03:30	04:00	0.5	DRILL OUT CEMENT F/ 1,055' TO TOP OF RETAINER @ 1,085'
04:00	05:00	1.0	DRILL OUT COMPOSITE RETAINER.
05:00	06:00	1.0	DRILL OUT CEMENT F/ 1,087' TO 1,095'. WOB 10K, RPM 85, 127 SPM, 410 GPM @ 465 PSI.

FUEL--5,800 GAL, USED--400 GAL. FULL CREWS.

SAFETY TOPICS: TRIPPING W/ NEW HANDS, SQUEEZE CEMENT X 2. NO ACCIDENTS OR INCIDENTS REPORTED.

04-09-2007		Reported By	NEIL BOURQUE								
Daily Costs: Drilling	\$28,294	Completion	\$0	Daily Total	\$28,294						
Cum Costs: Drilling	\$886,083	Completion	\$0	Well Total	\$886,083						
MD	3,418	TVD	3,418	Progress	1,113	Days	1	MW	8.5	Visc	30.0
Formation :	PBTd : 0.0		Perf :		PKR Depth : 0.0						

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:00	5.0	DRILL OUT HARD CEMENT F/ 1,095' TO PERFS @ 1,202'. STRINGERS F/ 1,202 TO 1,242'
11:00	11:30	0.5	PUMP 10 BBL H/V SWEEP AND CIRCULATE HOLE CLEAN.
11:30	12:00	0.5	FIT @ 1,200' (PERFS) EMW- 12.5 PPG.
12:00	12:30	0.5	SERVICE RIG. FUNCTION TEST COM.
12:30	13:00	0.5	WASH AND REAM CEMENT STRINGERS F/ 1,242' TO 1,275'.
13:00	14:00	1.0	TRIP IN STANDS F/ 1,275' TO 2,441'.
14:00	17:00	3.0	DRILL OUT CEMENT, SHOE TRACK, CLEAN OUT RAT HOLE AND DRILL 3' NEW FORMATION TO 2,543'

17:00 17:30 0.5 PUMP 15 BBL H/V SWEEP AND CIRCULATE HOLE CLEAN.  
 17:30 18:00 0.5 FIT. EMW - 9.9 PPG.  
 18:00 19:00 1.0 PULL OUT OF HOLE FOR BIT AND BHA CHANGE. B/O BIT AND JUNK BASKET. RECOVER 5.2 LBS JUNK F/ EZSV.  
 19:00 20:30 1.5 M/U NEW BHA AND RIH TO 2,543'  
 20:30 06:00 9.5 DRILL 7 7/8" HOLE F/ 2,543' TO 3,418', 875' @ 92 FPH, WOB- 10-15, ROTARY 53, MOTOR-70, 136 SPM- 440 GPM @ 1,000 PSI. MW-8.5 VIS 30.

FUEL- 5000 GAL, USED 800 GAL. FULL CREWS.  
 LITHOLOGY: SHLY SS-40%, SS-30%, SH-20%, LS-10%  
 BG GAS-2800-3200U, CONN GAS-6500-6800U, HIGH GAS-7740U @ 3.006'  
 SHOWS- 2720'-2772', 2975'-3023'

SAFETY TOPICS: 2 X TRIPPING, SAFETY MEETING.

2 CREW BOP DRILLS HELD.

06:00 18.0 SPUD 7 7/8" ON 4/8/07 @ 20:30 HRS.

<b>04-10-2007</b>		<b>Reported By</b>		NEIL BOURQUE							
<b>Daily Costs: Drilling</b>	\$35,339	<b>Completion</b>	\$0	<b>Daily Total</b>	\$35,339						
<b>Cum Costs: Drilling</b>	\$921,423	<b>Completion</b>	\$0	<b>Well Total</b>	\$921,423						
<b>MD</b>	4.908	<b>TVD</b>	4.908	<b>Progress</b>	1,490	<b>Days</b>	2	<b>MW</b>	8.8	<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	09:00	3.0	DRILL 7 7/8" HOLE F/ 3,418' TO 3,664', 246' @ 82 FPH, WOB 15-17K, ROTARY-55, MOTOR-67, 130 SPM (420 GPM) @ 1200 PSI, MW- 8.8, VIS-32.
09:00	09:30	0.5	SERVICE RIG, FUNCTION COM.
09:30	10:00	0.5	SURVEY @ 3,530'. 1.36 DEGREE
10:00	20:00	10.0	DRILL 7 7/8" HOLE F/ 3,664' TO 4,631', 967' @ 96.7 FPH, WOB 15-17K, ROTARY-55, MOTOR 67, 130 SPM, 420 GPM @ 1350 PSI
20:00	20:30	0.5	CIRCULATE PRIOR TO SURVEY.
20:30	21:00	0.5	SURVEY @ 4,550' - 1.29 DEGREE.
21:00	06:00	9.0	DRILL 7 7/8" HOLE F/ 4,631' TO 4,908', 277' @ 30.7 FPH MW-9.8, VIS 32, WOB-15-20K, ROTARY-55, MOTOR-67, 130 SPM, 420 GPM @ 1400 PSI.

FUEL-3800 GAL, USED-1200 GAL. FULL CREWS.  
 LITHOLOGY: SH-40%, SS-30%, LS-20%, SHLY SS-10%  
 BG GAS-90-120U, CONN GAS-250-300U, DT GAS-5415U @ 5415', HIGH GAS-7755U @ 3466'  
 SHOWS- 3460-3474'

SAFETY TOPICS: MAKING CONNECTIONS WITH SPINNING CHAIN X 3. BOP DRILL HELD. NO ACCIDENTS OR INCIDENTS REPORTED.

<b>04-11-2007</b>		<b>Reported By</b>		NEIL BOURQUE							
<b>Daily Costs: Drilling</b>	\$41,799	<b>Completion</b>	\$0	<b>Daily Total</b>	\$41,799						

**Cum Costs: Drilling** \$963,222      **Completion** \$0      **Well Total** \$963,222  
**MD** 5.707    **TVD** 5.707    **Progress** 930    **Days** 3    **MW** 9.7    **Visc** 33.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL 7 7/8" HOLE F/ 4,908' TO 5,001', 93' @ 23.2 FPH, MW-9.7, VIS 33, WOB 15-17K, ROTARY-53, MOTOR 67, 130 SPM, 420 GPM @ 1,285 PSI.
10:00	10:30	0.5	SERVICE RIG, FUNCTION TEST COM, AND FLOOR VALVES.
10:30	16:30	6.0	DRILL 7 7/8" HOLE F/ 5,001' TO 5,132', 131' @ 21.8 FPH, MW-9.8, VIS-32, WOB 17-20 K, ROTARY-53, MOTOR 67, 130 SPM, 420 GPM @ 1250 PSI.
16:30	17:30	1.0	CIRCULATE BOTTOMS UP, FLOW CHECK, PUMP SLUG.
17:30	19:00	1.5	TRIP OUT OF HOLE FOR BIT AND BHA CHANGE, L/D REAMERS.
19:00	21:30	2.5	RIH, WASH 30' TO BOTTOM, NO FILL.
21:30	06:00	8.5	DRILL 7 7/8" HOLE F/ 5,001' TO 5,707', 706' @ 83 FPH, MW-9.9, VIS-33, WOB-15-17K, ROTARY-53, MOTOR-67, 130 SPM, 420-GPM @ 1,500 PSI.

FUEL-3,000 GALLONS, USED-800 GALLONS. FULL CREWS.

BG GAS-40-50U, CONN GAS-80-140U, TRIP GAS-1960U @ 5,132', HIGH GAS- 1315U @ 4,965'.  
 LITHOLOGY: RED SH-40%, SH-30%, SS-20%, LS-10%.  
 TOP OF WASATCH @ 5,012'. NO SHOWS

SAFETY TOPICS: RIG SERVICE, TRIPPING, PPE. NO ACCIDENTS OR INCIDENTS REPORTED.

04-12-2007      **Reported By**      NEIL BOURQUE

**Daily Costs: Drilling** \$53,802      **Completion** \$0      **Daily Total** \$53,802  
**Cum Costs: Drilling** \$1,017,025      **Completion** \$0      **Well Total** \$1,017,025  
**MD** 7.030    **TVD** 7.030    **Progress** 1,323    **Days** 4    **MW** 10.0    **Visc** 34.0  
**Formation :**                      **PBTD : 0.0**                      **Perf :**                      **PKR Depth : 0.0**

**Activity at Report Time: DRILLING**

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL 7 7/8" HOLE F/ 5,707' TO 5,956', 249' @ 71.1 FPH, MW-10.0, VIS-33, WOB- 16K, ROTARY 53, MOTOR-67, 130 SPM, 420 GPM @ 1650 PSI.
09:30	10:00	0.5	SERVICE RIG, FUNCTION TEST COM AND CHOKE.
10:00	06:00	20.0	DRILL 7 7/8" HOLE F/ 5,956' TO 7,030', 1,074' @ 53.7 FPH. MW-10.5, VIS 35, WOB-15-20K, ROTARY, 53, MOTOR 65, 127 SPM, 410 GPM, 1750 PSI.

FUEL-9,000 GAL, RECEIVED-7,000 GAL, USED-1,000 GAL. FULL CREWS.

BG GAS-50-60U, CONN GAS-80-120U, HIGH GAS-1315U @ 4,965'  
 LITHOLOGY: SS-35%, SS:35%, RED SH-30%.  
 TOPS: CHAPITA WELLS-5,658', BUCK CANYON-6,290', NORTH HORN-6,859'.  
 SHOWS: 5,890'-5,906', 6,761'-6,773'

SAFETY TOPICS: HOUSE KEEPING, SLINGING PIPE, MIXING CHEMICALS. NO ACCIDENTS OR INCIDENTS REPORTED.

NOTE: 100 BBL LOSSES F/ 6,380' TO 6,700' TREAT MUD W/ LCM. (3-5%), 50 BBL SEEPAGE OVER LAST 8 HRS.  
HAULED 100 BBL MUD F/ FARM.

04-13-2007 Reported By NEIL BOURQUE

Daily Costs: Drilling \$35,464 Completion \$7,039 Daily Total \$42,504  
Cum Costs: Drilling \$1,052,489 Completion \$7,039 Well Total \$1,059,529

MD 8.101 TVD 8.101 Progress 1.071 Days 5 MW 10.6 Visc 39.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:30	5.5	DRILL 7 7/8" HOLE F/ 7,030' TO 7,261', 231' @ 42 FPH, MW-10.6, VIS 38, WOB 17-20K, ROTARY-53, MOTOR 57, 129 GPM, 420 GPM @ 1850 PSI.
11:30	12:00	0.5	SERVICE RIG, FUNCTION TEST COM & KELLY COCKS.
12:00	06:00	18.0	DRILL 7 7/8" HOLE F/ 7,261' TO 8,101', 840' @ 46.6 FPH, WT-10.9, VIS-34, WOB-17-20K, ROTARY-53, MOTOR-62-65, 120-127 SPM, 387-410 GPM. @ 18-1900 PSI.

FUEL-7,900 GAL, USED-1,100 GAL FULL CREWS.

BG GAS-200-300U, CONN GAS-800-1200U, HIGH GAS-6379U @ 7,392'

LITHOLOGY: SS-40%, SH-35%, CARB SH-15%, SLSTN-10%

TOP OF PRICE RIVER @ 7,482'

SHOWS: 7185'-7204', 7301'-7321', 7355'-7414', 7459'-7474', 7850'-7880'

SAFETY TOPICS:FORKLIFT, PRESSURE IN LINES, FORKLIFT. NO ACCIDENTS OR INCIDENTS REPORTED.

NOTE: USED 355 BBL MUD F/ FARM. SEEPAGE LOSSES @ 18 BBL /HR.

04-14-2007 Reported By NEIL BOURQUE

Daily Costs: Drilling \$38,627 Completion \$0 Daily Total \$38,627  
Cum Costs: Drilling \$1,091,117 Completion \$7,039 Well Total \$1,098,157

MD 8.909 TVD 8.909 Progress 808 Days 6 MW 10.7 Visc 38.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILL

Start	End	Hrs	Activity Description
06:00	09:30	3.5	DRILL 7 7/8" HOLE F/ 8,101' TO 8,226', 125' @ 35.7 FPH. MW-10.8, VIS 34, WOB 20K, ROTARY 53 MOTOR 62, 120 SPM @ 1800 PSI.
09:30	10:00	0.5	SERVICE RIG, FUNSTION TEST COM.
10:00	06:00	20.0	DRILL 7 7/8" HOLE F/ 8,226' TO 8,909', 682' @ 34 FPH. MW-10.8, VIS35, WOB-20K, ROTARY-53, MOTOR 65, 127 SPM, 410 GPM, 1950 PSI.

FUEL-6,600 GAL, USED-1,300 GAL ONE CREW MAN SHORT ON PETER HOFER'S CREW.

BG GAS-300-400U, CONN GAS-1000-1800U, HIGH GAS-6673U @ 8,173'

LITHOLOGY: SS-40%, CARB SH-30%, SLTSTN-20%, SH-10%.

TOP OF MIDDLE PRICE RIVER @ 8,272'

SHOWS: 7950'-7966', 8009'-8033', 8069'-8084', 8151'-8184', 8230'-8260', 8362'-8402', 8460'-8497', 8295'-8812'.

SAFETY TOPICS: 3 X 100% TIE-OFF. NO ACCIDENTS OR INCIDENTS REPORTED.

NOTE: 100 BBLs MUD HAULED IN F/ BASIC # 30. 130 BBLs MUD HAULED IN F/ FARM. LOSSES F/ 20 BBLs/HR TO 5 BBLs/ HR THIS AM.

04-15-2007 Reported By NEIL BOURQUE

Daily Costs: Drilling \$45,670 Completion \$2,468 Daily Total \$48,138  
 Cum Costs: Drilling \$1,136,788 Completion \$9,507 Well Total \$1,146,296

MD 9.200 TVD 9.200 Progress 291 Days 7 MW 10.9 Visc 38.0  
 Formation : PBTd : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	DRILL 7 7/8" HOLE F/ 8,809' TO 8,970'. 61' @ 30.5 FPH. MW 10.8, VIS 38. WOB 20-22 K, ROTARY 53, MOTOR 65, 127 SPM, 410 GPM @ 2000 PSI.
08:00	09:30	1.5	CIRCULATE PRIOR TO BIT TRIP, RAISE MW TO 10.9 PPG. 10 MIN FLOW CHECK. NOTE HELD 30 MIN SAFETY MEETING W/ EOG SAFETY MAN KENNETH PHILLIPS WITH TRUE CREW.
09:30	10:00	0.5	PUMP SLUG, DROP SURVEY.
10:00	14:00	4.0	TRIP OUT OF HOLE F/ BIT AND MOTOR CHANGE. TIGHT HOLE @ 4,500'
14:00	15:00	1.0	CHANGE OUT MUD MOTOR AND BIT, RECOVER SURVEY. 1.84 DEGREE @ 8,890'
15:00	16:00	1.0	TRIP IN HOLE TO SHOE.
16:00	17:00	1.0	SLIP AND CUT DRILLING LINE.
17:00	20:00	3.0	TRIP IN HOLE, FILL PIPE @ SHOE AND 6,000'.
20:00	20:30	0.5	INSTALL NEW ROTATING HEAD RUBBER
20:30	21:00	0.5	WASH 60' TO BTM, NO FILL.
21:00	06:00	9.0	DRILL 7 7/8" HOLE F/ 8,970' TO 9,200' 230' @ 25.5 FPH, MW-10.8, VIS, 34, WOB 15-17K, ROTARY-53, MOTOR-65, 125 SPM, 403 GPG, 1850 PSI. 3-5% LCM.

FUEL-5700 GAL, USED-1100 GAL. FULL CREWS.

BG GAS-200-300U, CONN GAS-1200-2000U, TRIP GAS-6799U @ 8970', HIGH GAS-6770U @ 8996'  
 LITHOLOGY: CARB SH-45%, SS-30%, SLTSTN-20%, SH-5%.  
 SHOWS: 8795'-8851', 8859'-8891', 8991'-9002'.  
 TOP OF PRICE RIVER MIDDLE @ 8,272'. PRICE RIVER LOWER @ 8,995'

SAFETY TOPICS: TRIPPING X 2, TRAINING NEW HAND. NO ACCIDENTS OR INCIDENTS REPORTED.

NOTE: 200 BBLs MUD HAULED F/ FARM. NO LOSSES @ 6 AM.

04-16-2007 Reported By NEIL BOURQUE

Daily Costs: Drilling \$36,668 Completion \$0 Daily Total \$36,668  
 Cum Costs: Drilling \$1,173,457 Completion \$9,507 Well Total \$1,182,965

MD 9.740 TVD 9.740 Progress 540 Days 8 MW 10.9 Visc 38.0  
 Formation : PBTd : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: PUMP HEAVY PILL / LDDP

Start	End	Hrs	Activity Description
06:00	10:00	4.0	DRILL 7 7/8" HOLE F/ 9,200' TO 9,344', 144' @ 36 FPH, MW-10.8, VIS-34, WOB-16K, ROTARY-53, MOTOR-65, 126 SPM, 407 GPM @ 1800 PSI.

10:00 10:30 0.5 SERVICE RIG, FUNCTION TEST COM AND CHOKE.

NOTE: LEFT MESSAGE W/ BLM AFTER HRS # 435 781-4513 ON 04/15/07 @ 10:00 HRS REGARDING L/D PIPE, RUNNING AND CEMENTING 4 1/2" CASING.

10:30 00:00 13.5 DRILL 7 7/8" HOLE F/ 9,344' (TD) @ 9,740'.396' @ 29.3 FPH. MW-10.9, VIS-37, WOB-17-20K. ROTARY-53, MOTOR-65, 127 SPM, 410 GPM, 1900 PSI. REACHED TD AT 00:00 HRS (MIDNIGHT), 4/15/07.

00:00 01:30 1.5 FLOW CHECK. NO FLOW AFTER 15 BBL GAIN. CIRCULATE BOTTOMS UP.

01:30 02:30 1.0 FLOW CHECK. NO FLOW. SHORT TRIP TO 8,985', RIH, NO FILL.

02:30 04:00 1.5 CIRCULATE BOTTOMS UP. R/U L/D MACHINE.

04:00 05:00 1.0 MONITOR WELL, CIRCULATE TRIP TANK OVER TOP OF WELL WHILE MIXING 150 BBLS OF 14.5 PPG PILL. STATIC LOSSES 4 BBL/HR. UNABLE TO CIRCULATE @ SAME TIME BECAUSE OF LEAKING VALVES ON MUD TANKS. HELD PRE-JOB SAFETY MEETING W/ WEATHERFORD AND TRUE CREWS.

05:00 06:00 1.0 PUMP 150 BBLS, 14.5 PPG PILL AND SPOT ON BOTTOM. EMW-11.7.

FUEL-4600 GAL, USED-1100 GAL.

BG GAS-2500-3500U, CONN GAS-1200-2000U, TRIP GAS-4069U @ 9740', HIGH GAS-6852U @ 9635'  
 LITHOLOGY: CARB SH-45%, SS-30%, SLSTN-20%, SH-5%.  
 SHOWS: 9119'-9121', 9363'-9405', 9421'-9774', 9478'-9505', 9534'-9556', 9607'-9687'.  
 TOP OF SEGO @ 9,484'

SAFETY TOPICS:RIG SERVICE, MIXING MUD, L/D DRILL PIPE. NO ACCIDENTS OR INCIDENTS REPORTED.

NOTE: 100 BBLS MUD F/ TRUE 15.

<b>04-17-2007</b>		<b>Reported By</b>		<b>NEIL BOURQUE</b>							
<b>Daily Costs: Drilling</b>		\$57,858		<b>Completion</b>		\$189,822		<b>Daily Total</b>		\$247,681	
<b>Cum Costs: Drilling</b>		\$1,231,315		<b>Completion</b>		\$199,330		<b>Well Total</b>		\$1,430,646	
<b>MD</b>	9,740	<b>TVD</b>	9,740	<b>Progress</b>	0	<b>Days</b>	9	<b>MW</b>	10.8	<b>Visc</b>	37.0
<b>Formation :</b>		<b>PBTD : 0.0</b>				<b>Perf :</b>		<b>PKR Depth : 0.0</b>			

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	14:00	8.0	FLOW CHECK. L/D DRILL PIPE AND BHA, FLOW CHECK @ SHOE, NO FLOW.
14:00	14:30	0.5	PULL WEARBUSHING.
14:30	15:30	1.0	R/U WEATHERFORD CASING EQUIPMENT. HELD PRE-JOB SAFETY MEETING WITH ALL CREWS.
15:30	22:00	6.5	RAN TOTAL OF 242 JTS OF 4 1/2". 11.6#. HC P-110 CASING, SHOE SET @ 9,722'. DEPTH OF MKJ @ 4,600' & 7,451', FC @ 9,677', TOP OF SEGO @ 9,484'. CENTRALIZERS PLACED 5' ABOVE SHOE ON JT# 1, TOP OF JT #2, AND EVERY OTHER JT AFTER FOR A TOTAL OF 30.
22:00	23:30	1.5	TAG BOTTOM @ 9,740', L/D TAG JT, M/U LDJ. R/D CASERS, DROP BALL, R/U CMT HEAD AND SHEAR OUT FLOAT EQUIPMENT.
23:30	02:30	3.0	HELD PRE-JOB SAFETY MEETING W/ SLB AND TRUE CREW. PRESSURE TEST SURFACE LINES TO 5,000 PSI/10 MIN. CEMENT AS FOLLOWS: PUMPED 20 BBLS CW100, 20 BBLS WATER, 322 BBLS (800 SX) OF LEAD CMT, 1.75 CUFT/SX YIELD PLUS ADDS, SLURRY WT 12.0 PPG. 358 BBLS (1560 SX) OF 50/50 POZ CMT, 1.29 CUFT/SX YIELD PLUS ADDS, SLURRY WT 14.1 PPG. DISPLACE W/ 150 BBLS WATER. BUMPED PLUG W/ 3,400 PSI, (1000 PSI OVER FCP). BLEED OFF, FLOATS HELD. LAND CASING WITH MANDREL HANGER (88K) TEST SEAL ASSY TO 5000 PSI/15 MIN.

02:30 06:00 3.5 R/D ROTARY TOOLS.

FUEL-4000 GAL, USED 600 GAL. ONE MAN SHORT ON PETER HOFER'S CREW.

SAFETY TOPICS: L/D PIPE, RUN CSG, CEMENTING. NO ACCIDENTS OR INCIDENTS REPORTED.

NOTE: MOVING MINI CAMP THIS AM TO ECW 054-05.

TRUCKS ORDERED F/ RIG MOVE 04/18/07. 2.2 MILES ONE WAY.

06:00 18.0 RIG RELEASED ON 4/17/07 @ 02:30 HRS.  
CASING POINT COST \$1,221,523

04-24-2007 Reported By SEARLE

Daily Costs: Drilling	\$0	Completion	\$45,249	Daily Total	\$45,249
Cum Costs: Drilling	\$1,231,315	Completion	\$244,579	Well Total	\$1,475,895
MD	9,740	TVD	9,740	Progress	0
Days	10	MW	0.0	Visc	0.0

Formation : PBTBTD : 9677.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTBTD TO 60'. EST CEMENT TOP 2350'. RD SCHLUMBERGER.

04-29-2007 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$2,030	Daily Total	\$2,030
Cum Costs: Drilling	\$1,231,315	Completion	\$246,609	Well Total	\$1,477,925
MD	9,740	TVD	9,740	Progress	0
Days	11	MW	0.0	Visc	0.0

Formation : PBTBTD : 9677.0 Perf : PKR Depth : 0.0

Activity at Report Time: PREP FOR FRAC

Start	End	Hrs	Activity Description
08:00	09:00	1.0	NU 10M FRAC TREE. PRESSURE TEST FRAC TREE & CASING TO 8500 PSIG, HELD OK. PREP FOR FRAC.

05-05-2007 Reported By DEAN KOUTROULIS

Daily Costs: Drilling	\$0	Completion	\$6,450	Daily Total	\$6,450
Cum Costs: Drilling	\$1,231,315	Completion	\$253,059	Well Total	\$1,484,375
MD	9,740	TVD	9,740	Progress	0
Days	12	MW	0.0	Visc	0.0

Formation : MESAVERDE PBTBTD : 9677.0 Perf : 7963-9528 PKR Depth : 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RU CUTTERS WL. PERFORATED LPR FROM 9223'-24', 9328'-29', 9351'-52', 9363'-64', 9376'-78', 9390'-92', 9418'-19', 9450'-51', 9479'-80', 9487'-88', 9505'-06' & 9527'-28' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4789 GAL YF116ST+ PAD & 53,326 GAL YF116ST+ WITH 143339# 20/40 SAND @ 1-5 PPG. MTP 7398 PSIG. MTR 55.5 BPM. ATP 5124 PSIG. ATR 48.8 BPM. ISIP 2900 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 9250'. PERFORATED LPR FROM 9009'-10', 9024'-25', 9036'-37', 9050'-51', 9061'-62', 9097'-98', 9123'-24', 9148'-49', 9167'-68', 9195'-96', 9211'-12' & 9225'-26' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4800 GAL YF116ST+ PAD & 53,967 GAL YF116ST+ WITH 142918# 20/40 SAND @ 1-5 PPG. MTP 7229 PSIG. MTR 51.7 BPM. ATP 6069 PSIG. ATR 48.5 BPM. ISIP 4350 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8950'. PERFORATED MPR FROM 8709'-10', 8717'-18', 8751'-52', 8785'-86', 8809'-10', 8812'-13', 8823'-24', 8859'-60', 8881'-82', 8898'-99', 8921'-22' & 8939'-40' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRACED DOWN CASING WITH 165 GAL GYPTRON T-106, 4156 GAL YF116ST+ PAD & 43450 GAL YF116ST+ WITH 129200# 20/40 SAND @ 1-5 PPG. MTP 7485 PSIG. MTR 51.7 BPM. ATP 5910 PSIG. ATR 48.2 BPM. ISIP 3500 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8665'. PERFORATED MPR FROM 8468'-69', 8481'-82', 8489'-90', 8503'-04', 8523'-24', 8543'-44', 8548'-49', 8563'-64', 8596'-97', 8617'-18', 8621'-22' & 8652'-53' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4772 GAL YF116ST+ PAD & 49060 GAL YF116ST+ WITH 147500# 20/40 SAND @ 1-5 PPG. MTP 5538 PSIG. MTR 50.8 BPM. ATP 4690 PSIG. ATR 47.6 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8440'. PERFORATED MPR FROM 8232'-33', 8241'-42', 8250'-51', 8286'-87', 8308'-09', 8321'-22', 8335'-36', 8367'-68', 8379'-80', 8394'-95', 8408'-09' & 8420'-21' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6782 GAL YF116ST+ PAD & 51280 GAL YF116ST+ WITH 155300# 20/40 SAND @ 1-5 PPG. MTP 5182 PSIG. MTR 50.4 BPM. ATP 4042 PSIG. ATR 45.9 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 8200'. PERFORATED UPR FROM 7963'-64', 8010'-11', 8017'-18', 8032'-33', 8058'-59', 8068'-69', 8079'-80', 8092'-93', 8131'-32', 8164'-65', 8171'-72' & 8177'-78' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4142 GAL YF116ST+ PAD & 43359 GAL YF116ST+ WITH 131400# 20/40 SAND @ 1-5 PPG. MTP 5471 PSIG. MTR 51.2 BPM. ATP 4362 PSIG. ATR 47.11 BPM. ISIP 2700 PSIG. RD SCHLUMBERGER. SDFN.

<b>05-06-2007</b>		<b>Reported By</b>		<b>DEAN KOUTROULIS</b>							
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$324,871	<b>Daily Total</b>	\$324,871						
<b>Cum Costs: Drilling</b>	\$1,231,315	<b>Completion</b>	\$577,930	<b>Well Total</b>	\$1,809,246						
<b>MD</b>	9,740	<b>TVD</b>	9,740	<b>Progress</b>	0	<b>Days</b>	13	<b>MW</b>	0.0	<b>Visc</b>	0.0
<b>Formation : MESAVERDE</b>		<b>PBTD : 9677.0</b>		<b>Perf : 7518-9528</b>		<b>PKR Depth : 0.0</b>					

Activity at Report Time: WO COMPLETION.

Start	End	Hrs	Activity Description
06:00	06:00	24.0	RUWL. SET 10K CFP AT 7920'. PERFORATED UPR FROM 7734'-35', 7750'-51', 7763'-64', 7793'-94', 7806'-07', 7830'-31', 7866'-67', 7880'-82', 7889'-90' & 7905'-07' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4177 GAL YF116ST+ PAD & 44027 GAL YF116ST+ WITH 132700# 20/40 SAND @ 1-5 PPG. MTP 5704 PSIG. MTR 50.5 BPM. ATP 4212 PSIG. ATR 47.5 BPM. ISIP 2575 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP AT 7690'. PERFORATED UPR FROM 7518'-19', 7529'-30', 7541'-42', 7571'-73', 7608'-09', 7615'-16', 7621'-22', 7642'-43', 7657'-58' & 7678'-80' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4154 GAL YF116ST+ PAD & 51319 GAL YF116ST+ WITH 141580# 20/40 SAND @ 1-5 PPG. MTP 6415 PSIG. MTR 51.2 BPM. ATP 4499 PSIG. ATR 47.7 BPM. ISIP 2950 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP AT 7420'. BLEED OFF PRESSURE. RDWL. SDFN.

<b>05-10-2007</b>		<b>Reported By</b>		<b>HAL IVIE</b>					
<b>Daily Costs: Drilling</b>	\$0	<b>Completion</b>	\$41,543	<b>Daily Total</b>	\$41,543				
<b>Cum Costs: Drilling</b>	\$1,231,315	<b>Completion</b>	\$619,473	<b>Well Total</b>	\$1,850,789				

MD 9,740 TVD 9,740 Progress 0 Days 14 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9677.0 Perf : 7518-9528 PKR Depth : 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start End Hrs Activity Description  
 06:00 18:00 12.0 MIRU ROYAL RIG # 1. ND FRAC TREE. NU BOP. RIH W/HURRICANE MILL & PUMP OFF BIT SUB TO CBP @ 7420'. SDFN.

05-11-2007 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$59,363 Daily Total \$59,363  
 Cum Costs: Drilling \$1,231,315 Completion \$678,836 Well Total \$1,910,152

MD 9,740 TVD 9,740 Progress 0 Days 15 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9677.0 Perf : 7518-9528 PKR Depth : 0.0

Activity at Report Time: FLOW TEST

Start End Hrs Activity Description  
 06:00 18:00 12.0 CLEANED OUT & DRILLED OUT PLUGS @ 7420', 7690', 7920', 8200', 8440', 8665', 8950' & 9250'. RIH. CLEANED OUT TO PBTD @ 9677'. LANDED TBG AT 8114' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.

FLOWED 14 HRS. 16/64" CHOKE. FTP 1400 PSIG. CP 1500 PSIG. 53 BFPH. RECOVERED 746 BLW. 9238 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 1.00'  
 1 JT 2-3/8" 4.7# L-80 TBG 32.77'  
 XN NIPPLE 1.10'  
 246 JTS 2-3/8" 4.7# L-80 TBG 8061.62'  
 BELOW KB 17.00'  
 LANDED @ 8113.49' KB

05-13-2007 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$2,470 Daily Total \$2,470  
 Cum Costs: Drilling \$1,231,315 Completion \$681,306 Well Total \$1,912,622

MD 9,740 TVD 9,740 Progress 0 Days 17 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9677.0 Perf : 7518-9528 PKR Depth : 0.0

Activity at Report Time: FLOW BACK WELL

Start End Hrs Activity Description  
 06:00 06:00 24.0 FLOWED 24 HRS. 16/64 CHOKE. FTP 1250 PSIG. CP 1900 PSIG. 42 BFPH. RECOVERED 997 BLW. 7061 BLWTR.

05-14-2007 Reported By HAL IVIE

Daily Costs: Drilling \$0 Completion \$2,470 Daily Total \$2,470  
 Cum Costs: Drilling \$1,231,315 Completion \$683,776 Well Total \$1,915,092

MD 9,740 TVD 9,740 Progress 0 Days 18 MW 0.0 Visc 0.0  
 Formation : MESAVERDE PBTD : 9677.0 Perf : 7518-9528 PKR Depth : 0.0

Activity at Report Time: FLOW BACK WELL

Start End Hrs Activity Description  
 06:00 06:00 24.0 FLOWED 24 HRS. 16/64 CHOKE. FTP 1200 PSIG. CP 2200 PSIG. 38 BFPH. RECOVERED 913 BLW. 6148 BLWTR.

05-15-2007 Reported By HAL IVIE

Daily Costs: Drilling	\$0	Completion	\$2,470	Daily Total	\$2,470
Cum Costs: Drilling	\$1,231,315	Completion	\$686,246	Well Total	\$1,917,562

MD	9,740	TVD	9,740	Progress	0	Days	19	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTB : 9677.0		Perf : 7518-9528		PKR Depth : 0.0						

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1200 PSIG. CP 2500 PSIG. 28 BFPH. RECOVERED 734 BLW. 5374 BLWTR.
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05-16-2007 Reported By HAL IVIE

Daily Costs: Drilling	\$0	Completion	\$2,470	Daily Total	\$2,470
Cum Costs: Drilling	\$1,231,315	Completion	\$688,716	Well Total	\$1,920,032

MD	9,740	TVD	9,740	Progress	0	Days	20	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTB : 9677.0		Perf : 7518-9528		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 1250 PSIG. CP 2650 PSIG. 26 BFPH. RECOVERED 591 BLW. 4783 BLWTR. SW1 (5 AM, 5/16/07) WO FACILITIES.
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FINAL COMPLETION DATE: 5/15/07

05-31-2007 Reported By ROGER DART

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$1,231,315	Completion	\$688,716	Well Total	\$1,920,032

MD	9,740	TVD	9,740	Progress	0	Days	21	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTB : 9677.0		Perf : 7518-9528		PKR Depth : 0.0						

Activity at Report Time: INITIAL PRODUCTION

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

06:00	06:00	24.0	INITIAL PRODUCTION. OPENING PRESSURE: TP 1650 & CP 3200 PSI. TURNED WELL TO QUESTAR SALES AT 1:30 PM, 5/29/07. FLOWED 580 MCFD RATE ON 10/64" POS CHOKE.
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5/31/07 FLOWED 132 MCFD, 28 BC &amp; 275 BW IN 20 HRS ON 12/64" CK, TP 1800 &amp; CP 3100 PSIG.

06-01-2007 Reported By MICHAEL WHITE

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$1,231,315	Completion	\$688,716	Well Total	\$1,920,032

MD	9,740	TVD	9,740	Progress	0	Days	22	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTB : 9677.0		Perf : 7518-9528		PKR Depth : 0.0						

Activity at Report Time: ON SALES

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	FLOWED 323 MCFD, 50 BC & 260 BW IN 24 HRS ON 12/64" CK, TP 1800 & CP 3100 PSIG.
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UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

5. Lease Serial No. **U-01201**

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 1053-01**

9. AFI Well No.  
**43-047-37366**

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

11. Sec., T., R., M., on Block and Survey or Area **Sec. 1-T9S-R22E**

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

14. Date Spudded **11/08/2006** | 15. Date T.D. Reached **04/15/2007** | 16. Date Completed **05/29/2007**  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\*  
**4822' NAT GL**

18. Total Depth: MD **9344** | 19. Plug Back T.D.: MD **9677** | 20. Depth Bridge Plug Set: MD  
TVD | TVD | TVD

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

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2531		450 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-9722		2360 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"	8113							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7518	9528	9323-9528		3/spf	
B)			9009-9226		3/spf	
C)			8709-8940		3/spf	
D)			8468-8653		3/spf	

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

Depth Interval	Amount and Type of Material
9323-9528	58,280 GALS GELLED WATER & 143,339# 20/40 SAND
9009-9226	58,932 GALS GELLED WATER & 142,918# 20/40 SAND
8709-8940	47,771 GALS GELLED WATER & 129,200# 20/40 SAND
8468-8653	53,997 GALS GELLED WATER & 147,500# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
05/29/2007	06/06/2007	24	→	35	473	232			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	PRODUCING GAS WELL
12/64"	1500	2500	→	35	473	232			

28a. Production - Interval B

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

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

**RECEIVED**  
**JUN 08 2007**  
DIV. OF OIL, GAS & MINING

28b. Production - Interval C

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

28c. Production - Interval D

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

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

**SOLD**

30. Summary of Porous Zones (Include Aquifers):

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

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
Mesaverde	7518	9528		Wasatch Chapita Wells Buck Canyon Price River Middle Price River Lower Price River Sego	4993 5602 6237 7470 8273 9067 9556

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 06/06/2007

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

**RECEIVED**

JUN 08 2007 (Form 3160, page 2)

DIV. OF OIL, GAS & MINING

**Chapita Wells Unit 1053-01 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8232-8421	3/spf
7963-8178	3/spf
7734-7907	3/spf
7518-7680	3/spf

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

8232-8421	58,227 GALS GELLED WATER & 155,300# 20/40 SAND
7963-8178	47,666 GALS GELLED WATER & 131,400# 20/40 SAND
7734-7907	48,369 GALS GELLED WATER & 132,700# 20/40 SAND
7518-7680	55,638 GALS GELLED WATER & 141,580# 20/40 SAND

Perforated the Lower Price River from 9323-9324', 9328-9329', 9351-9352', 9363-9364', 9376-9378', 9390-9392', 9418-9419', 9450-9451', 9479-9480', 9487-9488', 9505-9506' & 9527-9528' w/ 3 spf.

Perforated the Lower Price River from 9009-9010', 9024-9025', 9036-9037', 9050-9051', 9061-9062', 9097-9098', 9123-9124', 9148-9149', 9167-9168', 9195-9196', 9211-9212' & 9225-9226' w/ 3 spf.

Perforated the Middle Price River from 8709-8710', 8717-8718', 8751-8752', 8785-8786', 8809-8810', 8812-8813', 8823-8824', 8859-8860', 8881-8882', 8898-8899', 8921-8922' & 8939-8940' w/ 3 spf.

Perforated the Middle Price River from 8468-8469', 8481-8482', 8489-8490', 8503-8504', 8523-8524', 8543-8544', 8548-8549', 8563-8564', 8596-8597', 8617-8618', 8621-8622' & 8652-8653' w/ 3 spf.

Perforated the Middle Price River from 8232-8233', 8241-8242', 8250-8251', 8286-8287', 8308-8309', 8321-8322', 8335-8336', 8367-8368', 8379-8380', 8394-8395', 8408-8409' & 8420-8421' w/ 3 spf.

Perforated the Upper Price River from 7963-7964', 8010-8011', 8017-8018', 8032-8033', 8058-8059', 8068-8069', 8079-8080', 8092-8093', 8131-8132', 8164-8165', 8171-8172' & 8177-8178' w/ 3 spf.

Perforated the Upper Price River from 7734-7735', 7750-7751', 7763-7764', 7793-7794', 7806-7807', 7830-7831', 7866-7867', 7880-7882', 7889-7890' & 7905-7907' w/ 3 spf.

Perforated the Upper Price River from 7518-7519', 7529-7530', 7541-7542', 7571-7573', 7608-7609', 7615-7616', 7621-7622', 7642-7643', 7657-7658' & 7678-7680' w/ 3 spf.

Form 3160-4  
(April 2004)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

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

5. Lease Serial No. **U-01201**

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 1053-01**

9. AFI Well No. **43-047-37366**

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

11. Sec., T., R., M., on Block and Survey or Area **Sec. 1-T9S-R22E**

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

14. Date Spudded **11/08/2006** 15. Date T.D. Reached **04/15/2007** 16. Date Completed **05/16/2007**  
 D & A  Ready to Prod.

17. Elevations (DF, RKB, RT, GL)\* **4822' NAT GL**

18. Total Depth: MD **9344** 19. Plug Back T.D.: MD **9677** 20. Depth Bridge Plug Set: MD  
TVD TVD TVD

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

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

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

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2531		450 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-9722		2360 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"	8113							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) Mesaverde	7518	9528	9323-9528		3/spf	
B)			9009-9226		3/spf	
C)			8709-8940		3/spf	
D)			8468-8653		3/spf	

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

Depth Interval	Amount and Type of Material
9323-9528	58,280 GALS GELLED WATER & 143,339# 20/40 SAND
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8468-8653	53,997 GALS GELLED WATER & 147,500# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
05/16/2007	06/06/2007	24	→	35	473	232			FLOWS FROM WELL
Choke Size	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
12/64"	1500	2500	→	35	473	232			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	Thg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas Oil Ratio	Well Status	
			→						

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

AUG 02 2007

BUREAU OF LAND MANAGEMENT

28h. 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>7518</b>	<b>9528</b>		<b>Wasatch Chapita Wells Buck Canyon Price River Middle Price River Lower Price River Sego</b>	<b>4993 5602 6237 7470 8273 9067 9556</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 07/31/2007

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

**Chapita Wells Unit 1053-01 - ADDITIONAL REMARKS (CONTINUED):**

**26. PERFORATION RECORD**

8232-8421	3/spf
7963-8178	3/spf
7734-7907	3/spf
7518-7680	3/spf

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

8232-8421	58,227 GALS GELLED WATER & 155,300# 20/40 SAND
7963-8178	47,666 GALS GELLED WATER & 131,400# 20/40 SAND
7734-7907	48,369 GALS GELLED WATER & 132,700# 20/40 SAND
7518-7680	55,638 GALS GELLED WATER & 141,580# 20/40 SAND

Perforated the Lower Price River from 9323-9324', 9328-9329', 9351-9352', 9363-9364', 9376-9378', 9390-9392', 9418-9419', 9450-9451', 9479-9480', 9487-9488', 9505-9506' & 9527-9528' w/ 3 spf.

Perforated the Lower Price River from 9009-9010', 9024-9025', 9036-9037', 9050-9051', 9061-9062', 9097-9098', 9123-9124', 9148-9149', 9167-9168', 9195-9196', 9211-9212' & 9225-9226' w/ 3 spf.

Perforated the Middle Price River from 8709-8710', 8717-8718', 8751-8752', 8785-8786', 8809-8810', 8812-8813', 8823-8824', 8859-8860', 8881-8882', 8898-8899', 8921-8922' & 8939-8940' w/ 3 spf.

Perforated the Middle Price River from 8468-8469', 8481-8482', 8489-8490', 8503-8504', 8523-8524', 8543-8544', 8548-8549', 8563-8564', 8596-8597', 8617-8618', 8621-8622' & 8652-8653' w/ 3 spf.

Perforated the Middle Price River from 8232-8233', 8241-8242', 8250-8251', 8286-8287', 8308-8309', 8321-8322', 8335-8336', 8367-8368', 8379-8380', 8394-8395', 8408-8409' & 8420-8421' w/ 3 spf.

Perforated the Upper Price River from 7963-7964', 8010-8011', 8017-8018', 8032-8033', 8058-8059', 8068-8069', 8079-8080', 8092-8093', 8131-8132', 8164-8165', 8171-8172' & 8177-8178' w/ 3 spf.

Perforated the Upper Price River from 7734-7735', 7750-7751', 7763-7764', 7793-7794', 7806-7807', 7830-7831', 7866-7867', 7880-7882', 7889-7890' & 7905-7907' w/ 3 spf.

Perforated the Upper Price River from 7518-7519', 7529-7530', 7541-7542', 7571-7573', 7608-7609', 7615-7616', 7621-7622', 7642-7643', 7657-7658' & 7678-7680' w/ 3 spf.



# United States Department of the Interior

BUREAU OF LAND MANAGEMENT  
Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155  
<http://www.blm.gov>



IN REPLY REFER TO:  
3180  
UT-922

June 18, 2008

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

Re: 1st Revision of the Mesaverde  
Formation PA "O,Q,R,AA"  
Chapita Wells Unit  
Uintah County, Utah

Gentlemen:

The 1st Revision of the Mesaverde Formation PA "O,Q,R,AA", Chapita Wells Unit, CRS No. UTU63013BC, is hereby approved effective as of May 1, 2007, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The 1st Revision of the Mesaverda Formation Participating Area "O,Q,R,AA", results in the addition of 80.00 acres to the participating area for a total of 1,035.60 acres and is based upon the completion of unit well No. 1053-1 located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$  Section 1, Township 9 South, Range 22 East, API No. 43-047-37366, Unit Tract No. 11, Lease No. UTU01201, as a well capable of producing unitized substances in paying quantities. *from 15795 to 14406*

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 1<sup>st</sup> Revision of the Mesaverda Formation Participating Area "O,Q,R,AA", Chapita Wells Unit and its effective date.

Sincerely,

*/s/ Becky J. Hammond*

Becky J. Hammond  
Chief, Branch of Fluid Minerals

Enclosure

RECEIVED

JUN 25 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

JUL 16 2008

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

Re: Consolidated Mesaverde Formation PA  
"A-X,AA-BB" Chapita Wells Unit  
Uintah County, Utah

Dear Ms. Spears:

The Consolidated Mesaverde Formation PA "A-X,AA-BB", Chapita Wells Unit, CRS No. UTU63013BD, AFS No. 892000905B, is hereby approved effective as of June 1, 2007, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Consolidated Mesaverde Formation PA "A-X,AA-BB" results in an initial consolidated participating area of 15,177.63 acres and is based upon the completion the following wells as capable of producing unitized substances in paying quantities.

*To 13650*

WELL NO.	API NO.	LOCATION	LEASE NO.
CWU1171-03	43-047-37695	NE $\frac{1}{4}$ SW $\frac{1}{4}$ , 3-9S-22E	UTU0281
CWU1172-03	43-047-37838	NE $\frac{1}{4}$ SE $\frac{1}{4}$ , 3-9S-22E	UTU0281

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 Consolidated Mesaverde Formation PA "A-X,AA-BB", Chapita Wells Unit, and the effective date.

*also 15  
wells from entity*

*14406*

*CW U 1053-1*

*4304737366 01-09S-22E*

Sincerely,

*/s/ Becky J. Hammond*

Becky J. Hammond  
Chief, Branch of Fluid Minerals

Enclosure

RECEIVED

JUL 28 2008

DIV. OF OIL, GAS & MINING

**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: 1060 East Highway 40  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37366	CHAPITA WELLS UNIT 1053-01		SWNE	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	15795	14406	11/8/2006		5/1/2007		
Comments: <u>MVRD</u> — <u>8/26/08</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37695	CHAPITA WELLS UNIT 1171-03		NESW	3	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	16108	13650	4/30/2007		6/1/2007		
Comments: <u>MVRD</u> — <u>8/26/08</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37838	CHAPITA WELLS UNIT 1172-03		NESE	3	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	16079	13650	4/26/2007		6/1/2007		
Comments: <u>MVRD</u> — <u>8/26/08</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)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

8/21/2008

Title

Date

**RECEIVED**

AUG 21 2008

DIV. OF OIL, GAS & MINING

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: 1060 East Highway 40  
city VERNAL  
state UT zip 84078 Phone Number: (435) 781-9145

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38346	CHAPITA WELLS UNIT 1243-02		SWNE	2	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	14406	13650	1/8/2007		6/1/2007		
Comments: <u>MURD</u> — <u>8/26/08</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-39584	CHAPITA WELLS UNIT 1182-03		NWNE	3	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	14406	13650	6/27/2008		6/1/2007		
Comments: <u>MURD</u> — <u>8/26/08</u>							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-37366	CHAPITA WELLS UNIT 1053-01		SWNE	1	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	14406	13650	11/8/2006		6/1/2007		
Comments: <u>MURD</u> — <u>9/18/08</u>							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
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**AUG 21 2008**

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